

ETI Update



ethical
trading
initiative

Produced by the ETI Secretariat to keep members informed of our activities. To provide feedback or to make a contribution, contact Julia Hawkins: julia@eti.org.uk

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Bulletin board

ETI Training Programme

Module 1: 10 May

Module 2: 14-15 June

Module 3: 12-13 July

Module 4: 24-25 May

Meeting dates

Board meeting

25 May, 2 pm – 5 pm

ETI offices

GM and Food caucus

25 May, 10 am – 12.30 pm

ETI offices

NGO caucus

23 May, 1pm – 4 pm

ETI offices

Trade union caucus

25 May, 10.30 am – 12.30 pm

Congress House

China Project

26 May, 10.30 am – 1.30 pm

ETI offices

Homeworkers Group

20 June, 11 am – 1.30 pm

ETI offices

Sri Lanka Garments Project

24 May, 11 am – 1.30 pm

ETI offices

Purchasing practices

25 April, 12 - 3pm

ETI offices

Projects and Working Groups

China Project Group

Exploring tripartite collaboration for change OHS technical inspections underway. The first technical inspection to benchmark OHS standards in the factories selected for this project are now complete. Inspections will be carried out in the remaining four factories after lessons learnt from the first inspection have been analysed.

Meanwhile, there is continued dialogue between the UK Group and the selected local training NGOs to agree a common approach for engaging with the factories. The debate focuses on how prescriptive we should be when setting up the OHS committees.

Future Meetings:

Full China Group:
Friday 26 May
10.30 am – 1.30 pm
ETI offices

Contact Helen Turner: helen@eti.org.uk
www.ethicaltrade.org/Z/actvts/exproj/china

Homeworkers Project

Applying the Base Code to an invisible workforce: examining fabric embellishment in India

Indian stakeholders welcome 'unprecedented' consultation. Consultations on the draft guidelines for homeworkers were held from January to March in Delhi with the Indian Government, retailers and brands, Indian exporters, contractors and sub-contractors, representatives of the five central trade unions and unorganised homeworkers. Many of those consulted - particularly those further down the chain – remarked on how unprecedented, and welcome, these consultations were, offering an opportunity for genuine discussion of the challenges and potential solutions to improving conditions for informal sector workers.

Revision of guidelines. The guidelines are now being revised on the basis of this consultation, and

we hope to have them up on the ETI website by June or July.

Next meeting

Tuesday 20 June
11 am – 1.30 pm
ETI offices

Contact Liz Kirk: liz@eti.org.uk
www.ethicaltrade.org/Z/actvts/exproj/hmwkr

Sri Lanka Garments Project

Testing different audit approaches in the ready-made garments industry

Sri Lanka Group prepares for second round of audit testing. The project group in Sri Lanka has now expanded to bring in the skills required to improve methodologies for the second round of testing audit approaches. The enlarged group now includes additional representation from the manufacturers, additional union representation, plus an ILO observer.

The project group is now meeting more frequently, to develop and refine tools, work more closely with commercial audit companies, and develop a more rigorous training programme for those who will make up the multi-stakeholder audit team.

Exploration of feasibility of multi-stakeholder agency. Once the second round of audits have been conducted (summer 06), the Sri Lankan and UK groups will work together to look at the feasibility of establishing an industry-wide audit agency, which would feed into ETI's capacity building work.

Next meeting

Wednesday 24 May
11 am – 1.30 pm
ETI offices

Contact Liz Kirk: liz@eti.org.uk
www.ethicaltrade.org/Z/actvts/exproj/srigarm

Temporary Labour (Gangmaster) Working Group

Towards a licence to operate: designing a code of practice and inspection process for providers of temporary labour in UK agriculture

Lobbying on exclusions successful. After weeks of delay, the Government finally announced on 13 March that the Gangmaster Licensing Act will apply to the provision of labour across the entire food sector. ETI and other TLWG members had submitted responses to Defra's exclusions consultations calling for full implementation of the Act across the entire food industry - in other words, for no exclusions – in December, and followed this with intensive lobbying activity backed up by a sustained media campaign. Our thanks go to all TLWG members who worked so hard to make sure that **all** workers in the UK food supply chain benefit from the Act.

Gangmaster Licensing Authority goes live. The GLA opened for business on 6 April, and temporary labour providers can now apply for a licence by visiting www.gla.gov.uk. From 1 October it will be an offence for any labour provider to operate without a licence and from 1 December it will be illegal for any business to use an unlicensed labour provider. The TLWG now plans to wind up its activities after handing over to the GLA.

Purchasing Practices Project

Exploring how common purchasing practices affect suppliers' ability to meet international labour standards

Plans progressing. Individual sub-group plans are continuing to progress. At the next meeting key milestones from the collated plan for each of the sub-group projects will be analysed to allow the group to think about how and when to share lessons.

Future Meetings:

Tuesday 25 April
12 - 3pm
ETI offices

Contact: Helen Turner: helen@eti.org.uk

ETI Impact assessment

Assessing and improving the impact of corporate members' implementation of the ETI Base Code

ETI Impact Assessment findings due to be published in September 2006. After several painstaking months of collating, analysing and writing up the findings from the six country studies, the IDS research team has prepared the first full draft of the final report. The Impact Assessment Steering Group met on 10 March to review this first draft, and agreed the process for finalising the report.

The final report will include a summary flyer which will be produced in English, Chinese, Spanish and possibly other languages.

While the report is being finalised, IDS is hoping to present key findings and recommendations to ETI membership caucus meetings in May (tbc).

Contact Man-Kwun Chan: man-kwun@eti.org.uk

Capacity building activities

Capacity building plans

Work starts on multi-stakeholder initiatives. Work has already started on supporting the development of multi-stakeholder initiatives in India (see Delhi Homeworker Group below) and Sri Lanka (see Sri Lanka Garments Project p.2), and ETI will be participating in the Multi-Fibre Agreement (MFA) Forum meetings in Bangladesh in May. See below for more details on plans for developing a new training programme for worksite supervisors.

Please see the new document (attached to this Update): *Outline of ETI capacity building activities 06-07* for a full outline of ETI's capacity building plans.

Delhi Homeworker Group

This Group is now moving ahead with the establishment of a multi-stakeholder agency to work with homeworkers engaged in fabric embellishment in Bareilly, Uttar Pradesh. This agency will seek to implement some of the recommendations in the guidelines identified as

needing collaborative inputs from players across the sector. Recruitment for a co-ordinator in Bareilly is currently underway, and Delhi group members are currently conducting detailed mapping of their supply chains to identify the right stakeholders for potential involvement in the Bareilly initiative. This is an exciting moment in the project and the UK homeworker group plan to organise a half-day roundtable for those outside the group to understand the ambitions of the Bareilly agency and the possibilities of involvement.

Contact Liz Kirk: Liz@eti.org.uk

Developing supervisor training

Call for members to participate in Group

ETI has now drafted plans for the development of supervisor training in collaboration with the Wine Industry Ethical Trade Association (WIETA) in South Africa. WIETA staff will be visiting ETI in May to plan this work together. We are now setting up a members' Working Group to lead on this work. If you are interested in participating in this work, please contact Pins by 28 April.

Contact Pins Brown: pins@eti.org.uk

Membership support and development

New member

Ty.phoo Tea joins ETI. This leading tea brand was sold by Premier Foods to Kolkata-based Apeejay Surrendra Group in October last year. Apeejay Surrendra have interests in tea plantations, hotels, shipping and finance. Ty.phoo Tea supplies a range of tea products to the main retailers in the UK and to the food service industry. The business is one of the UK's best known tea brands and we welcome them into membership.

Membership applications

ETI has received an application from **Associated British Foods (ABF)**, a holding company that owns many companies (grocery, bakery, sugar, animal

feeds) and a retail division, Primark. ABF's portfolio also includes Twinings Tea, a member of the Ethical Tea Partnership, which of course is a member of ETI. Although a listed company, ABF is controlled by renowned corporate philanthropist George Weston. ABF wish to join as a group and scope the Base Code to the entire Primark business in the first instance.

We have also received an application from **Supremia**, a promotional good and giftware business. Although small, the company is one of the largest businesses in its industry and focuses on the quality end of the market. It sources a wide variety of products (glass, apparel, clocks, watches, bags, footballs, luggage) for promotions by their large client companies. While supply is focussed in China, they source from countries all over the world.

Somerfield leaves ETI. Regrettably, Somerfield Stores Ltd has given notice that they will not renew their membership this month. They cite the short-term focus of the new private owners as the reason for this decision while acknowledging the benefit that the business has gained from ETI membership.

Corporate Annual Reporting

Thank you to all corporate members who submitted reports at the end of March. You will receive individual feedback from ETI by mid June.

Review of the Framework. It is now is time to review how the Corporate Reporting Framework should be improved so we can deliver timely guidance for 2006. An initial meeting for any interested member is planned in early May (we are consulting on dates) to gather feedback on using the reporting framework and establish priorities to review. The purpose of the meeting will be to

1. hear members' experiences (positive and negative) of using the reporting framework while they are still fresh in the mind
2. establish the agenda and priorities for revising the reporting framework
3. consider how to organise ourselves to make sure any necessary revisions are made promptly.

Some members have already provided feedback on the issues they regard as important in order to make the framework more useful and to encourage the right kind of change within supply chains. The Secretariat will theme these comments into key areas prior to the meeting to make the most effective use of your time during the meeting. If you have not already provided your feedback, please do so to **Sam Mackay at sam@eti.org.uk**

Review of the ETI 'complaints system'

ETI has a 'complaints system' designed to facilitate communications between members on occasions when member organisations complain about the labour practices of a supplier to an ETI member company. This was written in 2001 and is known as the *Alleged Code Violations Guidelines*. This document can be found at www.ethicaltrade.org/Z/lib/2001/11/codeviolguid/allgd-codeviolguidelinesl.pdf

In 2005/06, ETI members' experience of using the guidelines was reviewed and a membership working group revised the document after considering proposals for change from the membership. The revised version was circulated to members at the February caucus meetings.

The most significant change proposed is to strengthen the obligations on members that choose to use this process by making it a procedure with stronger support from the Secretariat rather than a guideline that is dependent on bilateral co-operation between member organisations. However, the working group has also strengthened the principle that this procedure should only be used as a last resort, with the "default switch" set on member organisations receiving and handling complaints directly with the member that raised them.

Please send any comments you have to **sam@eti.org.uk** by Friday 21 April.

Training, publications and events

ETI Training Programme

Putting our learning into practice

First three courses sold out

We are very pleased that the first runnings of Modules 1 and 2 were sold out and received overwhelmingly positive feedback from participants. Module 3 (25-26 April) is now also fully booked.

Coming soon!

Book now for the following courses:

*****30% Discount for members*****

10 May: Module 1 (An introduction to ethical trading and ETI)

24-25 May: Module 4 (Interfacing with internal and external stakeholders)

14-15 June: Module 2 (Developing and implementing an ethical trading policy)

12-13 July: Module 3 (Managing supply chain issues)

For further information and to download a booking form see: www.ethicaltrade.org/d/training

Remember that your suppliers, partner organisations and affiliates may also benefit from attending our courses. Please do let them know about the Training Programme – you can download copies of the flyers from www.ethicaltrade.org/d/training or order printed copies from Sam (**sam@eti.org.uk**).

Tailored in-house training courses are also available. In-house training may be a cheaper option if you are interested in training several staff within your organisation. For further information on in-house courses contact **Fiona Mabbott, fiona@eti.org.uk** or **Chris Cooper, Chris@co-op.ac.uk**

New! Briefing papers in Chinese and Spanish

Ethical trade: shaping a new agenda

We are pleased to announce the publication of **Chinese** and **Spanish** versions of the summary briefing paper *Ethical trade: shaping a new agenda (Key directions emerging from the ETI Conference 2005)*.

Including 29 good practice case studies, this series of six briefing papers has proved very popular with members and non-members alike. Since their publication in November last year, there have been nearly **6,000 downloads** of the papers from our website.

As well as the summary paper, other titles in the series are:

1. *Quick fix or lasting solution?* Dealing responsibly with typical non-compliances.
2. *Finding common ground:* working with trade unions in supplier countries.
3. *Managing compliance with labour codes at supplier level:* a more sustainable way of improving workers' conditions?
4. *Moving production:* stalling the race to the bottom.
5. *Bridging the gap between commercial and ethical trade agendas:* pioneering approaches to purchasing practices.

All papers, including the new Chinese and Spanish versions, can be downloaded for free from www.ethicaltrade.org/dl/conf2005

ETI and beyond

ETI in the media

ETI's media profile continues to grow: media enquiries and coverage have both more than doubled over the past year. We are now getting regular coverage in trade press (notably Food Manufacture, Supply Management, Fresh Produce Journal, The Grocer and Drapers Record) and have built up good contacts across some of the national daily newspapers.

Much of our recent work has focused on supporting the lobbying activities of the TWLG (see p.) which resulted in prominent pieces in the Guardian and the Financial Times as and BBC Radio 4.

Recent launches by Marks & Spencer, Gap Inc., Topshop and others also prompted a wave of enquiries and coverage. In light of this we are planning to hold briefing sessions for members' PR teams on key messages around ethical trade, ethical trade vs fair-trade and what consumers

should do. If you or your PR staff would be interested in attending such a briefing, please let Julia Hawkins know.

Contact Julia Hawkins: julia@eti.org.uk
www.ethicaltrade.org/Z/abteti/press/index.shtml

New partnership with DFID

DFID has confirmed its intention to agree a major new funding partnership with ETI. A total of eight organisations were chosen to receive a 'Partnership Programme Agreement' from an original shortlist of 125. The partnership, which could be worth up to £2.375m, will commit ETI and DFID to working together to achieve shared strategic outcomes over the next five years. We are now negotiating the finer details of this arrangement with DFID, which will come into effect in July 2006.

DFID review of ETI. Thank you to those members who contributed to the review of ETI by DFID. The brief report was positive about ETI's achievements in the past five years and made a number of useful recommendations for the future. These include developing a clearer business case, engaging more across businesses and raising the profile of ethical trade.

Launch of ILO Global Report on Child Labour

Bill Brett, ILO Director for UK and Ireland invites you to the London launch of the *2006 Global report on child labour*. The Head of the International Programme for the Elimination of Child Labour, Guy Thijs, will present the report on May 4 at 14.30 and the findings will be discussed by a panel of experts at the Lewis Media Centre, Millbank Tower, 21-24 Millbank London SW1P 4QP.

To register your attendance, please contact Monica Evans via email to: evansm@ilo.org or telephone: 0207 828 6401 x 201

Secretariat news

ETI career opportunity

Membership and Training Development Manager

Closing date Friday 21 April

Interview date 9 May

We are currently recruiting for a Membership and Training Development Manager. This is an exciting opportunity to lead the growth of our corporate membership and develop our new training programme, adapting it for other countries. The Membership Development Manager will also oversee ETI's annual assessment of member companies' performance. Further details and an application form can be obtained at:

<http://www.ethicaltrade.org/Z/lib/2006/03/job-mdm/index.shtml#advert>

Please forward this information to anyone you think may be interested in this position.

New appointments

We are delighted to announce the following recent appointments:

Annie Watson. Annie took over from Tony Young as the **ETI trade union membership co-ordinator** in January of this year. Annie brings with her many years of experience of engaging trade unions in around the world and brings great insight into the Secretariat. Annie's current priority is to foster greater trade union participation in ETI. For queries about, and contacts of trade unions, members should contact Annie on annie@eti.org.uk.

Members are reminded that **Peter Williams** is the **NGO Membership Co-ordinator** and can be contacted on peterkwilliams@fastmail.fm.

Lord (Tony) Young, who has been working with ETI for the past three years as trade union membership co-ordinator, was appointed by the Board to the position of **Vice chair of ETI**. Tony will deputise for Alan Roberts on the rare occasions when Alan is not available and will advocate on behalf of ETI and ethical trade in the House of Lords.

And finally... **Juliet Edington** has resigned from ETI. Juliet was a dynamic and committed member of the Secretariat and will be greatly missed, but we wish her every success in her new life in Vietnam. She has started working as a freelance consultant, based in Ho Chi Minh City and can be contacted at juliet_edington@yahoo.com. Liz Kirk will now be permanently contracted by ETI as Head of Projects, and Helen Turner is now permanently contracted as Project Manager.

Disclaimer: The inclusion of information about other organisations and/or their events and activities does not necessarily imply endorsement by ETI.

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