

# ETI Update



ethical  
trading  
initiative

Keeping members informed of our latest developments and events. To provide feedback or to make a contribution, contact Penny Street: penny@eti.org.uk

## Contents

### p2 Projects and Working Groups

- Homeworkers Project
- China Forum
- Decent Work Project
- Sri Lanka Garments Project
- Purchasing Practices Project
- Wages Project

### p3 Capacity building activities

- Developing supervisor training

### p4 Membership support and development

- ETI annual reporting update
- Update on review of Principles of Implementation
- New members

### p5 Training, publications and events

- ETI films for suppliers and retailers
- ETI conference 2008
- ETI training programme

### p6 ETI and beyond

- ETI in the media
- Implementing ETI Principles in the health service
- Joint Initiative on Corporate Accountability and Workers' Rights
- Memorandum of Understanding with SAI
- DFID study on ethical fish sourcing
- New report on caste discrimination and the role of global corporations

### p7 Secretariat news

- Carol Sheldon has retired
- New ETI Office Manager appointed
- Recruitment of Communications Coordinator

## Bulletin board

**DIARY DATE!** ETI tenth anniversary conference set for 23 October – see page 5.

## Meeting dates

### Board meeting

22 May, 2 – 5 pm  
ETI offices

### GM and Food caucus

22 May, 10.30 am – 1 pm  
ETI offices

### Trade Union caucus

22 May, 9.30 am – 12 pm  
Congress House

### NGO caucus

20 May, 11 am – 4.30 pm  
ETI offices

### Annual Reporting Working Group

5 June, 10.30 am – 2 pm  
ETI offices

### China Forum

2 July (tbc)  
ETI offices

### Homeworker Project

21 May, 11.30 am – 2 pm  
ETI offices

### Purchasing Practices Project

21 May, 2 – 4.30 pm  
ETI offices

### Supervisor Training Project

13 May, 11.30 am – 1 pm  
(subgroup), 2 – 5 pm (full group)  
ETI offices

### Wages Project

4 June (tbc)  
ETI offices

## Projects and working groups

### Homeworkers Project

#### *Applying the Base Code to an invisible workforce: testing our guidelines*

#### **Successful tri-partite visit to Delhi and Bareilly.**

From 10 – 14 March, a tri-partite delegation of ETI's UK Homeworker Group visited the National Homeworker Group (NHG) in Delhi, and travelled to Bareilly to see the results of work to implement the Base Code with homeworkers engaged in fabric embellishment. The group was highly impressed with the progress achieved within just a year, and spent time in discussions with homeworkers in villages in Uttar Pradesh to understand the difference that the work of the Bareilly group has made to their lives. Key achievements evident in Bareilly include:

- Obtaining 'artisan cards' has given over 1000 informal sector workers both civil status and access to rights. The cards link homeworkers to key state provisions, such as access to healthcare, accident insurance and subsidised credit schemes, and have been key in improving workers' uptake of services and in generating a sense of professional confidence and status.
- Over 4000 homeworkers have received training in health and safety, record keeping and access to health services. For the first time, homeworkers and subcontractors are keeping records of work transactions; are recognising that simple changes to production methods can enhance productivity and therefore income; and are making changes to their work environment to improve light levels and reduce chances of eyesight loss.

**NHG strategy planning.** In addition to visiting Bareilly, UK group members attended National Homeworker Group strategy planning meetings in Delhi for the 08-09 period. Major agreement was reached on the following priority areas:

- Improving prices paid to homeworkers. This must be a key focus of work for 2008–09. The work will begin with a wages study.
- Scaling up NHG to work in new locations. The group will begin expansion with a scoping study into homeworker production in the Delhi area.

**New UK group member.** In the UK, Tesco has joined up to the UK Homeworker Group, which carries a commitment to test the ETI Homeworker Guidelines in its supply chain. The UK group will meet on 21 May to share implementation experience, hear a full report on the India visit, and discuss the timetable for revising the Homeworker Guidelines in light of collective experience.

#### **Next meeting**

21 May 2008, 11.30 am – 2 pm, ETI offices

**Contact Liz Kirk:** [liz@eti.org.uk](mailto:liz@eti.org.uk)  
[www.ethicaltrade.org/Z/actvts/exproj/hmwkr](http://www.ethicaltrade.org/Z/actvts/exproj/hmwkr)

### China Forum

**New Chair and Deputy Chair.** The April meeting of the China Forum saw the introduction of the new Chair, Derek Jackson from Monsoon/Accessorize, and Deputy Chair, Adil Rehman from Next. Impactt made a presentation on its draft Child Labour Remediation Guidelines, prompting some interesting questions, comments and debate from union, NGO and corporate representatives at the Forum.

**Speaker at next Forum.** Professor Jude Howell, Director of the Centre for Civil Society at LSE, has been invited to speak on the China Contract Labour Law at the next Forum in July. Professor Howell will address the politics of this law and what it might mean for trade unions, business and workers in China.

#### **Next meeting**

2 July 2008 (time tbc), ETI offices

**Contact Olivia Robinson:** [olivia@eti.org.uk](mailto:olivia@eti.org.uk)

### Decent Work Project

**Participatory techniques workshop.** A two-day ETI participatory techniques workshop was held in Shenzhen, China on 14 and 15 March 2008. The workshop brought together 15 people from 7 local NGO and union groups to discuss and explore ways of applying participatory techniques to project activities in Chinese factories. Follow-up meetings involving unions and NGOs will be held in the

coming months, and activities in the chosen factories will start during the summer.

**Changes in membership rules of the project group.** To maximise the outcomes of the pilot stage of the project, the group decided at its February meeting to restrict new membership of the project to those retailers sourcing from the factories which are already participating in the project. The cap on new members will be reviewed towards the end of the year.

**Next meeting**  
May 2008 (tbc)

**Contact Olivia Robinson: [olivia@eti.org.uk](mailto:olivia@eti.org.uk)**

### **Sri Lanka Garments Project** *Testing different audit approaches in the readymade garments industry*

As reported in the last Update, this project is now almost at an end. The UK project group met in London in January to solidify learning from the pilots, which will be made available to the membership in 2008.

**Contact Liz Kirk: [liz@eti.org.uk](mailto:liz@eti.org.uk)**  
[www.ethicaltrade.org/Z/actvts/exproj/srigarm](http://www.ethicaltrade.org/Z/actvts/exproj/srigarm)

### **Purchasing Practices Project** *Exploring how common purchasing practices affect suppliers' ability to meet international labour standards*

**Increased project activity.** New Look, a relatively new member of the project, is working with trade union and NGO members to set out plans for addressing the impact of its purchasing practices in the Turkish supply chain. With increasing activity amongst members of the project, future meetings will focus on sharing detailed learning from individual sub-groups.

**Next meeting**  
21 May 2008, 2 – 4.30 pm  
ETI offices

**Contact Miriam Neale: [miriam@eti.org.uk](mailto:miriam@eti.org.uk)**  
[www.ethicaltrade.org/Z/actvts/exproj/purchprac](http://www.ethicaltrade.org/Z/actvts/exproj/purchprac)

## **Wages Project**

### *Addressing the problem of very low wages*

This innovative initiative aims to test approaches to implementing ETI Base Code clauses on wages using new and collaborative approaches to addressing the problem of very low wages. Members will aim to use a variety of incentives to encourage suppliers to raise wages.

A multi-stakeholder membership group has agreed terms of reference and ground rules for the project. An expert legal opinion has been obtained to ensure compliance with UK and European competition law. Members are currently getting sign-off for these documents within their organisations. The next steps for May and June include identifying common suppliers and developing a project implementation plan.

Any member not involved but wishing to know more should get in touch with the Secretariat.

**Next meeting**  
4 June 2008 (tbc)

**Contact Dan Rees: [dan@eti.org.uk](mailto:dan@eti.org.uk)**

## **Capacity building activities**

### **Developing supervisor training** *Promoting fair treatment of workers*

**Development of training material.** ETI has been working with Maggie Opondo since February to develop the training material for the two-day supervisor training course. Maggie has provided valuable expertise in gender and ethical trade issues. The draft version of the trainer manual has now been completed, with input from ETI staff, Kenya-based sexual harassment expert Rosemary Atieno Hala, and UK-based gender training expert Senorina Wendoh. The project tripartite subgroup will review the material and feedback at the next subgroup meeting on the 13 May. Maggie is currently working on the trainee manual and

resource book and will deliver draft versions of these by mid-May for review by the subgroup.

**Field testing.** The group has agreed to field-test the materials in Kenya and the UK. Three ETI company members have offered their farm sites to pilot the program – Tesco and Finlay's for field testing in Kenya, and M&S for field testing in the UK. A detailed plan for the Kenya pilot will be discussed and agreed at the next full group project meeting. Candida has met with M&S to discuss the next steps for the pilot in the UK, which will be also discussed at the next full group meeting.

#### **Next meeting**

13 May 2008, subgroup: 11.30 am – 1.00 pm, full group: 2 – 5 pm, ETI offices

**Contact Candida Barbato:** [candida@eti.org.uk](mailto:candida@eti.org.uk)

## **Membership support and development**

### **ETI annual reporting update**

**Pilot validation exercise.** Ergon and the ETI Secretariat (including representatives from the NGO and Trade Union caucuses) carried out visits to Body Shop, Pentland, Tesco and Typhoo during April, to pilot a process for validating the systems used by members to complete the ETI corporate annual reports.

Feedback and a presentation on lessons from the pilot company visits and validation process will be made at the Annual Reporting Working Group on **5 June, 10.30 am.**

**Annual report feedback.** In May, all members who completed a corporate annual report will be provided with their final formal feedback and a summary report on this year's overall analysis. The NGO caucus will provide its own feedback by the end of the month.

**Overall analysis of reports.** Discussion of the overall analysis of 2007 ETI corporate annual reports will take place at next member caucus

meetings, due for Food and GM Groups on 22 May, 10.30 am – 1.00 pm.

**Contact Niaz Alam:** [niaz@eti.org.uk](mailto:niaz@eti.org.uk)

### **Review of Principles of Implementation**

ETI is in the process of reviewing its Principles of Implementation. To date, members have been consulted about their proposals for revising the principles (November-January 2008). The ETI Board has given detailed consideration to draft proposals for amendment (February-April) and these will be approved on 22 May.

**Formal consultation.** The next step is formal consultation on proposals to revise the Principles. Members will be sent **draft proposals** for revision of the Principles and a **timetable** for commenting on them. We will arrange an all-member meeting to discuss the proposals as well as individual consultations. Non-members who commented during the initial consultation will also be notified of the proposed changes.

**Timeframes.** We now aim to complete the revision of the Principles by the end of 2008. The original timeframe has been relaxed to allow more time for the formal consultation phase so that members get every chance to consider these important changes.

Following the formal consultation phase, the Board will consider further revisions to the Principles. A revised timetable including all these steps will be sent to members in late May.

**Contact Dan Rees:** [dan@eti.org.uk](mailto:dan@eti.org.uk)

### **New members**

**Three new members.** At its meeting in February 2008, the ETI Board accepted three membership applications from companies. The new members, who are in their induction period this quarter, are:

- Boden – a privately owned UK mail-order clothing retailer.
- Thomas Lyte – a new accessories/gifts company with a pro-active ethical marketing strategy.

- 888 Solutions – a UK group supplying packaging for the food and drinks industry using suppliers in China.

**New applications.** The Board is expected to consider applications from three different companies at its next meeting on 22 May.

## Training, publications and events

### **ETI films for suppliers and retailers** *Selling the business case for ethical trade*

**Filming is now underway for ETI's supplier and retailer films.** The films will be centred around interviews and footage of selected ETI member companies and suppliers who have demonstrated a commitment to improving working conditions in their supply chains/workplaces, and who can convince other retailers and suppliers of the 'business case' for ethical trade. We will also be filming other key influencers in this area, including trade union leaders, labour rights campaigners, journalists, investors and consumers.

**Filming in China took place in April.** The Head of Communications (Man-Kwun) went out to China with the film crew at the end of April, where they filmed four factories – one in Shanghai and three in Guangdong.

**UK filming continues in May.** Filming of UK contributors will be completed by mid-May.

The films are being made in response to widespread demand from ETI corporate members for awareness-raising tools to help them sell the 'business case' for ethical trade to their suppliers and internal colleagues. Free multiple copies of the films will be available to all members by August.

Contact Man-Kwun Chan: [man-kwun@eti.org.uk](mailto:man-kwun@eti.org.uk)

### **ETI conference 2008** *Celebrating ETI's tenth anniversary*

**Conference on 23 October – please put in your diary.** ETI's tenth anniversary conference will take

place on 23 October 2008 in Central London. Please put the date in your diary.

**Conference manager recruited.** We have now a dedicated conference manager – Lara Friedman – who joined us at the beginning of April, and will be working three days a week. Dean Jones will be supporting her in this role from June. Lara is in the process of recruiting an event logistics company to help with venue bookings, registration, etc.

**Member consultation.** A comprehensive consultation process has been carried out with members, via a widely distributed consultation document and informal meetings. Final discussion will take place at the next caucus group meetings, and the Board will approve the conference brief and draft conference programme on 22 May.

Further information on the conference programme, venue and other arrangements will be circulated in the coming months.

Contact Lara Friedman: [lara@eti.org.uk](mailto:lara@eti.org.uk)

### **ETI training programme** *Putting our learning into practice*

**Tailored training is a hit.** Member and non-member companies are increasingly calling upon ETI's training expertise to help buying and technical teams implement ethical trade effectively. We have tailored a wide-range of courses to meet individual companies' needs, with recent courses addressing topics such as:

- The Base Code in-depth
- How to work with new suppliers
- Involving buyers in ethical trading

To discuss the training needs of your team, and opportunities for a tailored course, please contact: **Miriam Neale:** [miriam@eti.org.uk](mailto:miriam@eti.org.uk), +44 20 7841 5187.

**Summer launch of ETI's new training programme.** Following a review of members' training needs, we are revising the open training programme and look forward to launching the revised ETI training programme in early summer.

## ETI and beyond

### ETI in the media

**Broadcast coverage.** ETI media relations and communications manager Julia Hawkins was interviewed by model-turned TV presenter Alexa Chung for a one-off documentary on fast fashion. The programme, which will be shown on Channel 4 in August, will uncover the ethical issues around fast fashion. Veteran Radio 4 'In Business' presenter Peter Day interviewed Alan Roberts, ETI Chair, for a half-hour special on ethical trade, to be aired at 8.30 pm on Thursday 12 June ([www.bbc.co.uk/radio4/news/inbusiness/inbusiness.shtml](http://www.bbc.co.uk/radio4/news/inbusiness/inbusiness.shtml)).

**Media briefing on ethical fashion.** The BBC has launched a new 'ethical fashion' website ([www.bbc.co.uk/thread](http://www.bbc.co.uk/thread)) and an accompanying three-part series ('Blood sweat and t-shirts') on BBC3 which profiles six young fashion students experiencing life as factory workers in India ([www.bbc.co.uk/thread/blood-sweat-tshirts](http://www.bbc.co.uk/thread/blood-sweat-tshirts)). ETI has given interviews to regional radio stations and to journalists writing for the new website to help shape debate on the issues.

**Contact Julia Hawkins:** [julia@eti.org.uk](mailto:julia@eti.org.uk)

### Implementing ETI principles in the health service

ETI and the NHS Purchasing and Supply Agency (PASA) have developed a plan to begin implementing the ETI Base Code in health service procurement. The strategy focuses on developing tools for procurers of suppliers within the health service, backed up by training and support. The plan will be considered by the ETI Board for approval in May.

This is an important milestone for ETI, as a key goal of our 2005-08 strategy is to increase commercial leverage for the Base Code through public sector procurement. As the biggest public spender, we are excited by this development with PASA, not least because of the potential impact in

the supply chains that overlap with those of our membership.

Care has been taken to ensure that existing Secretariat resources for supporting members and implementing programmes are protected from this area of work. New resources have been raised to implement this project.

**Contact Dan Rees:** [dan@eti.org.uk](mailto:dan@eti.org.uk)

### Joint Initiative on Corporate Accountability and Workers' Rights

#### *Developing a common code between six multi-stakeholder code initiatives*

This project to test implementation of elements of a common code in the garment industry in Turkey is now in its final stages. A final report has been drafted and will be posted on the project website ([www.jo-in.org](http://www.jo-in.org)) in early summer, along with some of the key tools developed.

The participating organisations have reviewed the effectiveness of their cooperation and developed the JO-IN Platform to ensure on-going coordination of activities. The different multi-stakeholder initiatives (MSIs) have agreed priorities for cooperation over the next year.

A key priority is to complete the draft JO-IN code in the light of the project's experience. Many of the MSIs including ETI intend to revise their codes in the near future, and participating organisations have therefore decided to take a collective approach to examining some of the key issues and experiences as an initial step. It is intended that the JO-IN Code will act as a reference code for MSIs and a benchmark for their own revisions. JO-IN partners met for two days in April in Geneva in order to start this process. International Labour Organisation experts on wages, hours, freedom of association and the right to collective bargaining provided advice on changes to the existing code clauses. Approaches to code implementation were also discussed. The next step is to agree an outline approach to the JO-IN Code and a timetable for completion of the revision.

## Memorandum of Understanding with SAI

ETI and SAI recently agreed a Memorandum of Understanding (MOU) to guide future cooperation. In many ways this document formalises the cooperation between the two organisations in recent years. It brings a number of benefits including opportunities for a greater exchange of expertise, such as SAI's field expertise and ETI's research in key areas. For example, a priority for both organisations is to address credibility in audit practice, and discussions are ongoing about how best to cooperate on this issue.

ETI will report any outputs from this cooperation to the membership as they arise. Members wishing to see a copy of the MOU should contact the Secretariat.

## DFID study on ethical fish sourcing

DFID is currently supporting a study to look at options for promoting the ethical sourcing of fish from developing countries. The study is looking at practical options for incorporating ethical considerations on labour rights and supply chain working conditions within existing certification and procurement policies that are used to assure that fish is sustainably sourced.

DFID is holding a discussion forum on 29 May to explore: social and economic issues within fisheries supply chains; ongoing initiatives to address social and economic issues; and potential options for addressing ethical concerns.

Contact Charlotte Tindall ([c.tindall@mrag.co.uk](mailto:c.tindall@mrag.co.uk)).

## New report on caste discrimination and the role of global corporations

A new report from the Dalit Solidarity Network UK (DSN) – *Another Apartheid? Caste Discrimination and UK Companies* – explores the opportunities for corporations in India to help address the country's discriminatory caste system through their employment, Corporate Social Responsibility and financing policies.

Copies of the report are available at [www.dsnu.org/other/DSNUK\\_Company\\_Report.pdf](http://www.dsnu.org/other/DSNUK_Company_Report.pdf). For further information contact Meena Varna, Director, DSN, tel: +44 (0)20 7501 8323.

## Secretariat news

### Carol Sheldon has retired

Many thanks to all members who sent warm farewells to Carol Sheldon (Office Manager) who retired in April. Carol greatly appreciated the many messages she received.

### New ETI Office Manager appointed

We are pleased to announce that we have appointed a new Office Manager – Angela Byer – who will be joining us at the end of May. We look forward to welcoming her to the team.

### Recruitment of Communications Coordinator

Recruitment for a Communications Coordinator is currently underway, following the departure of Adil Rehman last month. The new postholder will work alongside colleagues in the communications team to maintain and produce a range of ETI communications products and services, including the new ETI website and a variety of conferences and events. The closing date for applications is mid-May, and interviews will take place in early June. Further details are available at [www.ethicaltrade.org/Z/lib/2008/04/job-commcoord/index.shtml](http://www.ethicaltrade.org/Z/lib/2008/04/job-commcoord/index.shtml).

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

**ETI Update is published every quarter.**  
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