



Examples of Collaboration in the Supply Chain

Overview

During this session, leading members are invited to present their successful collaboration stories.

Speakers:

Moderator: **Christian Ewert**, Director General – FTA

- **Lary Brown**, Head of Global Social and Environmental Sustainability - Esprit
- **Jurg von Niederhäusern**, Chair of Swiss NCG – Migros
- **Pierre Strub**, Coordinator of Swiss NCG – FTA
- **Joyce Chau**, FTA China Representative – FTA

Session Highlights

Lary Brown

- Collaboration with stakeholders and peers is critical
- Multinationals are often seen as law enforcement in social compliance but they are not good police officers
- Collaboration with other companies is important for engaging with government
- BSCI has helped members in responding to media reports on company supplier factories
- When a crisis arises, it is a huge advantage to be able to call the person you know at a company more so than to generally call the company itself
- It makes a big difference to know the company contact to see how best to engage, what could or could not work and it is easier to work together when you know each other
- Esprit joined FTA in 2004 without a social compliance program
- BSCI and BEPI are now the foundation of Esprit's sustainability programs
- Collaboration happens in an environment when a company is weak with little or no leverage
- Through collaboration, influence can be added and more can get accomplished

Jurg von Niederhäusern / Pierre Strub

- The Swiss NCG collaboration with Migros is slow and stable
- The collaboration under FTA has led to dialogue and initiatives as (member) companies have been invited to bring solutions to the parliament in Switzerland

- The NCG helps FTA members in supply chain management
- The NCG Coordinator can connect the producer to the sourcing office to the buyer in the field and be part of the cooperation
- The sustainable collaboration has involved understanding how members are working on and addressing challenges as well as media dissemination about the collaboration
- The NCG Coordinator has worked on job with/at Migros
- Roundtables have been launched such as on the environment and role of BEPI
- Roundtables are to continue again involving government, other companies, NGOs, the secretariat and other stakeholders

Joyce Chau

- In China, FTA collaborates with several local stakeholders
 - For example, the Multistakeholder advisory committee was established in 2012
 - The committee was founded by FTA, WRAP, SAI, CNTAC, Solidaridad and ETI later joined
 - Committee members are hosted in a factory where workers' representatives and factory managers discuss specific issues and reports
 - Conversations on challenges and expectations have covered wide-ranging topics such as social insurance, occupational health and safety, social compliance, decent working hours, rising salaries, environmental protection, and best practices
 - In China, producers and stakeholders are becoming more proactive and driving sustainability
 - BSCI has rolled out a factory-level grievance mechanism project at 14 factories
 - The FTA team in China helps to build capacity in CSR and environmental performance
 - There is a focus on electronics going forward as the Chinese government is, for the first time, providing sector-level guidance on CSR
- Joyce provided certificates of merit to member and producer representatives involved in FTA-run grievance mechanism projects in China:
- Mr. Lee Fang Lun was grateful for being in attendance
 - Ms. Jenny Lam appreciated the cooperation and learning
 - Martin Kottmann of ALDI saw the complex collaboration as a starting point. His general observation was that they realized shared goals and learned from others to create different ideas to move forward in a new collaborative direction
 - Astrid Walter of Li & Fung observed that the collaboration was very important to make improvements in the supply chain. She added that having sufficient leverage to influence change in a factory is the biggest challenge especially in China. She saw collaboration with other FTA members, competitors and customers working best through shared platforms and working groups