

Initiative for Global Solidarity

A sustainable business: Sharing responsibility and putting due diligence into practice

The Initiative for Global Solidarity (IGS) addresses purchasing and producing companies to collaborate as partners, share responsibility for compliance with human rights and environmental due diligence, and gain greater awareness of these issues. In doing so, they contribute to more sustainable and resilient supply chains.

IGS supports companies in pilot countries and in Europe by advising them on topics such as transparency, data management and complaints mechanisms, networking them with one another and other stakeholders, and promoting dialogue throughout the sector. Bangladesh, Viet Nam, Cambodia and Serbia are pilot countries, with a focus on the textile and electronics sectors.

Background

Today's business relations and value chains know no boundaries. The involvement and integration into global supply chains open up tremendous opportunities for producing countries to develop and diversify their economy. However, human rights, and social and environmental standards are regularly undermined within these complex supply networks. Employees in producing countries, the local population and, last but not least, the environment and climate, are directly affected.

Globally, the response to this situation is a greater focus on sustainability and corporate due diligence. Fair production and sustainable consumption are the guiding principles and are increasingly being embedded in national laws, for example in Germany with the [Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains](#) passed in 2021. The European Union is also planning to introduce regulations in this area.

Companies are required to analyse the risks in their supply chains, take appropriate preventive measures and monitor their effectiveness. A survey by the German Federal Government showed that many (German) companies are still only in the early stages of due diligence implementation and feel they are facing major challenges.



Workers in a garment factory in Bangladesh © GIZ

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Our approach

All activities and measures of the IGS focus on supporting purchasing and producing companies to put their due diligence obligations into practice and comply with legal requirements. The project aims to achieve tangible improvements for people and the environment in the producing countries.

IGS's work focuses on four areas of action:

1. **Producing and purchasing companies collaborate as partners and share responsibility.** Together they find solutions and develop models, identify (sector) risks and take preventive measures to counter them. Good risk management can, for instance, be achieved through responsible purchasing practices or fair contracts and labour agreements. IGS provides support and advisory services to companies and their suppliers in the producing countries.
2. IGS aims to promote, harmonise, and roll out **industry-wide standards for the collection and management of data.** Greater data transparency within complex global supply networks increases the traceability of products and how they are manufactured. This process requires data on people and labour law, environmental impacts and the identification of production facilities.
3. IGS is establishing **Responsible Business Hubs (RBH)** in pilot countries as help desks to bring together producers, local service providers and sustainability initiatives. The initiative aims, via RBHs, to inform, network and provide manufacturing companies with advisory services, especially on international, European, and German requirements, processes and standards on sustainability and the quality and transparency of data.

4. Effective **complaints and remedy mechanisms** are a major factor in ensuring decent and safe working conditions. This is why IGS is working together with companies, sector initiatives and civil society organisations to establish complaints mechanisms both within and outside companies. It is intended that these will explicitly take into account gender-based violence and discrimination and thus will also – in fact especially – benefit female workers.

Implementation partners

A number of organisations and initiatives are already working towards improving sustainability in supply and value chains, in some cases at different levels and in various areas. Where promising tried-and-tested approaches and structures are in place, IGS draws on these and promotes them in a targeted manner, thereby contributing to the dissemination of best practices.

Four landmark cooperation arrangements were concluded right at the start of the project. Collaboration with the *Organisation for Economic Co-operation and Development (OECD)* and the *International Trade Center (ITC)* aims to strengthen and harmonise standards and requirements in relation to due diligence obligations and responsible business conduct. The purpose of cooperation arrangements with the *Open Apparel Registry (OAR)* and *Sustainable Apparel Coalition (SAC)* is to improve the transparency of supply chains.

Imprint

Published by:

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Friedrich-Ebert-Allee 36
53113 Bonn

T +49 61 96 79-0
F +49 61 96 79-11 15
E info@giz.de
I www.giz.de

Contact Initiative for Global Solidarity

Thorsten Metz
Program Manager „Initiative for Global Solidarity“

T: +49 228 4460 2013
E: igs@giz.de

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Bonn, February 2022

On behalf of
German Federal Ministry for Economic
Cooperation and Development (BMZ)

Referat 120 – Nachhaltige Lieferketten
Reinhard Junker
Berlin

On behalf of



Federal Ministry
for Economic Cooperation
and Development