

COVID Fashion Commitments

In the face of the devastating impact of COVID-19 on garment workers we commit to working together to do all we can to:

1. Support workers' wages by honouring supplier commitments
2. Identify and support the workers at greatest risk
3. Listen to the voices and experience of workers
4. Ensure workers' rights and safety are respected
5. Collaborate with others to protect vulnerable workers
6. Build back better for workers and the world

What do the Commitments Entail and Why are they Important?

1. Support workers' wages by honouring supplier commitments

What this means for fashion companies: Honour the purchasing commitments made to your suppliers prior to the disruption caused by COVID-19.

Rationale

Company purchasing behaviour has a direct and profound impact on the lived experience of workers throughout the supply chain. In the wake of the COVID-19 crisis, now more than ever it is integral that responsible purchasing behaviour and labour rights are upheld in all circumstances, and precede the importance of sales, delivery dates, lead times, and costings. The supply chain is an ecosystem – if one element fails, this has a flow-on effect on the survival of other elements. Cancelling orders and suspending payments as tactics for managing cash flow challenges undermine the viability of suppliers and their ability to pay employees for work already completed. These approaches contribute to the forced closure of factories and suppliers, and result in millions of vulnerable workers being made redundant in countries with little/no social safety net.

Suggestions for meeting commitment

- For purchase orders already placed, follow through with the agreed upon payment. This includes orders completed as well as orders underway (i.e. where suppliers have already outlaid cost for inputs supplies and/or have begun to cut or sew orders).
- If a contract is found to be frustrated, avoid utilising force majeure or other hardship clauses as a means of escaping financial obligation. Instead, commit to an agile partnership with your suppliers, recognising them as your own extended workforce.
- Work to ensure the short-term financial stability of your suppliers through open dialogue surrounding their financial health, and whether they have the necessary cash/liquidity to retain their workforce for at least three months (Better Buying 2020).
- In circumstances where it is unavoidable to cancel/retract purchase orders and contracts are deemed frustrated, commit to following/developing a Responsible Exit Policy which aims to mitigate the impact of the contractual severance on workers to the highest degree possible.

2. Identify and support the workers at greatest risk

What this means for fashion companies: Conduct a robust risk assessment of your supply chain to identify regions where workers are at highest risk in the context of the COVID-19 crisis. Use this assessment to implement targeted strategies to protect and support vulnerable workers.

Rationale

The COVID-19 crisis has resulted in increased health and labour rights risks to all workers in the supply chain. A targeted risk assessment is, however, essential to understanding the degree of worker risk inherent in supply chains that originate in different regions as the prevailing COVID-19 infection rate, local availability of health services, structure of the employment market, and provision of government support may differ across contexts. Contract, temporary and migrant workers, female workers, and those working for subcontractors or home-based suppliers face particular risks in this time as their movements are restricted, living situations become more precarious, and ability to support their family or community decreases. As poverty and vulnerability have been identified as significant co-morbidity factors for COVID-19, it is likely that there will be correlation between the particular risks in the face of the virus, and the general labour right risks that may have been identified in past assessments including in assessments of the risk of modern slavery in supply chains.

Conducting a robust assessment of the labour rights risks in the COVID-19 context is the basis for establishing targeted support measures for workers who face the greatest risks, including through collaboration with local suppliers, other industry partners, NGOs, or government.

Suggestions for meeting commitment

- Conduct a risk assessment of your supply chain based on country and worker type, particularly but not exclusively with regard to regions impacted by the health crisis. You may also wish to align with the risk assessments made available by a number of credible organisations including the Fair Labour Association and Fair Wear Foundation, and with work already undertaken to understand modern slavery risks.
- Based on these risks, develop and implement strategies to ensure the protection of vulnerable workers. Companies may work with suppliers directly, or partner with local organisations to implement any initiative.

3. Listen to the voices and experience of workers

What this means for fashion companies: Ensure appropriate mechanisms are in place for enabling worker voice to be expressed, heard, and responded to

Rationale

As COVID-19 continues to devastate communities, factory layoffs and closures increase, resulting in the increase of workers' concerns regarding their wellbeing, jobs, wages and other compensation. Now more than ever, it is crucial that workers have independent channels available to raise workplace concerns with an outside party, enabling issues to be resolved and remediated.

A robust grievance mechanism is a key way for workers to raise their concerns and alert brands to problems within a facility. For this to be effective, it is important that the mechanism ensures anonymity, is available in workers' native language and has a clearly outlined process. Ultimately, in its simplest form, it must enable some form of independent communication from worker to brand.

There are also other key ways for workers to raise their voices. These include independently and democratically elected trade unions, collective bargaining agreements, and democratically elected worker representation groups. With COVID-19 drastically altering the landscape in which fashion brands operate, some of these avenues are not always available to workers. For example, as social distancing rules are put in place and bans on gatherings are enforced, unions and other groups cannot meet in person, eliminating their main way of connecting with workers and resolving issues. While some may be able to run virtually, this is not always possible, so it's important for a brand to ensure that a viable and effective worker voice mechanism(s) can still be accessed.

Suggestions for meeting commitment

- Where robust worker voice mechanisms exist and are able to continue functioning effectively in the midst of COVID-19, ensure regular communication with workers to remind them of the availability of the tool and remediate any issues that arise.
- Where worker voice mechanisms are not currently in place or are not effective, connect with local organisations (unions that are still operating, local government, NGOs etc.) and/or other brands sourcing from the same factory to collaborate with them to establish an avenue for hearing workers' concerns. Explore different types of worker voice tools and remediation strategies, including innovative approaches in the context of COVID-19 related social distancing.
- Where existing worker voice mechanisms are proving ineffective/unsuccessful, investigate with the supplier and revise the mechanism to ensure that it is accessible to workers and that concerns are investigated in a timely manner.

4. Ensure workers' rights and safety are respected

What this means for fashion companies: Monitor the immediate labour rights standards within supplier facilities using systems available.

Rationale

In the midst of the COVID-19 pandemic, workers are likely to experience greater risks of unsafe working conditions or exposure to other forms of exploitation. These risks may also be further exacerbated in any 'bounce back' period after the immediate crisis has passed. As a result, social compliance efforts to ensure that acceptable labour rights standards and working conditions are upheld are now more important than ever. Forms of supplier monitoring, such as audits, are an integral part of a strong labour rights management system because only the issues which are detected, may be remediated. In the face of COVID-19, more immediate forms of supplier monitoring are crucial in ensuring that factories still operating, have measures in place to ensure a safe working environment for all employees – particularly those who may be more susceptible to negative outcomes from the disease including elderly or pregnant workers, or those with underlying health conditions. Whilst social distancing measures and other pandemic-related precautionary directives may restrict the use of traditional supplier monitoring methods, there are numerous innovative methods available to ensure suppliers' continued social compliance.

Suggestions for meeting commitment

- Maintain communication with known suppliers to keep them aware and accountable to the company's labour rights standards.
- Where worker exploitation is discovered or suspected, commit to implementing corrective action plans as the primary form of remediation, rather than discontinuing the company-supplier relationship.
- Collaborate with other buyers/companies who use the same suppliers by sharing audit and grievance data. This reduces pressure on suppliers to complete multiple monitoring requests covering the same content.
- If you usually employ third party auditors, look into what your regular auditor is doing to minimise the impact of the COVID-19 crisis on their audit schedule. Many audit bodies are providing alternative options for completing routine audits, such as digital audits, and advising companies on priority regions for auditing based on labour rights risk. Commit to continuing social compliance audits based on the advice of the auditor.
- If you usually conduct your own internal audits, explore alternative monitoring measures such as digital audits and targeted document collection, including full oversight of employee payslips, timesheets, etc. You may also wish to explore the potential for contracting a third-party audit body in high-risk regions to conduct audits.
- Ask suppliers to complete accredited self-monitoring assessments.

- Monitor current workplace standards to ensure suppliers in high-risk regions are taking appropriate measures to protect their workers from the health risks of COVID-19 (e.g. enforcing social distancing in dormitories and factory floors, provision of PPE, etc.).

5. Collaborate with others to protect vulnerable workers

What this means for fashion companies: Collaborate broadly and deeply with relevant stakeholders including existing MSIs, government, and civil society to enable a protective environment for workers.

Rationale

The fashion industry is connected by a web of common suppliers and multi-stakeholder initiatives (MSIs), and thus industry stakeholders are in a unique position to collaborate for better shared outcomes. The challenges that the COVID-19 crisis presents to brands and their supply chain workers are complex, requiring thoughtful solutions. All industries are operating in exceptional circumstances, with significant constraints on finances, staff capacity and movement. In light of these constraints, industry collaboration is fundamental to the successful implementation of the commitments above. Given the significant risks to human health and livelihoods, particularly in developing countries, meaningful collaboration may also include engagement with established humanitarian organisations and/or governments.

Suggestions for meeting commitment

- At a minimum, uphold existing commitments to various MSIs.
- Find new avenues to collaborate – through industry forums, roundtables, data-sharing platforms or developing shared relief funds.
- In collaboration with MSIs or other industry bodies, advocate to governments at national and multilateral levels in support of worker protections and stimulus efforts.
- Collaborate on monitoring efforts by sharing audit and grievance data with other buyers. This may be through existing audit/monitoring platforms.
- Engage with local NGOs in each of your sourcing regions in order to provide livelihood support and necessary health services to workers.
- Assist suppliers in determining appropriate financial support and applying for government relief where appropriate/applicable.

6. Build back better for workers and the world

What this means for fashion brands: Re-establish your supply chain with a stronger focus on social and environmental responsibility

Rationale

The COVID-19 crisis places us at a critical point in history where we must face our existing systems and structures and acknowledge where there is room for change. Businesses must be adaptable and resilient to survive this unprecedented upheaval and the uncertain future ahead. At this critical moment, we invite fashion companies to not only consider their short- and medium- term financial viability, but also use this disruption as an opportunity to take a proactive (rather than reactive) approach to social and environmental sustainability. This is an opportunity to be bold in considering that business after this crisis may look radically different, with social and environmental outcomes as key measures of business success.

Suggestions for meeting commitment

- Assess your current business model for its strengths and shortcomings in the face of COVID-19 challenges. Consider the impact your business practices have on labour rights standards and the environment.
- Use external standards (such as the Ethical Fashion Report survey questions) as a benchmark to measure current performance against industry-accepted best practice. Design future-facing goals with the goal of best practice rather than minimum compliance in mind.
- Create a strategy to implement these learnings into future business practices, with the intention of supporting a system that prioritises care for people and planet.