Amfori BSCI System PG Meeting Minutes

17th June 2019 – amfori Offices, 5th Floor

Attendant List

Attendant	Organisation
Rebecka Sancho	Hunkemoller
Marc Hoerburger	Walser
Annette Koch	Gerry Weber
Claudia Landgraf	Tom Tailor
Nicole Hartmann	Florett
Eric Gravier	amfori
Yakut Oktay	amfori
Anouschka Jansen	amfori

Excused	Organisation
Marius Lang	Migros
Fabian Schlesinger	ALDI Nord
Marja Aho	Alko
Alissa Sekulic	Brax
Eckhard Spanier	Peek & Cloppenburg
Anna Vetsch	Coop
Kajsa Nylander	Systembolaget
Monique Gerson	amfori
Anna Stancher	amfori
Erika Sok	amfori

Documents Used and Distributed:

None

Agenda Item	Going Beyond Tier 1	Presenter	Anouschka & Yakut

Summary

What will be the next steps for BSCI/BEPI alignment? Members are consulted about their views on mapping their supply chains beyond tier 1.

Experience Sharing – BEPI:

- We went beyond Tier 1 in stages:
    - We chose product groups for which the supply chain was rather visible.
    - We also asked everyone to fill in the SAQ.
    - It was a lot of work, but easier to start with more straightforward supply chains.
    - The deeper you will go within the supply chain, the more difficult it will be to involve the producer.
    - Manufacturing processes could be used to prioritise the mapping. Example of example of wet processing compared to cutting/sewing. Better to start with these producers.
- In China, we have problems with some factories, because the govt is shutting down a lot of factories due to the chemical requirements. Some small factories we are training in BEPI are getting closed, and it is not easy to predict the movements of the government in the future.

Questions around the RSP concept:

- The concept of RSP in the amfori BSCI system makes it harder, as there are specific audit requirements.
- What are the benefits of becoming the RSP holder for Tiers 2-3-4…?
- We need to have transparency in mapping, but there should be RSP cascade opportunities.
- The role of the RSP beyond tier 1. We should discuss why we still need the RSP concept.

Concerns:

- We should also talk about how the rating will work if we go beyond Tier 1, which means there is no contractual leverage.
- The fast switches in the supply chain makes it hard for us to keep our map updated. One tier of the supply chain may not be the same after a while, and we lose track of their remediation.
- As long as some members are fixed on ratings and not on improvement, however deep we go in the supply chain it will not create a value.

Questions/Comments

Question/Comment	Answer
We need to define how far we want to go with this mapping exercise.	Our outlook is that it would not be mandatory. It is providing the opportunity to the members.

Agenda Item	Regional Task Force: Format	Presenter	Yakut

Summary

Task Force methodology is now very regional and topical. Example is Modern Slavery. Current framework was presented by Yakut, with the ask of the PG for input and feedback: how can we scale this for a more regional context?

- Externals to be included
- Ensure good coverage, e.g. by country
- Do not limit a minimum or maximum number, will depend on the issue and gravity of it. Better look at roles needed.
- Balance member and auditor representation (+ external) – not to be defined upfront, depends on the issue and geography.
- Member rep needs to understand the context and can bring expertise
- Ensure balance of perspective, always include local perspective(s), e.g. local NGO
- Core group to define final Task Force composition
- Potential outreach to producers to ask what they might need
- Feedback to the Governmental Affairs team on policy push needed

Questions

Question/Comment	Answer
Companies – are these factories or local staff of members	Local staff of members
Is there are reason why you do not include externals	No reason, could be considered for the future
Are the memo's for members or …?	Memo's are available for members, but the implementation is for auditors
How is the training disseminated, by auditing companies?	Training is disseminated through the amfori Academy

Is the training mandatory?	Not defined yet, but makes sense
Is a Task Force created as a reactive measure only?	This was the case in Malaysia, but it should be for both proactive and reactive
Who manages this?	Services and Programs
Who decides that there is a need for a Task Force?	At the moment that is Yakut, to be discussed how this works in the future
Could network reps provide input to create a Task Force?	Good idea.
Producer involvement?	Task Force can decide, will also depend on topic, producers may not be keen when it is about e.g. forced labour
Could an upcoming legislation be a reason to start a Task Force?	Yes, that could be a proactive one
Can the above be included in the Pulse, visible on top without additional password required	Noted.

Agenda Item	Audit Man-Day Calculation	Presenter	Yakut

Summary

The current calculation of man-days was not defined via a scientific methodology, rather in a random manner. How can we make this more scientific, so the number of man-days are better suited to the factory (size, #workers, etc.)

- #workers entered by factories are not always correct, how do we solve this?
- How do we make sure that size in m2 is correct and covers everything? Guidance of how to calculate m2
- Is there any guarantee that if the auditor gets more man-days the audit will be of higher quality?
- Get feedback from members who do internal audits
- Sectoral approach? Country approach?
- Food vs Non-food?
- Risk vs Low Risk countries?
- Feedback from auditors – e.g. must add time for off-site interviews
- Can auditing firms bring a proposal for us to discuss, with good arguments
- Sometimes it is not a matter of time, but of quality. Good auditors can do more within the same time as bad or inexperienced auditors

Question/Comment	Answer
Can you consider a gender equality lens for auditors (gender of auditor vs gender workforce)?	Is already in place

What exactly do auditors say they cannot cover within the current man-days?	Soft skills – discrimination for example
Have we benchmarked how others are defining this?	No, not yet

Agenda Item	A.O.B	Presenter	Anouschka & Yakut

Summary

- Three-year strategic plan
  - Multiple routes for input, such as amfori Listens
  - The executive team looks at the bigger picture, and everything else is pushed to the operational side, whoever is affected by the input.
  - The input and the priorities will also inform the budget
  - The final product will be presented to the members
- Social & environmental programmes integration
  - The deeper integration takes time, but we can always focus on quick wins
  - The integrated platform remains to be the focus

The group agreed that it is worthwhile to have a dedicated to face-to-face meeting to discuss homeworkers and living wage. There is a request to have a preparatory call prior to the face-to-face meeting.

Questions	Answers
We are having problems of auditor capacity in Europe and Turkey.	Will be fed back to the Monitoring and Capacity Building teams.
Will the academy stay separate from the platform?	Yes, for the time being. However, please note that we will implement SSO (Single Sign-On) between these different platforms.
How will the ET and Board take the decisions on different topics? Every Network will bring multiple items on the table. How to prioritise?	First level of decision would be to benefit all members. Then the projects will be prioritised and distributed to the amfori teams according to their place in the overall strategy. The timing will also depend on the potential result: if it is a quick win, then we can implement it easily. Otherwise we may need to take our time. So far, the input we have shows a general trend, which helps reducing the number of projects.

Is the internal restructuring process final now?	There are still ongoing transitions.
For homeworking and living wage, could we have someone external to provide their expertise to the group please?	Well noted.

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