

## ESTABLISHING SAFE WORKING PROCESSES IN INDUSTRIES



The United Nations Global Compact places the private sector at the heart of driving change while responding to global challenges such as human rights, labor, and the environment. It mentions that these challenges need solutions that private sector companies can support and represents a large and growing market for business innovation. As such, ensuring sustainable supply chains is increasingly being recognized as a prerequisite for responsible business conduct.

## How does IDH support in creating responsible supply chains

In the past 12 years, IDH has established a robust track record of convening and creating public-private partnerships; resulting in effective joined approaches. We engage with different actors to design fit-for-purpose solutions to address sustainability challenges and create sustainable models building local capacity, shared responsibilities, transparent progress reporting, and optimizing leverage to drive and sustain progress.

We aim for systemic change through changing business practices, improving sector governance, and improving field-level sustainability.



### Change in Business Practice

Change of behavior at corporate level of the main business actors in the value chain, toward more sustainable business practices.



### Improved Sector Governance

Change in sector agencies and sector institutions to manage the sector in a sustainable way at local and international levels.



### Improved Field- Level Sustainability

Sustainability impact at the level of producers, workers and producer communities, including their economic situation, their social well-being, and the sustainability of their natural resource base.

# How do industries and brands benefit

IDH works with industry stakeholders to assess the facts and agree on actionable approaches to address sustainability challenges within the supply chains through collaborated actions – often steered towards compliance, governance, management, continuous improvement, and transparency.

## Responsible Sourcing

Leading and participating actively in identifying and addressing sustainability challenges. Together with stakeholders, we work towards a clear goal based on your commitment to embed responsible sourcing within your supply chain.

## Improved Efficiency

Working at an industry level, rather than on an individual company level, helps in coordinating efforts leading to greater efficiency, credibility, the robustness of approach and improved demand-side leverage to impact the production practices.

## Scaling Impact

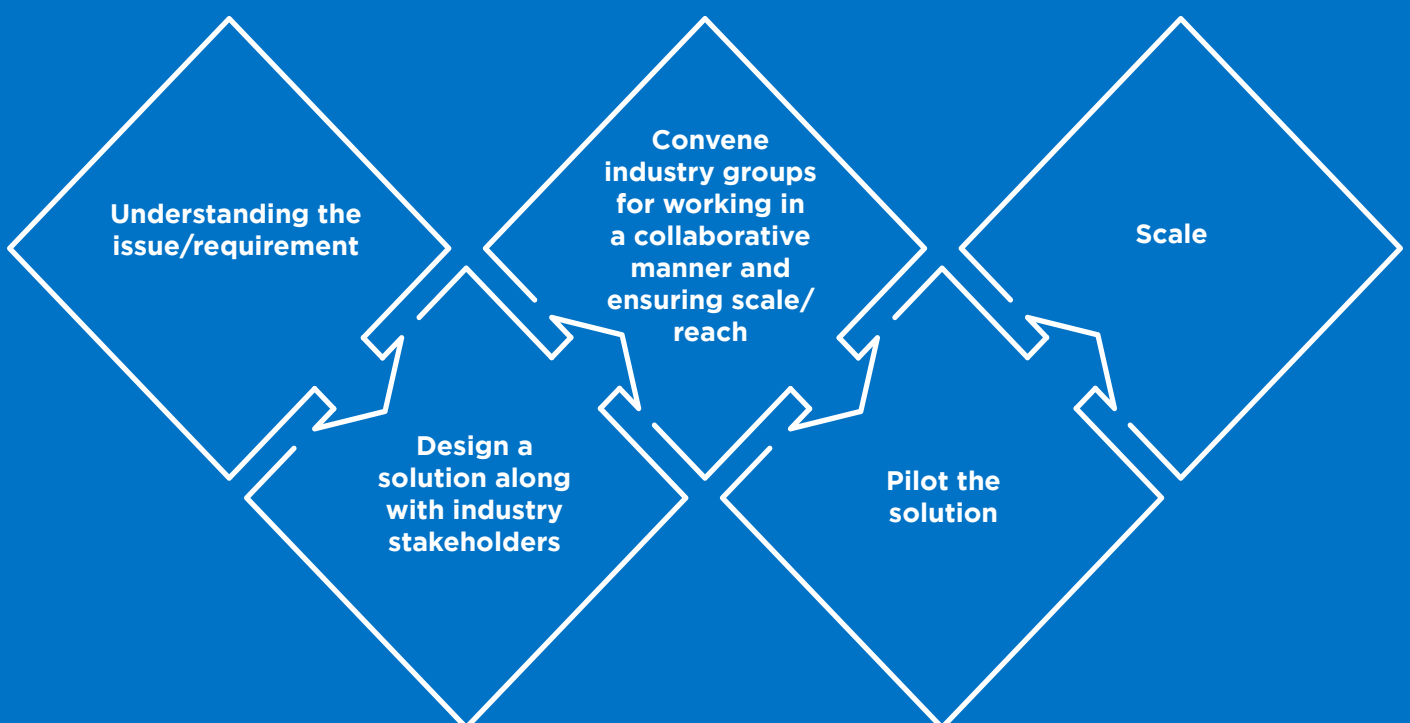
Pooling resources and setting collective targets lead to more scale and hence to more credibility, visibility, and donor support for scalable impact.

## Transparency

Brands benefit from improved supply chain transparency. By working collectively, facilitated by a third party like IDH, a culture of responsibility and healthy peer pressure is built within the industry. This also leads to commitment towards results and effective monitoring and evaluation.



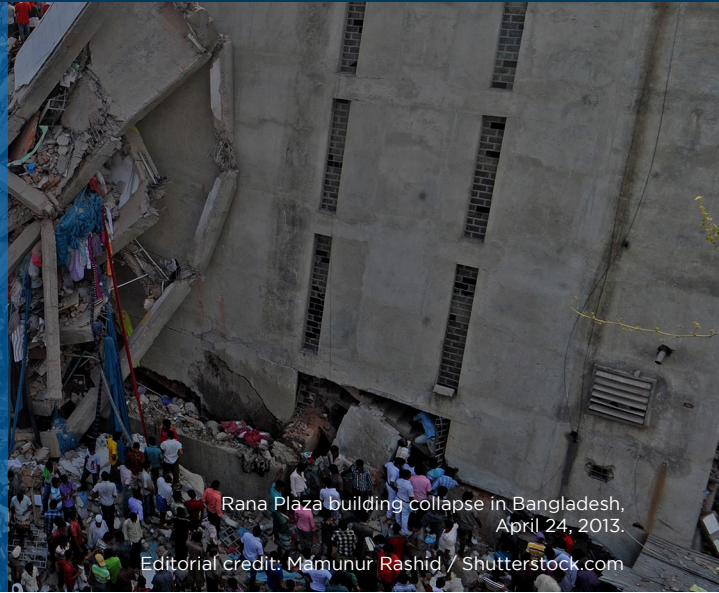
## Our methodology



# Life And Building Safety Initiative (LABS)

The Rana Plaza factory building collapsed on 24 April 2013, killing 1,133 people and critically injuring thousands more. This incident was an urgent call to action for the industry, and many brands have since then invested in creating and maintaining socially responsible supply chains, prioritizing safe working conditions in their supply chains. **However, unfair and unsafe working conditions remain common in factories across some of the world's poorest countries.**

With a pressing need to protect workers from fire, electrical and structural safety risks, several leading apparel brands from Europe, the US, and Asia approached IDH, to collaboratively work towards providing safe workspaces for workers in key apparel and footwear sourcing countries through rigorous auditing, safety training, and remediation. This led to the development of the LABS Initiative.



Rana Plaza building collapse in Bangladesh, April 24, 2013.

Editorial credit: Mamunur Rashid / Shutterstock.com

## With LABS, brands work collaboratively towards a safe working environment for factory workers.

### What LABS does?

It pools, on behalf of the participating brands and factories, highly professional processes and staff resources around identifying and solving risks related to fire and electrical hazards, structural building safety, and evacuation, for improved worker safety.

It leads and coordinates the following process, along with contracted service providers to the program, to help the factories maintain safe building environments for their workers.



In short: the collective LABS model provides companies with a transparent and robust approach with lower costs and fewer staff resources required to provide safe factory buildings for the workers in their supply base.

Further, public reporting and transparency positions LABS brands as responsible and socially conscious organizations, driving grassroots-level impact within the apparel and footwear sector – collaborating with other industry players.

The path to sustainability is not always easy, but IDH is determined to support a sustainable transformation for businesses and industries. This can help organizations build trust, strengthen relationships with stakeholders at all levels and generate greater value over time – while contributing to a culture of responsible business.



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