

Fashion CEO Agenda- Policy Gaps and Opportunities

Respectful and secure work environments

19 May 2021, 13.15-13.50 CEST

Following the launch of the Fashion CEO Agenda 2021¹ on 12 May, Global Fashion Agenda takes a closer look at each of the five priorities set forth to discuss how policy potentially can support the further activation of each priority. Full draft programme available [here](#).

Priority context

The fashion value chain employs 65 million people, many of whom are exposed to occupational hazards, ranging from exposure to dangerous work conditions to discrimination. Human rights violations occur at various value chain stages and, if addressed, are tackled differently depending on brand impact and local context. The increased risk of the occurrence of forced labour across several countries in the value chain demands the **worldwide attention of both governments and private-sector actors**.

Policy Gaps and Opportunities

While the industry has come a long way in recent years, more is required of brands and their value chains. In order to support that, the European Commission will be presenting a legislative initiative by the end of the first semester 2021 based on mandatory due diligence for companies and an initiative meant to clarify directors' duties.

This is not only of significant relevance to the protection of millions of workers and their livelihoods, but also for manufacturers to remain viable as they face increasing financial pressure. Member States' action alone is unlikely to be sufficient and efficient taking into account the global dimension of the problem. Therefore the industry globally acknowledges the importance of a harmonized reporting system including identifying and preventing relevant risks and mitigating negative impacts based upon available leverage.

It is however important to acknowledge that -independently of the exact content of the forthcoming measures- they will complement not only the UN Guiding Principles and OECD Guidelines for MNEs but also other existing related regulations at the European, national and regional level. As such there is a pressing need for policymakers to ensure coherence between different obligations for companies stemming from different jurisdictions.

Focus of the discussions: Although the content of the EU sustainable corporate governance initiative is unknown at this stage, the industry is overall united behind the EU's efforts to harmonise and create a comprehensive European wide approach regarding its due diligence pillar. It calls for policy measures to be drafted collaboratively to avoid unnecessary administrative burden for companies and to provide the ones from third countries with clarity regarding their obligations when operating in the EU market by selling goods and providing services.

Main related legal conversations

- European Commission's legislative initiative [EU Sustainable Corporate Governance initiative](#) (Q2 2021) including mandatory due diligence duty for companies and an initiative meant to clarify directors' duties.
- European Parliament's call-out for a new EU instrument with a trade legal basis to allow import bans on products related to severe human rights violations such as forced labour or child labour: [Study](#) from 12 February 2021 commissioned by the Greens/EFA by MEP Anna Cavazzinni

¹ The *Fashion CEO Agenda* is a guide to what every CEO in fashion needs to prioritise to future-proof their company. The publication outlines the most pressing issues and the biggest opportunities for environmental and social impact and provides guidance on how to move from words to action. Priorities include: Respectful and Secure Work Environments, Better Wage Systems, Circular Systems, Efficient Use of Resources and Smart Material Choices.

suggesting a complementary measure to the EU legislation on corporate human rights and environmental due diligence along supply chains which is currently being developed.

- [Sustainable Finance Taxonomy regulation](#) (2020)
- Revision of the [Non-Financial Reporting Directive](#) (Q1 2021)
- [UN Guiding Principles on Business and Human Rights](#)
- [OECD Guidelines for MNEs](#)

Speakers

- Janet Mensink, Executive Director SLCP (Social & Labor Convergence Program)
- Lucrezia Busa, member of cabinet of EU Commissioner for Justice, Didier Reynders
- Andrew Martin, Vice President, Membership and Stakeholder Engagement SAC (Sustainable Apparel Coalition)
- Claus Teilmann Petersen, Senior Human Rights Specialist, Bestseller
- Simon Platts, Responsible Sourcing Director, ASOS
- Moderator: Tyler Gillard, Head of Due Diligence, OECD Centre for Responsible Business Conduct