

PPAI
Product
Responsibility
Summit™

Understand
Sustainability

Responsible Sourcing

Kelli Hoggle

Network Representative, USA & Canada, amfori



Responsible Sourcing: Current State of Affairs

Kelli Hoggle, Network Representative USA & Canada

Agenda

A bit about amfori

Growing Regulatory
Pressure

Child Labor in US

What's up with China?

Trends at amfori

OBJECTIVE

Gain a high-level understanding of current happenings in the world of responsible sourcing, centered around human rights.

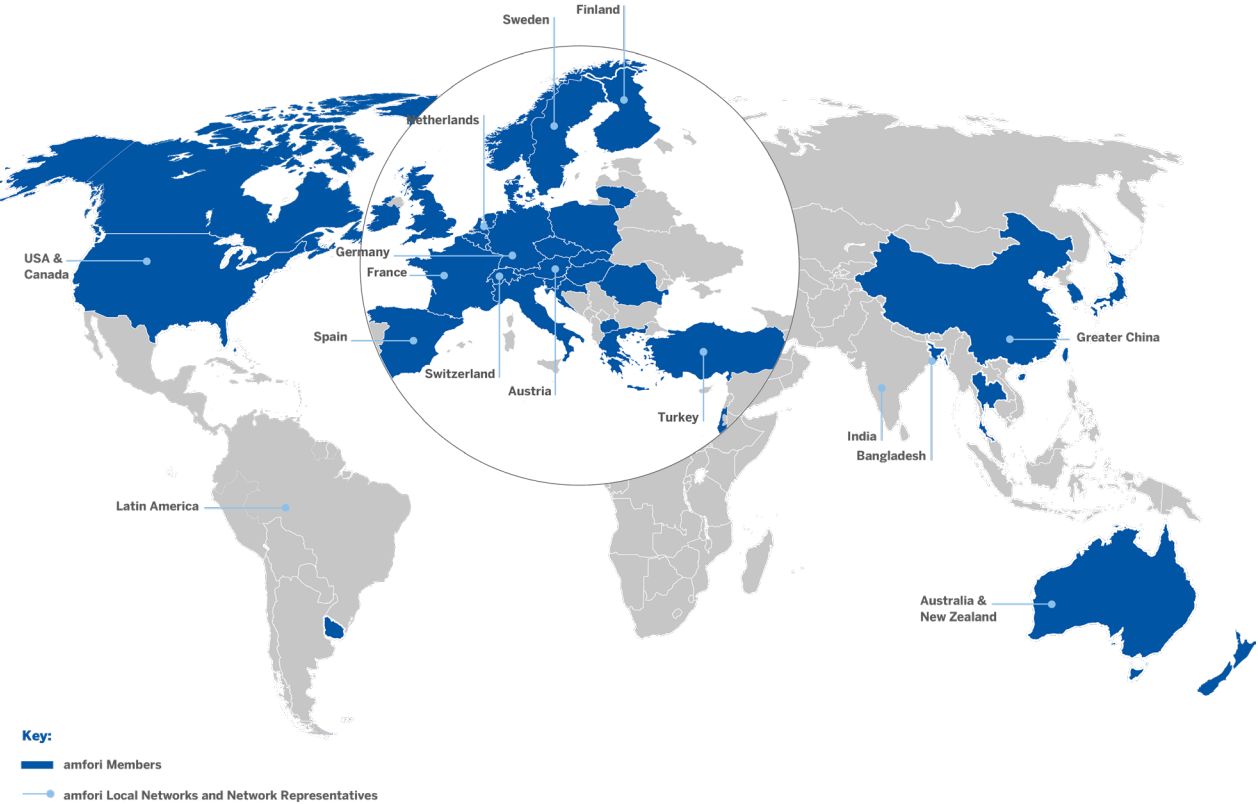
Who is amfori?

amfori is the leading business association for sustainable trade, enabling companies across the globe to operate successful and responsible businesses, by helping them improve the Environmental, Social and Governance (ESG) performance of their value chains through robust due diligence.

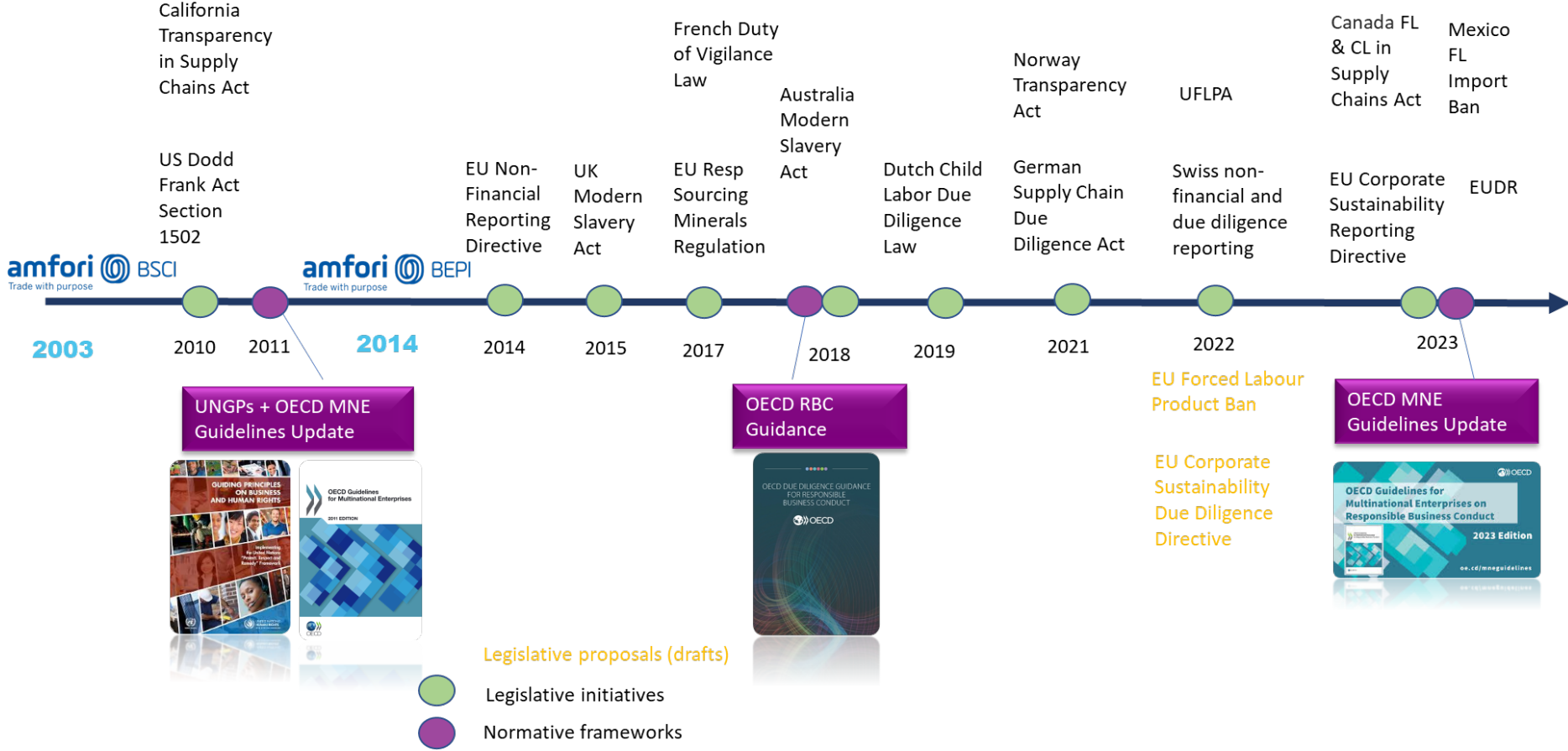
Profile

- +2,500** Members
- 65%** SME members
- 17** Networks
- +55,000** Platform users
- +47,000** Producers
- +110** Countries with Sustainability operations
- + 36,000** Monitoring per year

Main office in Brussels



Growing Regulatory Pressure



EU CSDDD Proposal

(Corporate Sustainability Due Diligence Directive)



Applicable to **companies operating in the EU**

- very large EU & **non-EU** companies
- & large EU and **non-EU** companies in high impact sectors (including **agriculture**)



Both **human rights** & **environmental** impacts covered. Standalone article on **combatting climate change**



+/- Based on **international due diligence frameworks** (UNGPs, OECD MNE Guidelines)



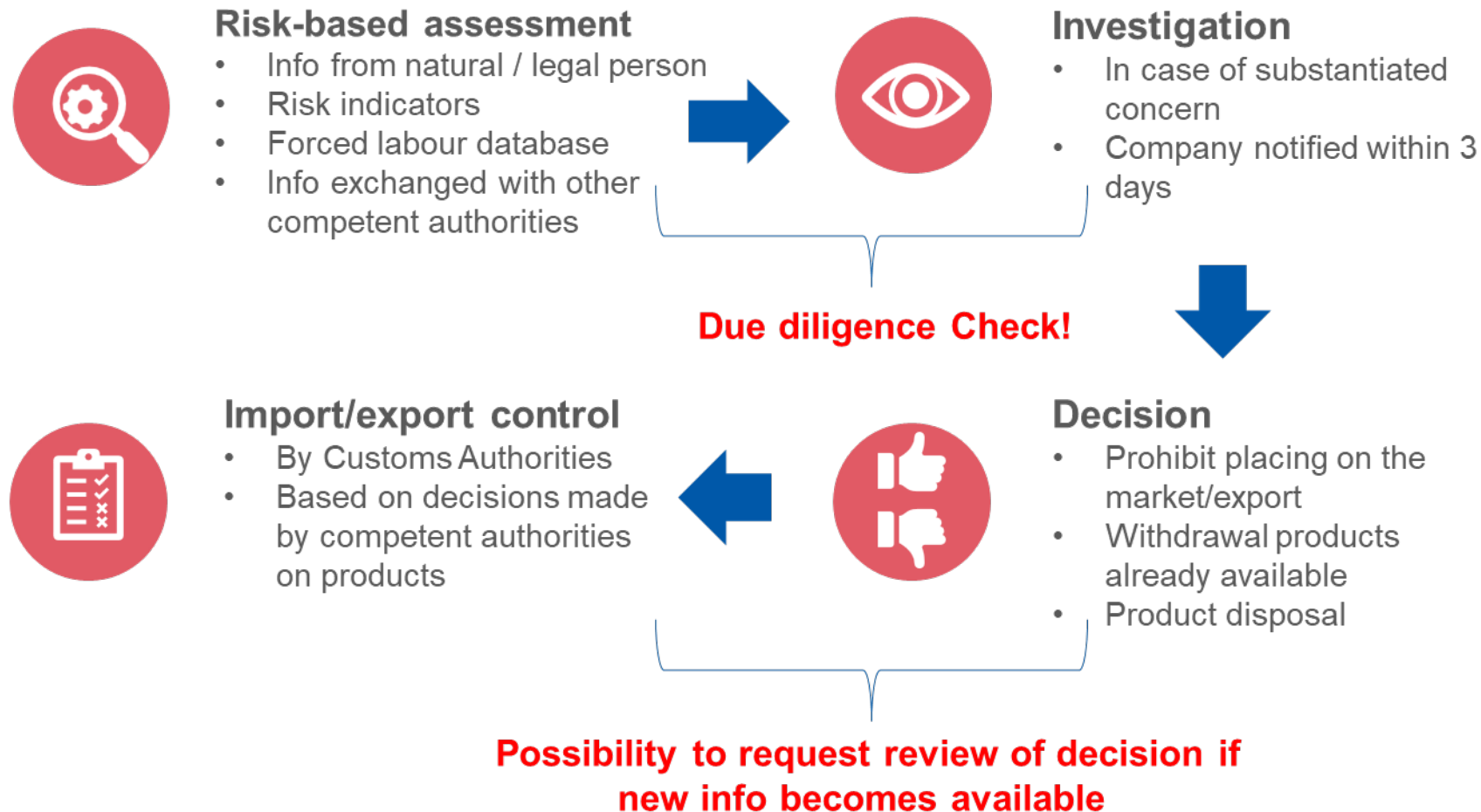
Due diligence extending to own operations, subsidiaries and **value chain** (upstream & downstream) operations when business relationship is established



Both **administrative supervision** & **civil liability** + **Directors Duties**

EU Forced Labour Product Ban

Prohibit sale into the EU, export from the EU of goods made wholly or in part with forced labour (regardless of their origin)



North America

Passed



Uyghur Forced Labor Prevention Act (2021)



California Garment Worker Protection Act (2021)



Forced Labor Ban



Fighting Against Forced Labour and Child Labour in Supply Chains Act (May 2023)

Proposed



NY Fashion Act

Increase in Child Labor in US



Source: [New York Times](#)

Sectors:

- Manufacturing: food, apparel, auto
- Construction

The number of children illegally employed has been on the rise since 2015

- In 2022, [a total of 3,876 children were illegally employed](#), compared to 1,012 children in 2015.
- From 2015-2022, the number of minors unlawfully employed in hazardous occupations increased by 94%.
- In 2015, 355 children were illegally working in hazardous environments; in 2022, that number went up to 688 minors, according to the data.

Source: [US Dept of Labor](#)

Most common finding during amfori BSCI audits at US producers:

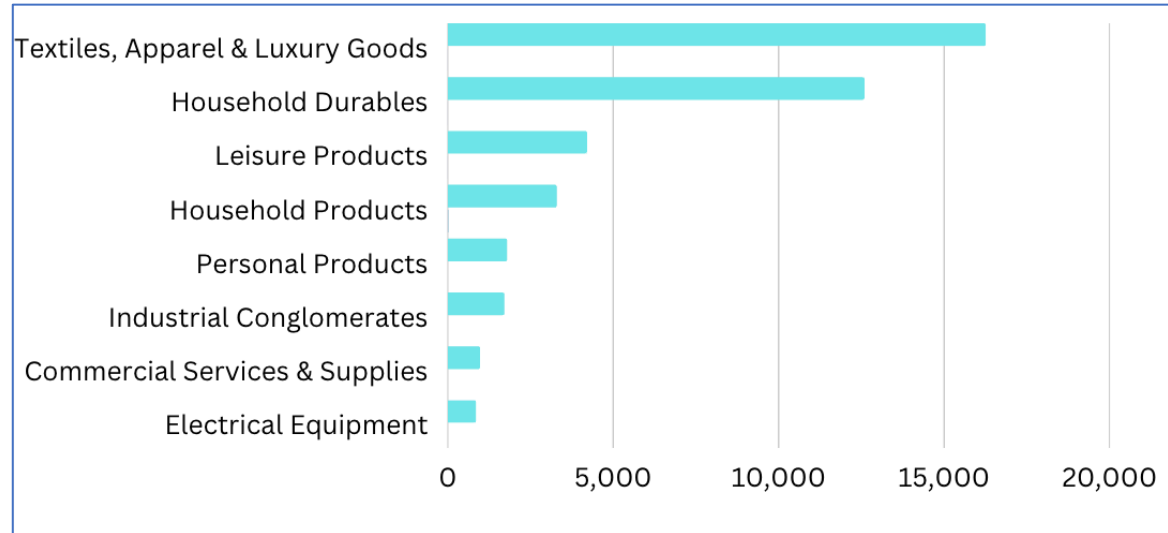
8.4 Is there satisfactory evidence that the auditee has adequate and remedial policies and procedures to provide for further protection in case children are found to be working?

Relations with China



amfori Trends (2022)

Top Sectors

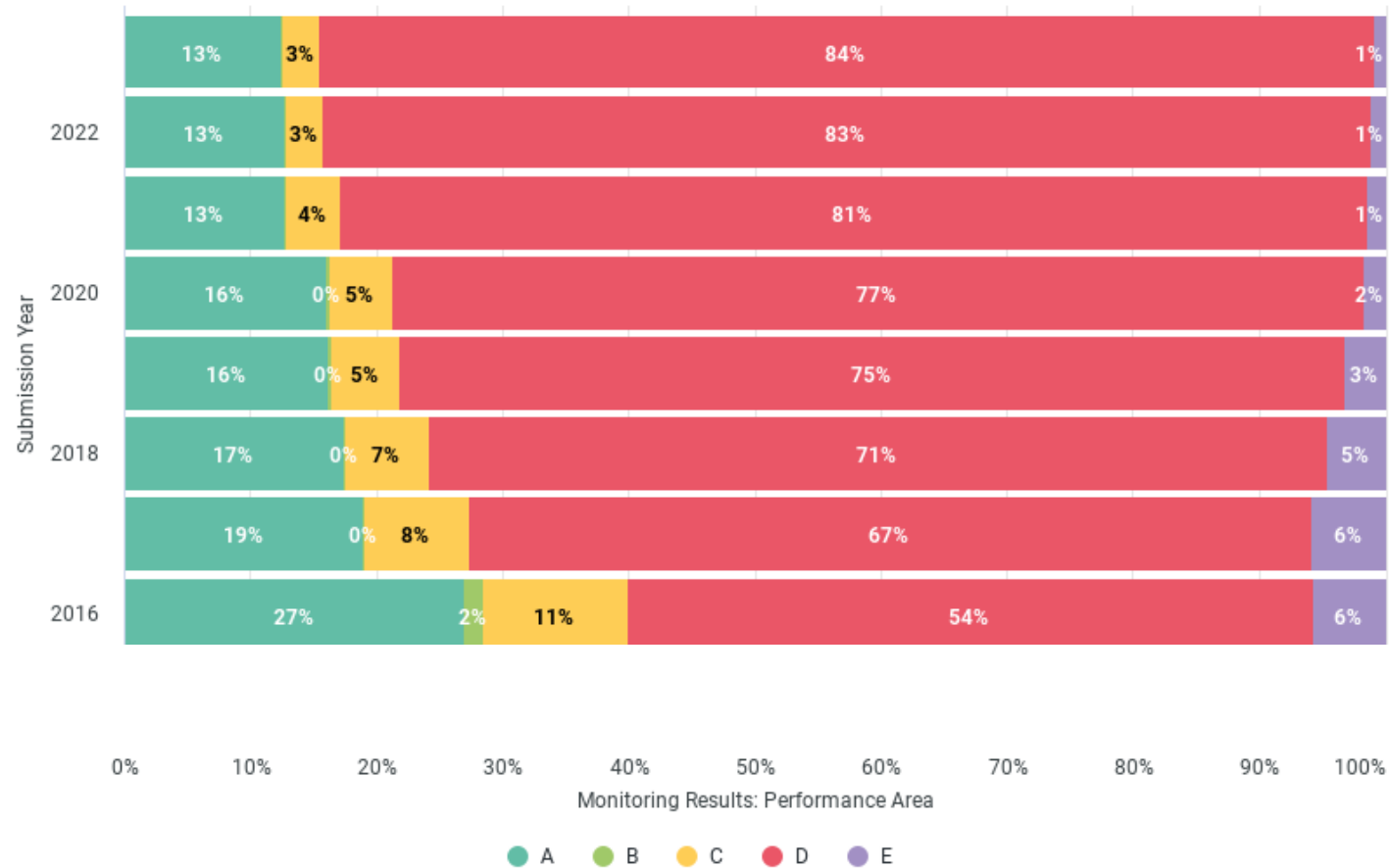


Top Countries

1. China
2. Bangladesh
3. Vietnam
4. Turkey
5. India

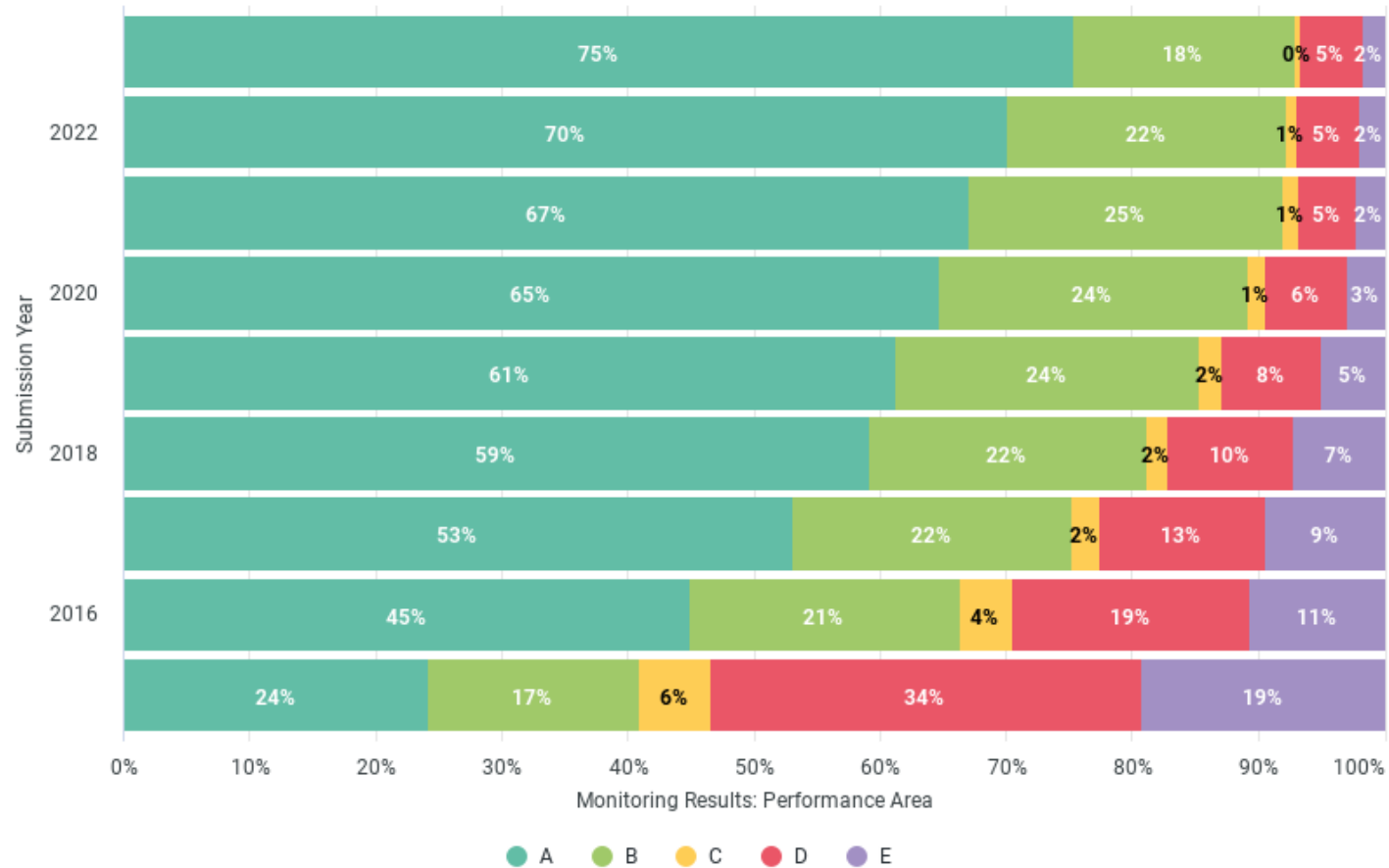
amfori Trends (2022)

Ratings for Performance Area 6: Decent Working Hours

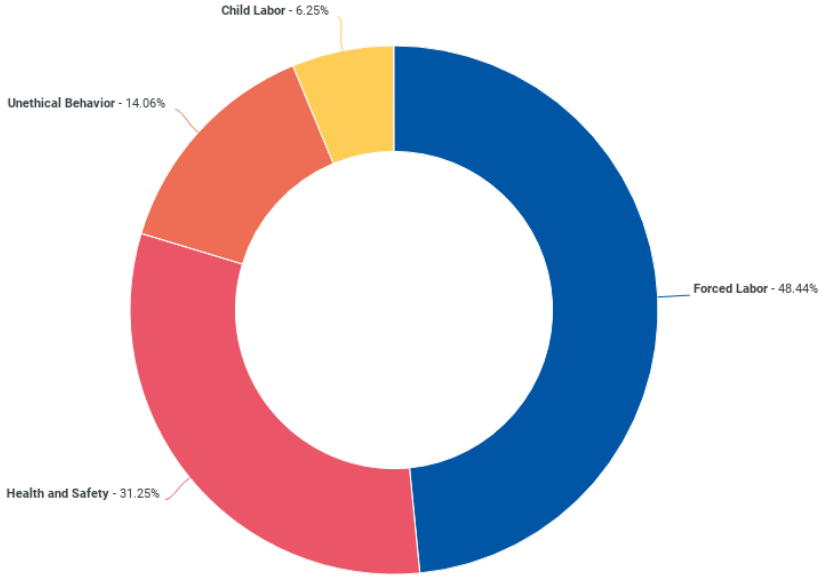
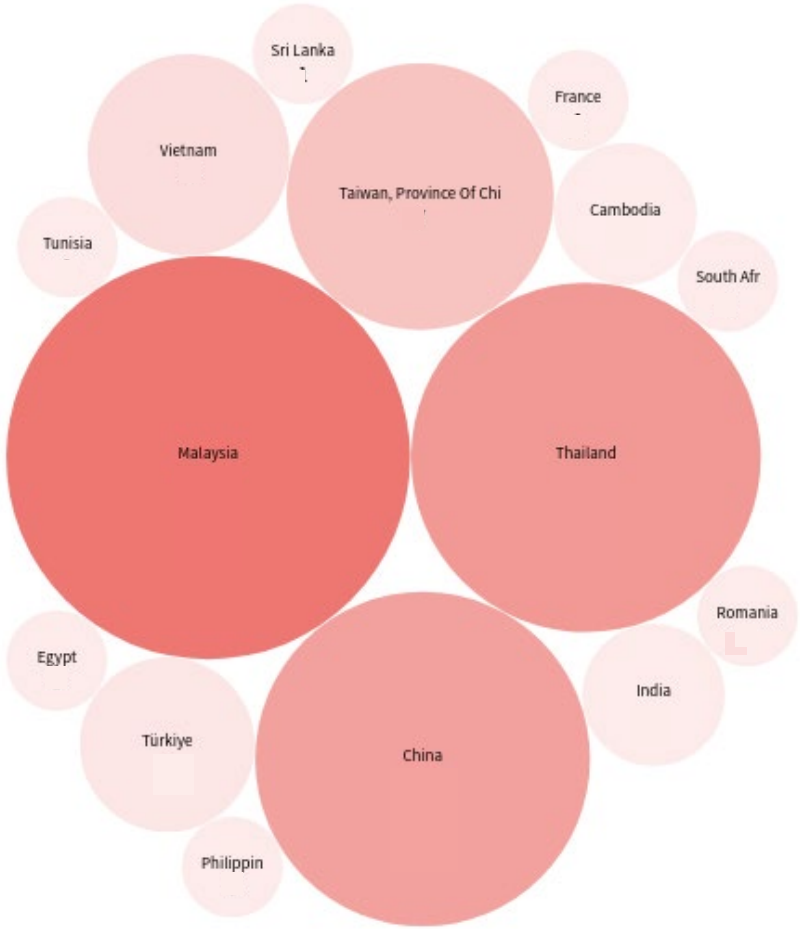


amfori Trends (2022)

Ratings for Performance Area 7: Occupational Health & Safety

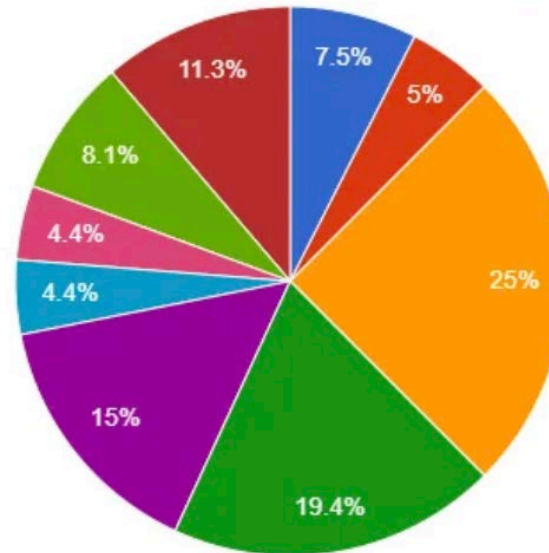
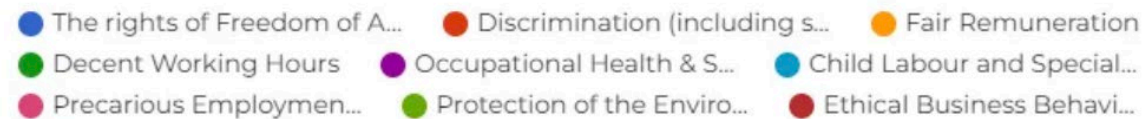


amfori Trends – Zero Tolerance (2022)



amfori's Grievance Mechanism: Speak4Change (Sept 2023)

Top Grievances



Most grievances raised via webform through our partner, Ulula, by the worker themselves

amfori Solutions



Contact 

Network Representative, US & Canada

kelli.hogge@amfori.org

Website

www.amfori.org

PPAI
Product
Responsibility
Summit™

Understand
Sustainability