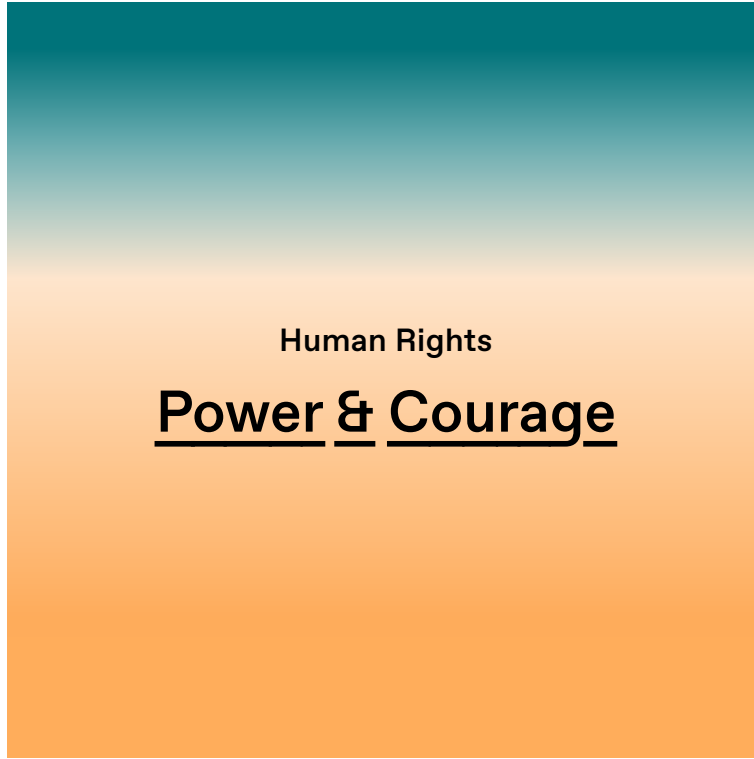


# what

Co-creating a  
more sustainable  
future

# needs



# the

# future

issue 1

# We need to talk about power...

**Let's be crystal clear:** Human rights are still being violated systematically and comprehensively in many production sectors today. This especially concerns production locations in the Global South, although there is growing concern of infringements right on our own doorstep in Europe.

**What is equally clear:** Economic primacy still reigns across all industries. The integration of human rights is becoming more important in the discourse. The German and the European Supply Chain Acts will be important drivers of this development. But we cannot and must not be satisfied with the status quo. We need to question where we stand, and we need to create more change.

At the end of the day, it all comes down to power. Power dynamics influence priorities. And powerlessness is the other side of the coin. It's about not being able to change anything or not feeling one's own power to do so. Powerlessness is something we don't want to accept any longer.

With this magazine, we confront the question whether we as a company, but also we as an industry, are doing everything in our power to prevent human rights infringements in supply chains. We describe our ways of working, the methods we use and what we have experienced and learned along the way. We also describe where we reach our limitations. Of course, our perspective is just one of many. That is why we invited people from our supply chains and personalities that inspire and challenge us in our work to participate and share their opinions in this magazine.

Ultimately, we want to broaden our perspectives and facilitate further dialogue and joint action. Because we know: Only together can we break power structures and master the big challenges we face with human rights implementation, climate change or other sustainability topics.

For this we also need you, dear readers, partners, critics – your interests, your opinions, your experiences and your feedback!

Enjoy reading!

THE TCHIBO SUSTAINABILITY TEAM

Share your feedback with us:

[www.tchibo-nachhaltigkeit.de/whatthefutureneeds](http://www.tchibo-nachhaltigkeit.de/whatthefutureneeds)

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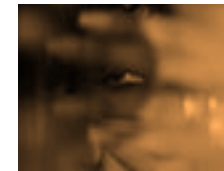
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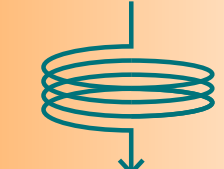
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Martin Luther King

Power without love is  
reckless and abusive,  
and love without power is  
sentimental and anemic.

Power at its best is  
love implementing  
the demands of justice,  
and justice at its best is  
power correcting  
everything that stands  
against love.



RANA PLAZA  
DHAKA, BANGLADESH  
24.04.2013



1,135 DEAD  
2,400 INJURED



TEXT BY NINA RICHTER AND JULIA THIMM

# WE DON'T TALK ABOUT POWER

Who has the power to initiate groundbreaking change?

The introduction of CSR standards has had too little effect on working conditions in global supply chains. We need new approaches to break through the pretend world of audits and reports. Above all, we need to have a conversation about power.



**1,135** fatalities, over 2,400 injured: Rana Plaza has become a symbol of severe human rights violations in global supply chains. The garment industry, which attracted limited attention in the past, suddenly came full force into the public focus. After all, the big injustice could not have been more blatant: thousands of kilometres away from the fashion capitals of Europe and North America, people risk their lives every single day to make the clothes we wear.

The reports on Rana Plaza hardly ever touch on the fact that the building was not exclusively a garment factory. In addition to the five textile factories the industrial building housed three shops and a bank. Following the local authorities' orders, the shop and bank employees evacuated after large cracks had appeared in the walls the day before. Due to their union membership, the bank employees were able to argue their case for personal safety collectively.

Inside the garment factories, quite a different reality existed: for every day of absence, sewing operators were required to put in three days of unpaid work. This is illegal, also in Bangladesh. Not only were the workers powerless in the face of these labour law violations, but they stood no chance of refusing extremely dangerous work in a building that was declared unsafe – the fear of losing pay was all too real. All this must have factored into a risk assessment that we, as outsiders, cannot begin to comprehend: the workers went off to work in a crumbling building and paid for it

with their lives. Anyone who thinks that they were unaware of the danger is out of touch with reality. It's a fact that work-related accidents and fires are all too common in Bangladesh. <sup>1</sup>

The analysis of other accidents in Bangladesh shows: high death tolls often occur when a lack of health and safety protection is accompanied by a disregard for fundamental labour standards. Even a seemingly technical subject such as fire safety can only be improved effectively and sustainably by giving employees an equal say, the right to participate and freedom of association. Needless to say, these are even more important when addressing other human and labour rights that are not of a technical nature.

## Questions of power can no longer be put aside

The term *empowerment* <sup>A<sub>2</sub>2</sup> has become a buzzword in international development cooperation and CSR work. It glosses over workers' legitimate human right to participate and associate freely. In a way it is a more elegant and less confrontational term compared to the latter. For want of a better alternative we also use this term in our work at Tchibo since at least it contains the word *power*.

And this is important because we need to talk about power! Unlike the English word *power*, the German word *Macht* has a negative connotation and is more ideologically charged. It tends to raise resistance, especially in corporate contexts, as it appears to imply dogmatism or a rallying cry for revolution. In comparison, *power* sounds almost sexy and provokes less criticism. We have no interest in theoretical ideological debate. What matters to us is the question how we can achieve impact on the ground. And it takes power to make meaningful changes to the working conditions in our suppliers' factories.

If we keep ignoring the question of power, we will not move forward on the implementation of human rights. This is why we need to analyse existing power structures. By this, we mean that we must understand how the involved actors work with and depend on each other and we must look into their respective level of influence. We need to

<sup>1</sup>

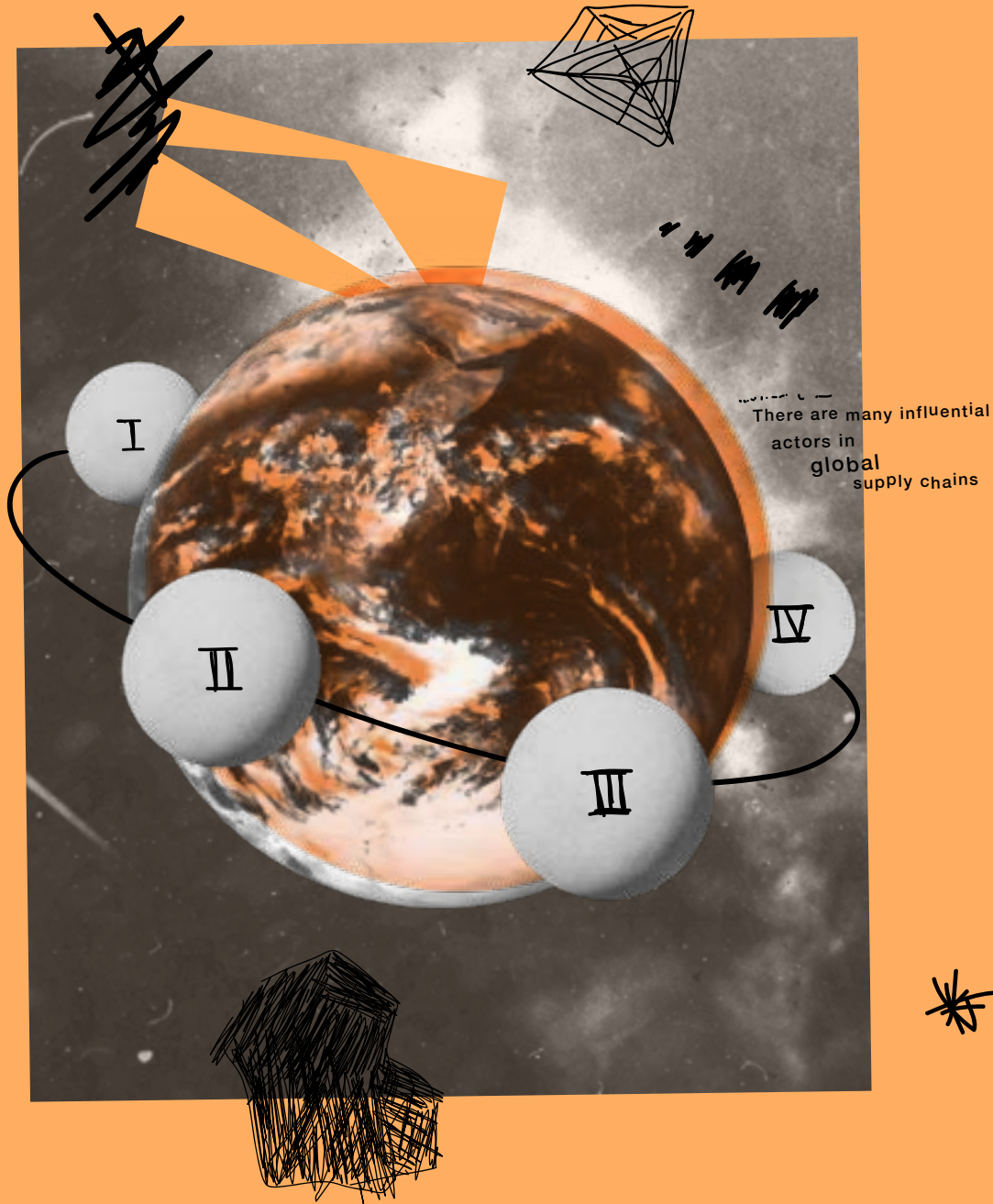
[www.industrial-union.org/hundreds-of-bangladeshi-garment-workers-die](http://www.industrial-union.org/hundreds-of-bangladeshi-garment-workers-die)

<sup>A<sub>2</sub>2</sup>

The term *empowerment* has been subject to increasing criticism due to its implied and obsolete sense of 'from without': Someone acts in order to enable others, instead of assuming that they might just as well become active in their own right.

Who has the power to initiate groundbreaking change?





Who has the power to initiate groundbreaking change?

3  
Clean Clothes Campaign (2005): Looking for a quick fix. How weak social auditing is keeping workers in sweat shops. [cleanclothes.org/file-repository/resources-publications-05-quick-fix.pdf/view](https://www.cleanclothes.org/file-repository/resources-publications-05-quick-fix.pdf/view)

4  
European Center for Constitutional and Human Rights (ECCHR), Brot für die Welt, MISEREOR (2021): Human rights fitness of the auditing and certification industry? A cross-sectoral analysis of current challenges and possible responses, <https://www.ecchr.eu/en/publication/human-rights-fitness-audits/>.

5  
Learn more in "One topic, two opinions", p. 54

openly address the existent power imbalances and work towards redressing them. In practice, this not only entails involving the persons affected, but also reinforcing their right to participate. Creating the systemic change that enables them to stand up for their rights themselves without fearing reprisals is the game changer.

### The system of pretend worlds

It is a widespread belief that international brands alone have the power to improve conditions: if they really wanted to make a difference, it is said, anything would be possible: fair wages, regular working hours, etc. This has led to the development of top-down CSR tools such as audits and certification. These tools are based on the assumption that companies only need to set standards and monitor their implementation. Everybody would comply with the social and environmental guidelines then, wouldn't they? But it has long been known<sup>3</sup>, and documented exhaustively<sup>4</sup>, that audits and certification fail to achieve the desired results. Instead, entire pretend worlds have been created by means of systematic double-entry bookkeeping and model factories that pass inspections but do not in fact produce the products. Often, the people in charge put so much time and effort into the inspection process that there is no time left to pay attention to their employees' actual concerns<sup>5</sup>. So what is the answer? More and tougher inspections? No - and here's why: exposing a violation doesn't necessarily mean that it will be dealt with once and for all. In addition, we all need to ask ourselves, from

companies to end consumers, in all honesty: do we really want to see the painful reality?

We don't deny that (brand) companies have influence. They (including us) do have power. But to start from the assumption that they alone possess the power of agency distorts reality. There are many influential actors in global supply chains. There are relationships of mutual dependence - companies, like everyone else, operate within a network of relationships. This is not about pointing fingers or shirking responsibility as a company. Quite the opposite: one of the things we have learned is that in order to do justice to our mission, we needed to accept the fact that we are dependent on other actors. These include suppliers, manufacturers and national employers' associations as well as governments and national authorities. We must consider existing power structures and get everyone involved on board so that they do not block the process of change and, if we succeed, maybe even go so far as to support us. Moreover, we need to push for change within our own company. This also means that we need to reconsider our buying practises and make them more responsible.

### Imbalance of power and the powerlessness of the individual

As a brand and commercial enterprise we have to acknowledge that we primarily depend on the workforce in our global supply chains - as do all other related parties. The irony is that in spite of that, the workforce cannot exert their influence as long as the majority can only act individually - a point made only too clearly by the example of Rana Plaza. And this can't be put down to the idea that everyone is replaceable. When we travel to producing countries, factory managers regularly voice concern that well qualified workers are hard to come by. Even in Bangladesh, despite the country's longstanding textile tradi-

**We don't deny that (brand) companies have influence. They have power. But to start from the assumption that they alone possess the power of agency distorts reality.**





tion and state-of-the-art factories, the issue remains an ongoing topic: a competitive production site is dependent on multi-skilled, precise and fast-working sewing operators. Anyone fitting this profile can take their pick of jobs. In spite of this development, the classic economic theory (according to which working conditions are set to improve gradually once the demand for a good labour force exceeds the supply) is not kicking in. In practice, qualified workers may move on to the next factory where they may be treated better or be paid a slightly higher bonus. But what good is it when not a single factory pays them a living wage?

The extreme imbalance of power, which forms the basis of exploitative working conditions, will remain in place as long as employees can't organise themselves as a collective. Standard CSR measures such as audits and trainings don't address this imbalance. Corrective actions might have been implemented in places, but widespread and grave human and labour rights violations have prevailed. It almost appears deliberate: companies can claim to be actively involved without actually committing to any real change.

Whenever top-down approaches fail to take effect, we are told: "They don't really care" or "It's not part of their culture". But in our work, we have yet to meet people who exploit others for the fun of it. Quite the contrary: in many cases, factory managers would like to offer their employees good working conditions, but they are either unaware of the problems or don't know how to solve them.

This is where our dialogue programme, WE, comes into play. Instead of simply referring to externally set standards, it gives employees the possibility to voice their problems themselves. As a first step, we expect factory managers to lis-

ten. By means of this dialogue, which we prepare and facilitate <sup>6</sup>, existing labour law violations become concrete and transparent for everyone in the room. The personal stories touch the audience. Factory managers, who are also in the room listening, feel a need to react and act and consequently change their attitude and behaviour. This is how we break up the existing unequal power structures. But the WE Program also depends on our intervention from the outside and the factory owners' willingness to cooperate. Voluntary goodwill is not always a strong enough basis to achieve a permanent and more equal balance of power. The latter has to be based on rights.

## Strengthening participation and freedom of association

In cases of systemic issues in which the imbalance of power and commercial interest figure strongly, paradigm shifts are hard to achieve. Some issues, for example living wages, cause a feeling of powerlessness on all sides: manufacturers, brands, labour activists, governments and, to some extent, consumers point their finger at each other because they don't feel equipped to deliver higher wages single-handedly. This is where the initiative "ACT on Living Wages" comes in. It was set up to redress the imbalance of power step by step and requires all involved parties to assume their responsibilities. Collective bargaining between the social partners on national level and in various countries parallel, does not exclude individual companies nor whole industries and therefore avoids competitive disadvantages for individual players. <sup>7</sup> For their part, the brands have committed to improving their purchasing practices.

Our response to the initially introduced problem of building and fire safety deficiencies in Bangladesh is an approach that no longer omits the question of power. Tchibo had already signed the forerunner of the Accord on Fire and Building Safety in Bangladesh <sup>8</sup> at the time Rana Plaza collapsed. The agreement, which is the result of negotiations with trade unions and labour organisations such as the Clean Clothes Campaign, includes inspections by independent experts as

<sup>6</sup>

Learn more in "Moons WE diary", p. 42

<sup>7</sup>

Learn more in "The long path to fair wages", p. 104

<sup>8</sup>

Accord on Fire and Building Safety in Bangladesh is an agreement between brands and the international trade unions IndustriALL Global Union and Uni Global Union to work towards a safe and healthy garment industry in Bangladesh after Rana Plaza (see also "The breakthrough", p. 70).

Who has the power to initiate groundbreaking change?



well as workers' right to refuse unsafe work and worker participation in Health and Safety Committees. The agreement was to come into effect once it had been signed by a minimum of four companies. Tchibo was the second signatory after PVH (Calvin Klein, Tommy Hilfiger). Other firms only signed after the Rana Plaza catastrophe. The agreement is based on the insight that no single party has the necessary power and assertiveness to tackle the problem sustainably. The employees' right to have a say formed an integral part of the agreement from the outset. Today, the Accord is considered to be one of the most effective initiatives in the field of business and human rights.

The way we see it at Tchibo, strengthening the right to equal say, participation and freedom of association constitute essential components of corporate responsibility strategy. This includes the collaboration with unions. They make it possible for employees to organise collectively, rather than be helplessly exposed to poor working conditions. They also play an important part in pushing through fundamental political and civil rights such as freedom of speech. Of course, we

are aware that unions, just like any organisation, wrestle with the problem of abuse of power and that women still lack fair representation. Instead of excluding them for these reasons, we don't shy away from asking the question of power again and again in our collaboration - that is to say we question the distribution of influence and whether the employees have legitimate representation.

We would like our efforts towards participation to become the norm rather than the exception in the sphere of business and human rights. If one is serious about stopping human and labour rights violations, the affected workers need to be able to represent themselves. By making their right to equal say, participation and freedom of association legally binding and by promoting these rights in practice, we strengthen the mechanisms that prevent abuses of power - including within the private sector. This is the only way to make a lasting difference. ●



# What are the interdependencies in global supply chains?

## The example of the garment industry.

### In the supply chain: retailers – suppliers – manufacturers:

Brands and retailers as well as suppliers and manufacturers depend on each other. Contrary to what one might think, it's not necessarily the most familiar companies that hold the most market power. Occasionally, suppliers unknown to end-consumers might have a market share that exceeds the share of many brands by far – as in the case of the Hong Kong-based company Li & Fung in the garment industry.

Even if brands decide not to work with agents or suppliers for business or sustainability reasons, they may work with very large firms. After all, some manufacturers are globally-operating businesses with production sites in several countries.

That being said, even size is not always the decisive criterion for influence. Good manufacturers who meet the market's high demands on quality, reliability, and a minimum of social and environmental compliance at a competitive price, can choose their buyers. Here's an example from our work: a producer from Bangladesh, that is known for its high environmental standards and has other well known clients, cancelled its business relationship with us after we had put the focus of our programme work on strengthening dialogue, complaint mechanisms and freedom of association – unpopular issues in Bangladesh.<sup>9</sup>

Furthermore, brands aren't free to choose production countries. There may be a certain amount of choice, and the expiration of the international textile agreement in 2004 certainly saw the clothing industry expand widely. At the same time, certain regions came to specialise in particular kinds of products. In Western Europe, the know-how that the garment industry relies on is not nearly as widespread as it used to be. And the cultivation of certain raw materials, such as cotton and coffee, depends on climatic conditions. Add to that the fact that working conditions are deplorable in most countries that cultivate cotton and that many of them use state-imposed forced labour.

<sup>9</sup>

Learn more in  
"The story of Julia  
and Abdur", p. 22

### In the countries of production

There also exist interdependencies between manufacturers in their national or local contexts. An example from Turkey: socks and home textile manufacturers may formally act as independent businesses, but their CEOs are often related to one another. This may be an extreme example, but in the garment industry, most of which is established in developing countries and emerging economies, manufacturers regularly help each other out, such as when poor infrastructure causes delivery delays. In the case of Bangladesh: many factory owners have considerable political influence. Not only are many of them members of Parliament, but the employers' association BGMEA also holds a lot of influence. Therefore, the management of a single factory cannot change its company policy, wage system included, without considering the other players in their respective industry.



### About the authors: Nina Richter and Julia Thimm are Co-Heads of Human Rights at Tchibo.

Julia Thimm, a political economist, has been involved in the protection of the environment and human rights since she was a teenager and gained her first work experience while working for the Clean Clothes Campaign. She has been with Tchibo for ten years now.

Nina Richter studied international trade and second language acquisition research. She worked as an international buyer before joining Tchibo ten years ago.

Both share the vision that fair supply chains are possible and that distribution of power is good for everyone. By working as a job-sharing tandem, which allows them both to work part-time, they hope to show that it is possible to hold a responsible position while also enjoying a fulfilled family life.

Who has the power to initiate groundbreaking change?





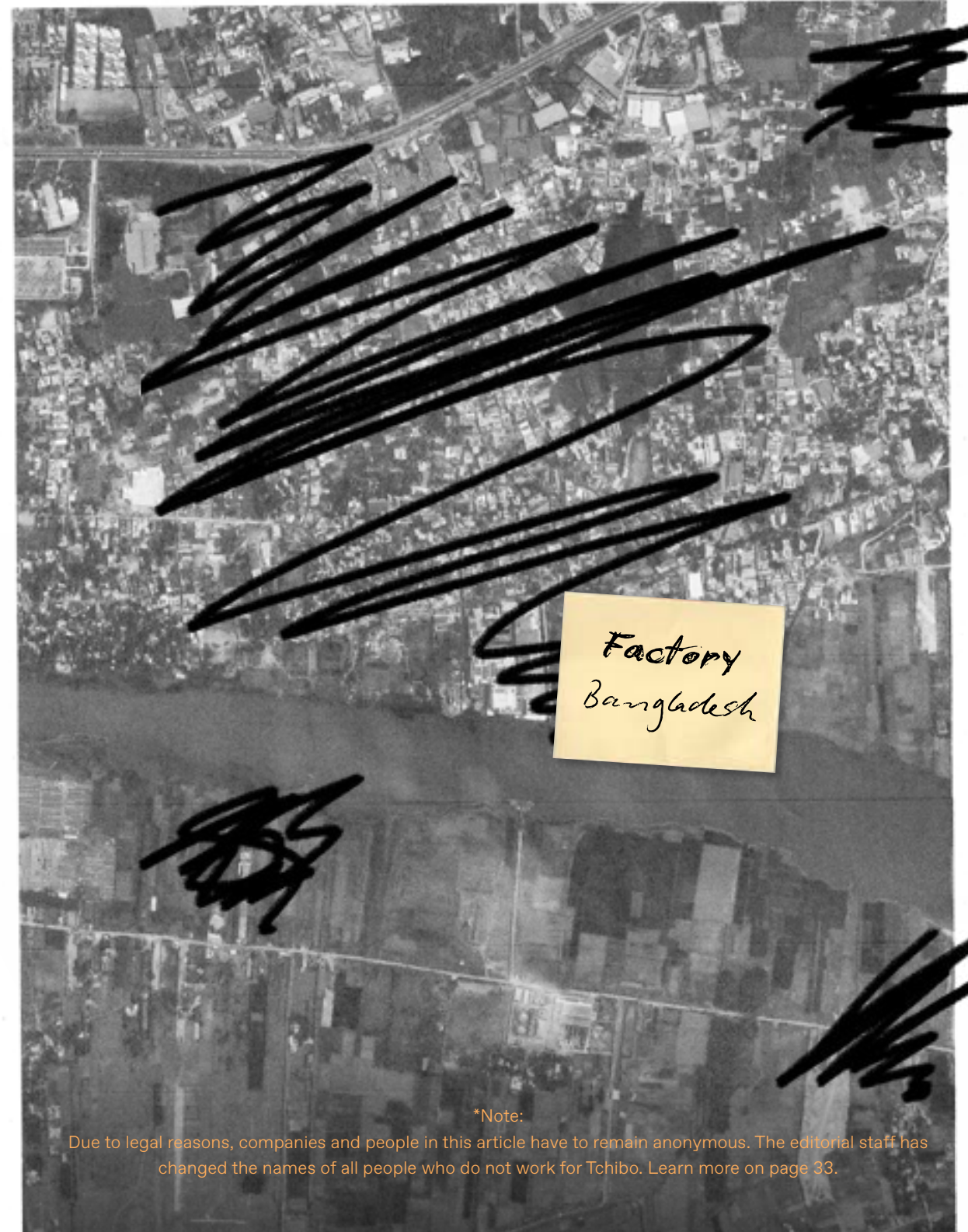
»We don't expect perfect solutions. But we do expect progress«.

TEXT BY TIM ALBRECHT  
PHOTOS BY TCHIBO GMBH

In order to improve human rights permanently, Tchibo works closely with its suppliers – among them a large garment manufacturer in Bangladesh. This is the story of the ups and downs in their relationship.



Who has the power to initiate groundbreaking change?



\*Note:  
Due to legal reasons, companies and people in this article have to remain anonymous. The editorial staff has changed the names of all people who do not work for Tchibo. Learn more on page 33.





↑ Managing director Abdur Reza\* in his office

Who has the power to initiate groundbreaking change?

When Julia Thimm met Abdur Reza for the first time, she had no idea that this encounter would change her life. Today the 38-year-old Berlin native and her team are in charge of human rights at Tchibo. Back then, she was an activist for the “Clean Clothes Campaign”. Reza is the director and co-founder of a large textile consortium based in Bangladesh.

The setting of this encounter: a workshop on human rights in the textile industry. The workshop, co-organised by Tchibo and GIZ, the German agency for international cooperation, marked the end of the WE Program’s <sup>1</sup> pilot phase, which had initiated the dialogue about human rights in production facilities in developing countries. Since Reza was one of the first employers to implement the programme in his factory, he took part as an employer representative. Thimm’s role was to provide an NGO’s critical view on the new programme. During their break, the two struck up a conversation. Their topic: the role of trade unions in Bangladesh. Thimm was all for empowering them. Reza vehemently opposed them.

Thimm, who has an academic background in political economy, was hardly surprised by Reza’s stance. Nevertheless, she felt that their differences were not necessarily rooted in opposing ideologies, but rather the result of different experiences of life. “It was clear to me that we still had a long way to go regarding freedom of association and the respect for union rights. Still, this conversation was a key moment for me. I realised: us human rights activists and factory managers always talk about each other, but not with each other”. It was this insight, combined with the feeling that

dialogue builds bridges, that became a determining factor in Thimm’s subsequent decision to change jobs. She joined Tchibo in order to gain a better understanding of the corporate perspective.

Thimm’s and Reza’s dialogue has grown into an ongoing conversation. Their lunch break talk has become a professional relationship. About five or six times a year, Tchibo sends its WE facilitators to the consortium’s factory in the greater area of Dhaka, a metropolis of 9 million people. Both then and now, their exchange remains characterised by respectful dialogue but also by opposition, setbacks and conflicts.

## Instead of a dark sweatshop, a modern factory

Reza is a serious man. Modest but proud. A self-made man, who started out as an accountant in a textile company counting 35 sewing machines spread across two flats located on the same floor of a residential building. Now he presides over a group with annual sales of more than 200 million US dollars.

## “I dream of establishing ‘Made in Bangladesh’ as a quality label”.

Whenever Reza speaks of his employees, he adopts a paternal tone: “I love my workers. They can always come to me with complaints”.

The textile factory in the area of Dhaka is one of about a dozen of the consortium’s manufacturing sites. It complies with the high environmental standards that Tchibo requires of all its manufacturers. Tchibo has been buying textiles from here since 2007: more than 14.8 million items alone in the year 2020. The factory accounts for almost half of the group’s total sales. The company reports a profit margin between four and five percent.

Approximately 8,100 employees staff the production lines, dyeing, cutting, printing, sewing, and packaging articles. Tchibo buys about 30%

<sup>1</sup>

Learn more in  
“Moon’s WE diary”,  
p. 42



of the T-shirts, rompers, thermal underwear and pyjamas that are produced here. If you walk into the factory expecting to find a small dark sweatshop, you're in for a surprise. The production site is spacious, well-lit and tidy, even though the site, which was commissioned in 2004, is one of the group's older facilities. The large number of staff makes it clear that this is not a "big" buyer meets "small" manufacturer kind of situation. Tchibo counts about 6,600 employees in Germany, which is less than this particular production site employs on its own. In total, the group employs a staff of over 25,000, while Tchibo counts about 10,000 worldwide.

## No living wages, despite the boom

When the WE Program facilitators visit the factory, the focus is not on Julia Thimm or Abdur Reza, but on workers such as Khadiza and Abhoy\* – and for very good reasons. Although the Bangladeshi textile industry is booming, sewing operators Khadiza and Abhoy are yet to earn living wages. Khadiza has been working for the company intermittently since 2013, between eight and ten hours a day, six days a week. This earns her a salary of 14,000 Taka a month, which equals to around 140 Euro. The amount puts her well above the statutory minimum wage of 8,000 Taka, but also below the 20,000 Taka that roughly constitute living wages.<sup>A<sub>2</sub>2</sup>

It's hard to live on a salary of 14,000 Taka. The average income in Bangladesh is many times lower than in Germany, but living expenses are almost half as high (43%).<sup>3</sup> Still, Khadiza can't or won't complain: "Since my husband also works at the factory, we earn 28,000 Taka together. That's enough to support our family". Khadiza has a son (15) and a daughter (5). She's one of 24 employee representatives at the factory. Seven are appointed by the management, 17 are selected by staff vote.

Abhoy, who is younger than Khadiza, takes a more critical view on the issue of income. He works an average of eleven hours a day and shares a flat with two other workers. Ever since his father's death a few years ago, he has been financial-

ly supporting his mother and siblings back in his hometown. Abhoy is glad that his salary is always paid on time on the seventh of the month, which is not the norm at other factories. However, the salary makes it impossible to save up any money:

**"I earn between 12,000 and 13,000 Taka a month. That's enough to cover my expenses, but at the end of the month there's no money left!"**

Low wages are a problem across the industry and beyond Bangladesh's borders.

Although the boom of the ready-made-garment (RMG) industry played a substantial part in lifting many Bangladeshis out of the more extreme forms of poverty (textiles account for 80 percent of the country's exports<sup>(1)</sup>) and the average per-capita income in Bangladesh has quadrupled since 2000<sup>(2)</sup>, living wages are nowhere in sight: "Our producer's employees earn no living wage", says Julia Thimm. "And the same applies to the entire garment industry, be it in Bangladesh or worldwide."<sup>4</sup>

## Too big a workload, too much overtime

For workers like Khadiza and Abhoy the issue of wages is tied to another aspect: overtime. In fact, they only earn said monthly salaries if they work considerably longer than the statutory 48 hours. According to Abhoy, his basic salary is lower compared to other factories, which practically compels staff to work long hours. He considers this to be the management's business strategy: "A bad strategy from my point of view. For we depend on overtime to make a living". "Overtime pays better", says Fatima Chowdhury, responsible for human rights at Tchibo in Bangladesh. "This is why the first question that workers ask at WE workshops is: Can you help us get more overtime?"

Many workers in Bangladesh are particularly at risk of exploitation because they come from the

<sup>A<sub>2</sub>2</sup>  
The calculation of the living wage differs depending on the organisation. Therefore, the idea of what exactly constitutes a living wage varies. During the nationwide protests in 2019, unions demanded an increase in wages to 18,000 Taka.

<sup>3</sup>  
[www.laenderdaten.info/lebenshaltungskosten.php](http://www.laenderdaten.info/lebenshaltungskosten.php)

<sup>4</sup>  
Learn more in "The long path to fair wages", p. 104

(1) [www.statista.com](http://www.statista.com)  
(2) World Bank



↑ Abdur Reza\* walking through his production facilities

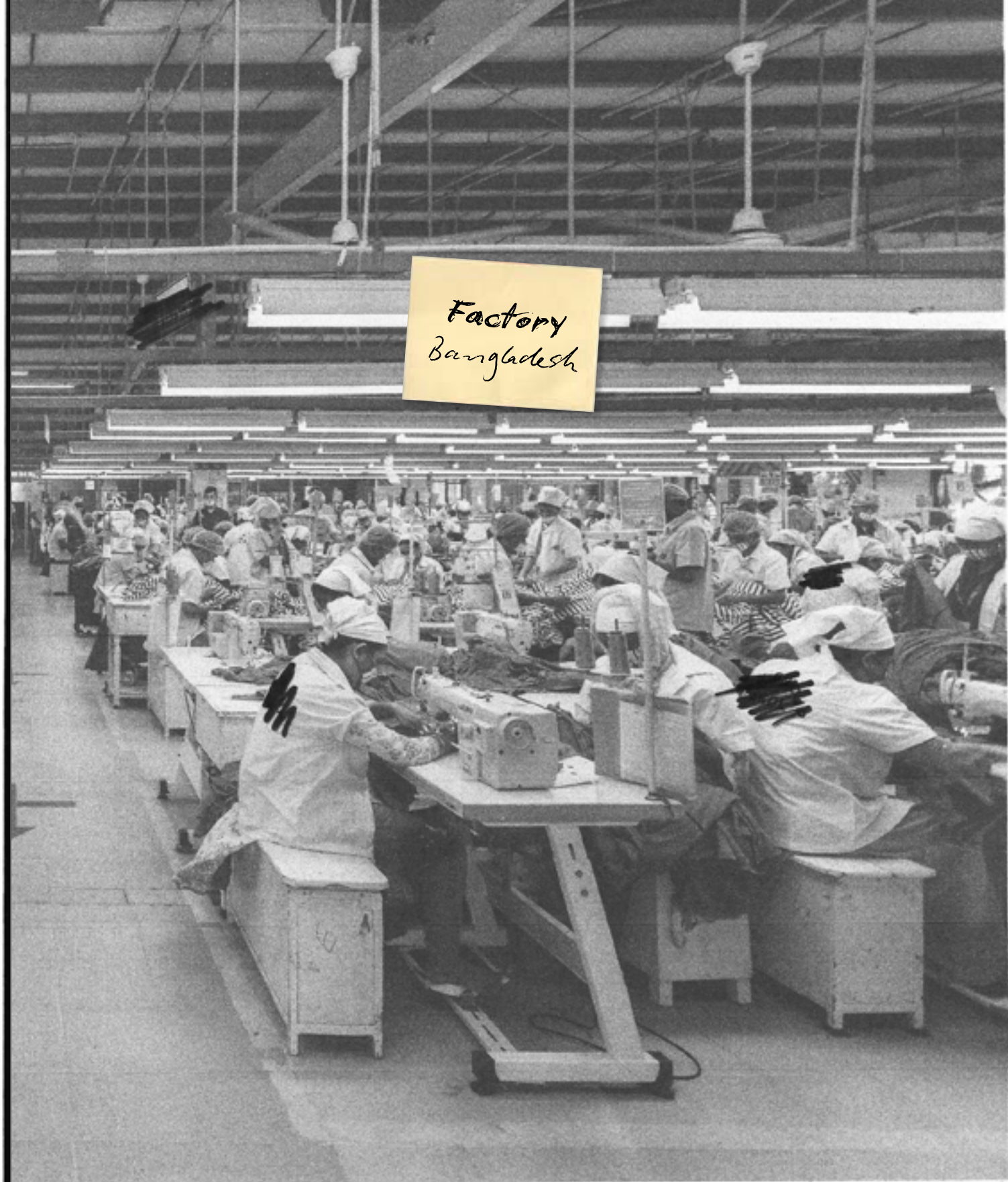
country, pay high city rents and provide financial support to family members living in poor, rural areas. Their shift at the factory starts at 8 o'clock. A workday of twelve hours or more is not uncommon.

Extreme overtime is a topic that has been resurfacing between Tchibo and the manufacturer for years. Clearly, workers shouldn't be compelled to work in a permanent state of exhaustion only to put food on the table. Although it is regularly addressed at WE workshops, there has been little movement. "Labour laws stipulate a working day

of eight hours. An additional two hours of overtime are allowed per day", says Chowdhury. "But our supplier calculates on the basis of ten hours per worker. And if you take a ten-hour working day as a benchmark, then the hours are always bound to build up".

Company director Reza sees things differently. According to him, a calculation based on a minimum of ten hours is common practice: "You won't find a factory in Bangladesh that calculates on the basis of fewer hours". He also points out that his







↑ Seamstress Khadiza\* at work

← Bigger than Tchibo: The group of companies employs over 25,000 people.



Who has the power to initiate groundbreaking change?

employees are asking for overtime: “They want to work ten hours because they need the money. If I were to reduce their working hours today, I would lose 10% of my staff tomorrow. They would go work for the competition”.

The pandemic has exacerbated the situation. During the second COVID wave, reports of working weeks exceeding 100 hours reached Tchibo. Reza denies this: “Yes, we kept exceptionally long hours then. Occasionally, employees would work as many as 75 hours, but never 100. There were exceptional circumstances. We engaged in a dialogue with staff and everybody was willing to help”. According to Reza, employees were compensated with extra pay for their overtime hours.

In Chowdhury’s view, there is a solution to the overtime problem. First, there’s the fact that factories in the garment industry accept incoming orders even when they are running at capacity. Moreover, production scheduling needs to be improved. Chowdhury considers this the industrial engineers’ responsibility since they are often part of the factories’ management. “I don’t have the impression that the responsible parties are seriously committed to tackling this problem”, says Chowdhury. Whenever the issue comes up, managers point to the respective prior crisis, be it a commodity shortage or order sizes increasing at short notice. “These things happen. No doubt!” says Chowdhury, “but by now it’s clear that we’re dealing with a recurring pattern.

### Facilitating small steps towards progress

Amid such disagreements, the intervention of a third party can be helpful. Jaikumar Chandrashekar’s job is to mediate between Tchibo, the management and workers. Visiting the factory, he and his team of facilitators implement the WE

Program seeking to open and facilitate a dialogue between the company’s staff and management while remaining impartial. <sup>5</sup> Chandrashekar and his colleagues are paid by Tchibo but are not employed at the company.

**“We visit the factories and encourage all parties to address difficult issues. Be it health, occupational safety, discrimination, sexual harassment, living wages, working hours or the right to workers’ representation”.**

Working conditions have improved since Chandrashekar and his predecessors began their work. The number of industrial accidents has gone down. A doctor is on site around the clock to treat injuries and cases of illness. In case of emergencies, the company has its own ambulance at its disposal. Furthermore, the company has an agreement with a local hospital, guaranteeing employees treatment should the necessity arise. The company provides full-time childcare and hands out free sanitary towels to women. A “Fair Price Shop” that recently opened on the factory grounds offers workers groceries at better prices than the local market. Before the WE Program was launched, employee representatives were exclusively designated by management. Now there are elections.

Despite the corona pandemic, the manufacturing company has, by its own account, raised wages by 5% a year as in the preceding years. Tchibo did not cancel any orders in this period. Reza is grateful for this: “Tchibo gave us more support than other clients in these difficult times”.

<sup>5</sup> Learn more about the daily work of the WE facilitators in “Moon’s WE diary”, p. 42



Thimm attributes these improvements, which are confirmed by Khadiza and Abhoy, to a better line of communication between management and the labour force:

**“We were able to sustainably improve the dialogue between the leadership and staff. Labour standards and human rights have become more important at the company.”**

Nonetheless, she doesn't mean for Tchibo to lay claim to all the progress. “It can partly be attributed to us, but the manufacturer is also participating in other programmes with other clients. And this improvement also reflects the general trend within the sector”.

In facilitator Chandrashekar's view, the WE Program's approach, which consists of putting a lot of time and effort into building trust and working towards small, but constant progress, has been proved right: “When we visit the factories, we reiterate: we're here to help you, not to supervise you. We're not here to advance our own interests but want to hear what the problems are. We don't expect perfect solutions. But we are seeking to make progress”.

WE facilitators regularly compare notes with top management and hand out their private mobile numbers to workers during workshops. Just in case. “The WE Program is our most effective complaint mechanism”, says Julia Thimm. And Chandrashekar adds, “Face-to-face human contact is key to it all”.

## A relationship put to the test

Every now and then the manufacturer's and Tchibo's long-time working relationship is being put to the test. This is the case when allegations of human rights violations become public. Julia Thimm's team acts immediately in order to get to the bottom of such accusations. In the past, the German media reported on the verbal abuse sewing operators were being subjected to by superiors at the factory. No one denies that such abuse occasionally occurs. “In our experience this mostly happens at peak time when production pressure intensifies considerably”, says Fatima Chowdhury, speaking for Tchibo's human rights team in Bangladesh.

Verbal abuse may not be unusual within Bangladesh's garment industry, but it's unacceptable for Tchibo. “When we ask women why they don't want to become supervisors, they often answer: then I'll have to shout at the other workers at peak time. They have internalised this conduct as if it were part of the job description”, says Chowdhury. Factory owner Abdul Reza, however, does not believe that his factory is a place of discrimination: “No one here is being discriminated against on the grounds of their sex or religion. Women and men have equal pay”. In Reza's opinion, the women's safety is warranted by the surveillance cameras: “They cover 90% of the factory grounds. If something were to happen, we would see it”.

His counterpart, Julia Thimm, believes that Tchibo's long term commitment to human rights also reflects in their decision not to switch manufacturers at every setback: “Change is a slow process. Should we take our business elsewhere, to factories that might even do a worse job, if we're not 100% satisfied with the standards? We'd much rather support the process of change and work with partners who are willing to commit to progress”.

From Reza's perspective though, potential for improvement is limited by economic parameters: “When a European retailer sells our product for 10 euros, the takings are 7.50 for them and 2.50 for us, no matter how sustainable the mode of production was. This discrepancy needs to be reduced”, says the businessman. “My employees deserve to have

better lives. Anything that helps achieve this within the imposed limits of 2.50 euros should be done”.

## Lunch break all over again

The issue of unions remains one of the obstacles that Julia Thimm and Abdul Reza can't seem to overcome in their talks. Management still takes a sceptical view of the staff organising in any form of unionisation. Amirul Haque Amin, founder and president of the “National Garment Workers Association” and recipient of the city of Nuremberg's human rights award, deplores the situation. Although he considers the production site a “good factory” in terms of general working conditions, he also suspects its management of actively preventing the workers joining forces: “The bitter truth is that the group's management is actively undermining the right to unionise”.

Abdul Reza declines to make an official comment. Nevertheless, he clarifies that he personally does not trust local unions. “Unions in Bangladesh are disorganised and disregard all kinds of democratic principles. In some cases,

trade unionists have been known to hand in petitions that had allegedly been signed by our workers but turned out to be forged. Bangladesh is one of the most unionised regions in the garment industry, but as far as I can see, they don't seem to have achieved anything for the workers”.

The issue puts a strain on the manufacturer's and Tchibo's relationship of mutual trust:

**“When we bring up the right to freedom of association and to collective bargaining at WE workshops, you can immediately feel the tension in the room.”**

Management then suspects that WE Program facilitators are bent on inciting the workers to form a union. “But that's not our job”, stresses Chowdhury. “We merely inform the workers about rights to which they're legally entitled”.

This much is clear: If workers could organise collectively, companies like Tchibo could stay out of issues involving excessive overtime or wages. But as long as this is not the case, the dialogue between Julia Thimm and Abdul Reza will continue. ●

Who has the power to initiate groundbreaking change?

### [A note on this article](#)

While researching this story, our author conducted numerous interviews with the parties involved. Once a draft of the article was available, it became itself part of the history between Tchibo and their producer. Both sides were concerned that the transparent portrayal might harm the manufacturer – affecting not only the company's dealings with Bangladeshi actors, but international buyers as well. The Tchibo approach,

which relies on transparency and gradual change, is not shared by everyone. For this reason, we decided to anonymise the text. After all, the article is not about an isolated case. In fact, the story is rather a case in point for the dialogue on human rights between Western brand companies and large-scale manufacturers in Bangladesh – their difficulties as well as their successes.



# WHAT IS YOUR POWER?

How can you change the working conditions in the garment industry for the better? Four answers to one big question.



Who has the power to initiate groundbreaking change?



AYŞE KESKIN

TEXTILE FACTORY, TURKEY

Ayşe Keskin has been the worker representative in a garment factory in Istanbul, Turkey, for the past four years. Before that, she worked as a seamstress in that same factory for 14 years. Now she mediates between her colleagues, the union and the factory management.

“The power lies with the big groups. I am the megaphone between the workers at my factory, the union, and my bosses, the factory managers, but as an individual, my power is slight. My strength comes from all of those who are organised in the union. As long as they stand by me, I am powerful.

My boss didn't want to have the union inside the factory, but we fought for it as a big group. And we succeeded: The majority has the power. This experience motivates me to continue doing my job as a worker representative. The workers are very powerful but often they are not aware of that. That makes me sad.

Even now that we have the union in the factory, my colleagues are hesitant about demanding changes of the working conditions. They are worried how the management is going to react. But it is so important that we fight together for our basic rights!

As an individual worker, one thinks that all the power lies with the management. But as a worker representative, I see everyday that it is us that have the power. If we want change, we have to fight for it. But I still have to explain to my colleagues that this is our right and not a luxury.

**“My strength comes from all of those who are organised in the union. As long as they stand by me, I am powerful!”**

The union is working on a new collective bargaining agreement right now, which we will present to the management. There are many meetings with the workers to incorporate their wishes and perspectives. I am nervous about what my bosses will say to our demands. But I am definitely ready to fight for the agreement. I am good at negotiating. I never give up, out of principle. My motto is ‘Either it happens or it happens’. I am not willing to make any compromises that disadvantage the workers.” ●



RICK LAMBELL  
KMART GROUP, AUSTRALIA

Rick Lambell is Head of Sustainable Development at the Australian Kmart group. He has more than twenty years of experience working as a consultant on corporate social responsibility and sustainability. In his role at Kmart he has been engaged in the ACT on Living Wages initiative.

“Kmart Group is a division of Wesfarmers, one of Australia’s largest companies, and operates over 500 department stores across Australia and New Zealand. The business operates primarily through a direct sourcing model and has a network of suppliers across Asia, including partner factories in Bangladesh, China, Indonesia, India, and Vietnam. We aim to work with suppliers that share our values and commitment to continuous improvement in working conditions.

As a medium-sized retailer by world standards, we recognise that working in partnership with others – including with suppliers, other brands, trade unions, governments, and non-government organisation – is critical to achieving scale of influence, for sharing knowledge, and to drive long-term improvements in working conditions.

Kmart Group does not own factories and we share suppliers with many other global brands. This limits our ability to influence working conditions in isolation. Further, the traditional model of social compliance – factory audits and corrective action plans (CAPS) – does not drive lasting change as it tends to disempower those closest to the challenges and solutions to worker’s rights issues: the workers themselves.



As a result of these learnings, over the past six years we have accelerated our focus on partnerships and have joined a number of new collaborations – including ILO/IFC Better Work, ACT <sup>1</sup>, and BSR HERproject <sup>2</sup> – aimed at addressing the underlying and systemic issues facing the industry, such as gender inequality, excessive overtime and living wage. Worker empowerment lies the heart of this approach.

**“We can achieve very little on our own. That is why we focus on partnerships and collaborations”.**

We joined ACT on Living Wage in 2015 as the first brand member outsider of Europe. ACT is an agreement between 20 global brands and IndustriALL Global Union aimed at achieving a living wages for workers in textile and garment supply chains through freedom of association, industry-wide collective bargaining and responsible purchasing practices.

There is long way to go to achieve ACT’s vision and there have been setbacks; however, the partnership has demonstrated that brands and trade unions working together can be a powerful catalyst for change. It can be slow and painful work, but we believe that partnerships like ACT are the only way forward if we are serious about improving working conditions in the long-term”. •

<sup>1</sup>

Learn more in “The long path to fair wages”, p. 104

<sup>2</sup>

Learn more in “Knowledge that saves lives”, p. 67

“POWER SPRINGS UP BETWEEN MEN WHEN THEY ACT TOGETHER AND VANISHES THE MOMENT THEY DISPERSE”.

HANNAH ARENDT





ANANNYA  
BHATTACHARJEE

ASIA FLOOR WAGE  
ALLIANCE, INDIA

Anannya Bhattacharjee is the International Coordinator of the Asia Floor Wage Alliance (AFWA). Her daily work revolves around the topic of living wages. Anannya has been a committed labour rights activist since the 80s, helping to build various grassroots movements in the USA and founding the Garment and Allied Workers Union in Haryana, India.

“Each one of us has the responsibility to develop effective strategies for a better planet through and with strong organizations. We can only achieve change if we work collectively together. As international coordinator for the Asia Floor Wage Alliance it is my responsibility to help build an Asia-led global labour alliance with union representatives and labour activists from different Asian countries and to develop joint strategies. Our power lies in acting as an alliance based on solidarity and mutual interests and advocating through joint demands from the largest garment production region.

In the garment industry, that brands are the drivers of the supply chain is a well-established fact. As drivers of the supply chain, they decide the conditions, the prices, the rules. Moreover they are not just the decision-makers and the drivers of the supply chain, but also the greatest benefi-

ciaries. Therein lies their power. Presently, there is more clarity globally that we need to change how we do business. The negative effects on the planet and on human rights are too stark and visible. Brands, by being both the drivers and the greatest beneficiaries of supply chains, have the power to re-structure supply chains to make them more equitable, humane, and just.

Change comes when we all work collectively together. One brand changing may not be enough; but a handful of pioneering brands can make an enormous difference and bring about industrial change through their leadership.

**“Our power lies in acting as an alliance based on solidarity and mutual interests”**

Moreover, we need to restore the authentic function of oppositional voices for the greater welfare of the planet and people. Pioneering brands and labour need to work together to restore balance to the existing highly imbalanced and inequitable supply chain structure. I am convinced that by working together we have the power to change the condition of humanity and the state of the planet. I am honoured to be co-building with organisations that do such impressive and important work every day. Be it to achieve the right to assemble, to fight for fair wages, to fight for the right to a union or to enforce security and safety at the workplace. Among these organisations, I can play my role, and I can support them with my skills, just like many other people do”. ●



Who has the power to initiate groundbreaking change?



Learn more in  
“The breakthrough”,  
p. 70



DAN REES

BETTER WORK,  
SWITZERLAND

Dan Rees is the Director of Better Work, a flagship programme of the International Labour Organization jointly managed by the International Finance Corporation (a member of the World Bank Group). Dan is an expert in the field of ethical trading. He has been the director of the UK-based Ethical Trading Initiative and is participating in the negotiation and implementation of the Bangladesh Accord on behalf of the ILO.

“We all have some influence. The question is how we use it collectively to ensure a stronger apparel industry built on respect for the rights of all who work in it.

The influence I personally have lies in the unique position I hold as Director of Better Work, a joint programme of the International Labour Organization and International Finance Corporation. It partners with over 1,700 garment factories that together employ roughly 2.4 million workers around the world.

Through Better Work, we bring together everyone involved in the garment industry: national governments, development partners, workers, employers and their organisations, global brands. These are the people and the organisations with the power and influence to make change in the garment industry.

All of these stakeholders have very different mandates and interests, so it is not easy to develop common solutions. That makes it all the more important that we bring everyone in the industry together and help them with this task. As the Director of Better Work, it is my job to facilitate dialogue that forges consensus for initiatives that deliver the best outcome.

Better Work is active in 12 countries across the globe. Each country has its own challenges. We focus on addressing the most critical labour issues through collective approaches. For example, in Jordan, Better Work has supported the government, employers and workers’ organisation to take the policy and practical steps that eliminate systemic forced labour. In Vietnam, ILO has supported the government to develop a new labour code and Better Work’s role has been to contribute evidence based good practices from across a wide factory base. This law came into effect last year and will allow workers greater freedoms to form and join their own organisations. It also legally defined sexual harassment.

**“The important question is how we can use our collective influence”**

Decent jobs are transformational for workers, their families, communities, and societies. Decent jobs enable people to live dignified lives, with access to health, education, and a brighter future. We know that collaborative efforts like ours can be far-reaching, impacting the lives of millions of workers and their families in a positive way. That is what I strive for in my work for a better garment industry”. ●



# What works and what doesn't: Which methods do we use?

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TEXT BY BEANCA DE GOEDE

PHOTOS BY NEELTJE KLEIJN

# Moon's

# WE diary

*Worldwide program based on dialogue*

*to enhance working conditions in factories*



The WE Program ⓘ brings workers and managers together to have courageous conversations about human rights. Simple as that may sound, the day-to-day business of it is complex and unpredictable. The diary of Moon Mukherjee, one of the WE facilitators in India, shows the highs and lows in a year that was marked by Covid.

ⓘ  
Learn more about  
the WE Program on  
p. 53

*November 11,  
2020*

What works and what doesn't: Which methods do we use?

Today we had our first Human Rights Monthly Call, an online session with everyone involved in the WE Program to discuss the burning questions we encounter in our work. A lot of cases that were brought forward had to do with wages, working hours and forced labour. As facilitators we work in a curiously schizophrenic situation where we imagine a perfect world and there is ground reality. We want no one to be exploited, but then the basis of all economic interaction that we encounter is exploitation. And all the time we know that's just the way it is. We operate in a business environment, not in a charity. And the perspective of the brand, the owner of the factory and the most underpaid worker are worlds apart.

We struggle with the dilemma where Western brands say: quality of life is so important, we will not allow excessive overtime. Whereas in our part of the world, the legally given minimum salary is not sufficient for many workers. What they get is barely enough to survive. When they manage to

do the overtime, they have a little money they can send to their families back home, in the villages.

Most countries in Southeast Asia, not just India, are densely populated. For one job there may be ten people available. There will always be someone who is willing to work more hours or wants to work for less money.

Ten years ago, managers said: 'How can you ask us not to do overtime when we lose out on good workers that way? They will go to other factories! They want the overtime!' That's the field we're operating in. There's never just one side to a problem.

Before we start a session, we always set up the chairs in a circle. The circle is the only shape in which everyone can see each other. It also ensures that every participant can speak up and get involved in the conversation, which is fundamental to a dialogue. In the online setup this 'principle' is compromised as we have to rely on how far the camera can include every participant.

\* Moon Mukherjee is one of the facilitators of team India. She has a background in psychology and organisation behaviour. Moon is based in New Delhi and started working for the WE Program in 2017. Team India consists of three other facilitators – Jai, Neel and Jekib. They are all based in dif-

ferent parts of the country and often travel long distance to visit the factories where the WE Program runs. Factory visits for the WE Program are always designed and implemented by two facilitators, in some cases by the whole team. During 2020/2021 many visits were done online.





*The circle is the only form that allows everyone to see everyone.*



What works and what doesn't: Which methods do we use?

December 10,  
2020

Due to Covid-related travel restrictions we are conducting an online factory visit. The factory is located in the foothills of the Himalayas. Today's topic was on health and safety at the workplace. Our intention was to make every worker a 'risk-assessor' so we started our session by asking the question: What could have gone wrong from the moment you woke up until reaching the factory – at home, on the way – that would have prevented you from reaching this session today? This question eased every participant on to the tough topic of being aware of risks in every situation and let them move away from thinking 'an accident will not happen today' or 'an accident will not happen to me'.

December 17,  
2020

Within the Program we keep in touch with facilitators in other countries. We have an international WhatsApp group, we do Zoom sessions and if possible, we meet in person once or twice a year. Sometimes we also work together, sharing knowledge and helping each other.

A while ago Haider, my colleague in Pakistan, indicated he could use some back-up to tackle problems in a very difficult factory. Asif, from team Bangladesh, and I offered to assist him and to be present online during his factory visits.

So today we were in Pakistan, virtually. And during our factory visit we did a short exercise with the WE team of the factory, sending them to the factory floor with a 'magic wand' to ask the workers: 'If this magic wand could grant you one wish to make your work life better, what would that be?'

The answers were collected and displayed in front of the senior management that was present during this session. Paying salaries on time came up as top priority; almost 70% of the workers mentioned that as their biggest wish. This 'wish'

## Building trust



*is one of the main goals*

*of the WE Program!*

became a big topic and it moved from the workers mouth to the board room. The director of the factory tried to give some justification: this being such a big factory, with more than 14,000 employees, meant that we were talking about a huge amount of money. During the dialogue that followed, we highlighted that it doesn't matter how big a factory is or how good their marketing department performs – what workers need is timely payment of their salary.

We could see that the simple way this was conveyed was more effective than any hard-hitting admonishment. We also noticed that the workers, although they had uttered this wish almost unanimously, did not have the faith this would ever happen. Late payment of salary was something that had a history of years in this factory. Many of them told us: this is impossible.

January 22,  
2021

Today I noticed one of the factory owners in India follows me on Facebook. For me, that is a result of our constant effort to build up trust.

In the beginning many people thought: the WE Program is for dialogue about human rights for workers. Why do we need to work with the owners? Well, the culture here is rather top down. Owner commitment and top

management commitment are very, very essential. Not just for us, but for the implementers, the managers on the floor. Only when they realise there is support from above, do they cooperate and become willing to explore. The WE Program is not about a few contact sessions and workshops every now and then. For it to be effective we're in constant communication with factory owners and managers.

Trust building is one of our first goals in the Program. Factories are used to social compliance auditing. And what happens very often is they put up a façade for the one or two days while the audit team is there. And after that it is business as usual. When we visit a new factory, we say: 'We are not coming with a check list. We know you may not be fully compliant,



but we are here to help you build your capacity. We want to help you identify what is really required for your factory to make that shift.

When an audit team comes and they register a violation, they immediately put it in a report and raise it as an issue. As for us: we sit with them and discuss how we can resolve this. All Tchibo requires for participation in the Program is the willingness to see the gaps and the intent of solving issues as a first step.

*January 26,  
2021*

Clearly there has been a lot of activity since our last factory visit in Pakistan. We got a message that there has been a high-profile management meeting with the factory directors and the topic of timely wage distribution came up with the CFO.

As a follow-up to our visit, we sent an email to the management, asking them: 'Please share this with us. How can we build up confidence with the frontline workers if we cannot solve the issue they highlighted as most important to them? If we cannot do that, there is no purpose to move forward'.

As facilitators we try to create a safe space for dialogue. Dialogue, within the WE Program, is not just two people talking together. It requires a big step from everyone involved. For workers engaging in dialogue with their managers feels like the world upside down. And for the management it can feel threatening as well.

*February 9,  
2021*

Today Asif and I did another online Factory visit in Pakistan, together with Haider. We brought up the salary issue again. The theme was Modern Day Slavery and we used ILO's 11 indicators to build awareness on the topic. Short stories were presented, highlighting a specific violation, and participants were asked to move to a YES or NO section of the room if they thought there were any human rights violations mentioned.

To our surprise, we noticed that several issues were completely overlooked since they were commonly occurring, everyday situations in their lives. In the debrief of this session 'withholding wages' came up again as an indicator of forced labour and harsh working conditions.

We would have loved to stop everything then and there and insist on some clear action. But at the same time, we know that it is important to allow the fresh perspective to settle in. Only then we can be in demand for action.

*We want to support you in finding*

*out what you need to bring about change.*





April 5,  
2021

We had planned our next factory visit in Pakistan today, but it got cancelled a couple of hours before our meeting because the senior managers could not be present. Please postpone the session, they said. The message really disturbs me, but at this moment there is nothing we can do.

People who put up a façade of cooperation, but then don't do anything... for me that is my biggest frustration. When there is no real progress and I realise that just a little more effort would make a such a big impact... it infuriates me.



As facilitators

*we try to create a secure space for dialogue.*

April 8,  
2021

All is not lost. When Haider reached out to his contact person in the factory today, that man said: 'Haider, we really appreciate your efforts. Because the session that didn't happen, gave us incredible results'. Haider asked him: 'How can you get results from something that didn't happen?' Apparently, they conveyed to the finance team that they had to cancel a WE session as there has been no progress on the

topic of timely payment of wages. This triggered the finance team into action. They made it possible to arrange the payment of salary on the 6th of April. That day the workers, one after the other, got a bank alert message that their salary had been paid. The news spread like wildfire through the factory. This is the best kind of WE impact - we couldn't have imagined a better result.

April 24,  
2021

Eight years ago, the Rana Plaza disaster took place in Dhaka. It is all over the news today. There are people who called it an awakening about what is wrong in our industry. And others say nothing has really changed. The com-

plexity of working in this industry saddens me.

I still remember watching this CNN documentary on the cocoa business years ago. How the beans are harvested, the amount of child labour that is involved, the terrible conditions on the plantations. I literally had nightmares after seeing that. The realisation that I was promoting child labour... I

used to be a chocolate lover, but then I became so careful. That thing about being an ethical consumer: that happened to me.

And then the Rana Plaza disaster happened. And I heard the CSR head of an international brand say on television: 'Please don't stop buying our products, because then it is going to be even tougher for these workers'. That's when I realised that being moralistic is not going to help anyone.

May 10,  
2021

Again the 14,000 employees at the factory in Pakistan got their salary before the 7th of the month. It was received with great excitement, as it was just before their festival of Eid. The factory manager was so excited about this that he sent our team a screen shot of his bank alert message to share the news that they'd received their salary on time again. Accompanied by a big, red heart.

*Suddenly  
I felt the pressure  
to be an  
ethical  
consumer.*

June 17,  
2021

During our online factory visit today in one of the factories in Bangladesh, we picked up the topic of modern slavery. Our check-in question was: Can you remember a time when you were forced to do something you did not want to do? And then people started sharing about not being able to finish their education, being forced to marry or having to leave their village to go to the city and work in a factory. One lady told in front of the group that her husband died at a very young age and she was a widow now with two small children. We heard about really severe

What works and what doesn't: Which methods do we use?



hardships, you know... What I was operating from is that they are having such a tough life, but how they conveyed it was an eye-opener for me. They felt the worst was already behind them now they have a job. They are in better control of their life and their finances. They respond with absolute gratitude about being given the chance to work in a factory. Within that context, for me to tell them that to do excessive or compulsorily overtime is modern slavery... it even sounds irrelevant to me.

*July 8,  
2021*

During an online factory visit today, I met one of the workers who walked home during the first lockdown in March 2020. It brought back the terrible news images of thousands of migrant workers trying to climb buses, hitching rides on vans, but also walking. After the announcement of the lockdown, they found themselves with no jobs and no income from one day to the next.

*July 18,  
2021*

I spent the whole weekend writing reports and realised once again that non-compliance is always a symptom. In late 2019, during a factory visit in South India, we had started with a tour of the factory and were shown that people wrote nasty things in the toilets, including phone-numbers of women co-workers as if they were sex workers. I pointed out this kind of behaviour is not acceptable. But I also warned it is a symptom of some kind of frustration that exists in the organisation. The management could not figure this out.

As the day progressed, another topic arose: in the canteen people threw

their steel plates and steel bowls, which are fairly expensive to replace, in the garbage. I said: 'Any sign of destruction of property is a sign of some sort of subjugation they are not able to talk about. It may indicate that on the floor the supervisors may be harsh or something else is bothering them'. We decided to address this issue in the group as soon as we started, and it was as if flood-gates opened. Workers shared that their supervisors told them not to wear safety gloves at the polishing machines, because it slowed down the work. They said the factory organises transport for them, but the supervisor did not let them go when the bus was leaving. Holidays were cancelled at a moment's notice, which caused enormous frustration. And so on. So post-lunch we called together the supervisors and we had a huge session with them. As facilitators we plan and prepare, and sometimes we have to leave our plans for what they are because an urgent matter pops up. Sessions to address the toxic behaviour of supervisors have become more frequent in the WE Program now.

*August 17,  
2021*

During a factory visit in the outskirts of New Delhi we did a mini Forum Drama, a sort of role playing session. We gave the WE team a situation where the brand asked for one million pieces to be delivered by the tenth of September. Now what are you going to do? we asked. We divided the roles – someone was the factory manager, another the supervisor, the tailor, all of that. The starting point of the play was someone from the Buying Department shouting an order and saying: 'I don't care how you do it, you have to deliver!' And of course, then someone was going to the work floor doing the exact same thing. As in real life, it became a

*Games and play:  
a good way of bringing things into the open.*





Any suggestions?

*"We will start over again now. But this time, we'll do it differently."*

cascade of bad behaviour. And then we said: 'Now we start all over again and we're going to do it differently. Who has suggestions?'

We incorporated the responses in the 'Next Wise Action' section of our report.

November 8,  
2021

Five years ago, I started working for the WE Program. I think it has deeply transformed me. These past years I had to explore for myself: what does this standard mean for me, for my personal life? You cannot do this work and then apply a different set of morals for yourself.

I've become mindful of how much a domestic worker, nurse, restaurant waiter or petrol station attendant gets paid and is exploited. And I realise that part of our entitled behaviour is due to ignorance. I'm convinced that wrong happens not because we are evil, but because we don't know better.

I think the faith that Tchibo displays in us keeps me going. The transparency with which we can communicate is unprecedented. If we are stuck, we can share that we are stuck. If we have no real impact to report back, we report back that we have no impact. The realisation that in spite of this, they still believe in the Program is encouraging. They are fully aware of the complexity of our work. This Program is not just another effort at greenwashing.



November 30,  
2021

I read an alarming report by Unicef today. As a result of the pandemic, millions of children run the risk of being forced into child labour by the end of 2022. A simulation model showed that this number could even rise to 46 million if the world continues to turn a blind eye.

Although child labour is one of the topics of the WE Program, we hardly ever see children working in the factories we visit. Any Indian factory that is exporting has this sign: No workers below 18. So what happens is that children don't work in factories like these anymore. They work in smaller, overlooked factories, in restaurants, in sweat shops or in domestic situations, under worse conditions. They're beaten, they're not allowed to rest and they often don't get enough food.

What works and what doesn't: Which methods do we use?

① WE Program

The WE Program has been the cornerstone of Tchibo's human rights engagement since 2008. It is a dialogue-based Program that runs in factories all over the world. So far, 432 factories in 11 countries have been part of the Program. Workers and managers come together to hold courageous conversations on human rights in their factories. Together they come up with solutions to improve working conditions. During their factory visits, the WE facilitators design sessions on improving human rights, creating a safe space to generate dialogue with management and workers. They enable them to co-create a desired future for their individual factories and work towards ensuring ownership of the Program together. In each participa-

ting factory, a WE team made up of workers, their spokespersons, union representatives (where applicable) and managers is set up to apply the WE methods within the factory and implement changes.

The WE Program operates on the intersection of business and human rights. It focuses on the following human rights topics:

- Wages and Working Time
- Freedom of Association and Worker Representation
- Discrimination and Sexual Harassment
- Occupational Health and Safety
- Modern Slavery and Child Labour

*I am convinced that wrong doesn't happen because we are evil, but because we don't know better!*



# One topic

## CERTIFICATIONS

# Two opinions



For over 30 years, certificates like Fairtrade have been one of the most important instruments in the effort for more fairness in global trade. When shopping, many customers look out for sustainability labels.

What works and what doesn't: Which methods do we use?



But is certification the right way to fight poverty and strengthen human rights? And how might we enhance this instrument to achieve greater impact? We asked two experts who deal with these questions in their professions.



# Pro



MERLING  
PREZA RAMOS

FAIRTRADE  
INTERNATIONAL

Merling Preza Ramos is the CEO of the Fairtrade certified PRODECOOP coffee cooperative in Nicaragua. In addition to her capacity as vice-president of the Latin American and Caribbean Network of Fairtrade Small Producers and Workers (CLAC), she also serves as a producer representative on the board of Fairtrade International.

Fairtrade is the most prevalent and diversified certification in the fair trade sector, but it's much more than just a label. When we look at its impact, there's no doubt that this certification helps to improve people's income as well as their quality of life and the environment. This is why I am committed to the system.

Given that I'm a Fairtrade producer, vice-president of CLAC and a board member of Fairtrade International, it will hardly come as surprise when I say that the Fairtrade system works. Regardless of my own personal views, there is also objective proof of the advantages that the system offers to producers and labourers. Fairtrade producers are guaranteed a minimum price for their products, which serves as a safety net against low world-market prices. And if the prices on the world market are higher than the Fairtrade minimum price, producers will of course receive the

higher price. Moreover, they receive the Fairtrade Premium on top of the price and, in the case of our cooperative, an additional organic premium. All these mechanisms give our producers the chance to generate more income and to access funds in the first place. For our part as a cooperative, this means that we can invest in the expansion of production capacity as well as in social, educational and health projects. Transparent transactions between the producers and the market also enable the former to join forces.

## Thorough, transparent, effective: Fairtrade works

Fairtrade conducts annual audits to ensure that the proceeds really reach the producers. Transparency and traceability are of great importance to the organisation. As a cooperative, we have the obligation to prove that everything is done correctly: supporting producers in their development, implementing good agricultural practices, and so on. The audits also assess our products' traceability, from the moment the producers buy the seeds to when we sell the product. The entire process needs to be tracked: Who we sold to and

# Contra



PROF.  
THOMAS DIETZ

UNIVERSITÄT  
MÜNSTER

Thomas Dietz is a professor of international law at the faculty for political sciences at the University of Münster, Germany. His focus area is sustainable development. In the research project Transustain he researches the effect of voluntary social standards in global coffee supply chains, amongst other things.

Nowadays businesses are increasingly being held accountable for the sustainability of their business practices. In this new climate, great importance is attached to the protection of human rights along the global supply chain. Over the past 25 years, sustainability certification has evolved into a standard mechanism in the management of sustainable coffee supply chains. Coffee products that display the labels of well-known certification organisations such as Fairtrade and Rainforest Alliance next to their own brand name can now be found on the shelves of every German supermarket. It is estimated that certified coffee now accounts for 20% to 40% of the global coffee trade. This puts the coffee industry at the top of the global certification trend.

The certification mechanism is essentially based on a simple logic. Acting on a voluntary basis, coffee producers commit to growing their coffee in accordance with the

respective certification's predetermined social and environmental standards. In return, retailers, roasters and consumers agree to reward sustainably produced coffee with an additional payment. Certification gives consumers the opportunity to differentiate between certified and conventional coffee products, which in turn opens up a new market segment for sustainable coffee.

## The system reaches its limits

Thanks to the support of certification, many coffee growers in the global South have been able to make their production processes more sustainable. Yet the system has also reached its limits. A critical development arises from the circumstance that for years now production output of certified coffee has been exceeding sales volume many times over. As a result, coffee growers may feel compelled to accept lower premiums or else sell their certified coffee on the market for conventional coffee. The deal that is implied by certification (the sustainable cultivation of coffee in exchange for the payment of a premium) is being undermined because of this development. When premiums are too low or fail to come

What works and what doesn't: Which methods do we use?



# Pro

whether the product remains identifiable along the way. The audits are very thorough and time-consuming, both for the producer and the cooperative. From my point of view, the audits provide sufficient measures to safeguard the adherence to Fairtrade's standards. Within my organisation, and in many other organisations in my country, the Fairtrade system works very well.

## Safe for companies, trustworthy for consumers

The market's standards keep increasing when it comes to the adoption of good agricultural practices as well as sustainable, social, financial and environmental practices. The Fairtrade label guarantees both to buyers and the end consumer that the merchandise meets high standards. Moreover, the fact that this certification adheres to the strictest standards, especially in social and financial terms, helps producers gain credibility in consumers' eyes.

## An established system in case of crisis

To me it makes little sense when a company decides to establish their own certification. Of course, they're free to do whatever they want if they believe in it. Still, their certification has yet to gain the consumers' trust. Fairtrade, on the other hand, is a model that has been known for its good work for many years now and which has already gained credibility for helping to improve living conditions.

Another disadvantage that comes with having your own certification: when you run into a problem, there's no one there to help you. If, for instance, a problem such as child labour should be detected in a supply chain, Fairtrade members can count on the support of the system. The organisation will not only help them get to the bottom of the matter, but it will also give them a hand to fix the problem.

Fairtrade producers can count on support in all kinds of crises, be it periods of drought, the pandemic, which has affected us profoundly, or the challenges posed by climate change. During the corona pandemic, Fairtrade and CLAC acquired the

# Contra

What works and what doesn't: Which methods do we use?

through altogether, then the growers' motivation to implement standards in a reliable manner wanes. Moreover, lower sales figures mean that farmers lack the necessary resources to invest in production processes that are more sustainable and in compliance with human rights. Therefore, it's not uncommon for researchers examining certified coffee production sites to encounter practices that violate the respective standards set by certification organisations.

Furthermore, the gap between certified production and certified sale reinforces a selection mechanism. The lower the amount of additional resources generated by coffee growers by means of certification, the less likely comparatively poor and underdeveloped producers are to obtain certification. Advanced coffee growers whose production standards already largely meet certification standards consequently gain privileged access to the limited markets for certified coffee products, while comparatively underdeveloped coffee growers are being denied access to the market, even though they are particularly dependent on support in order to improve their living conditions.

## Certifications don't make the coffee industry sustainable

Not only does a comprehensive assessment of the success of certification require monitoring the implementation of standards at the farm level, but the impact of certification on similarly developed groups of farmers also needs to be understood. Studies that take this perspective into account reach differing conclusions. Whereas some studies show positive sustainable impact, others observe little to no difference between certified and non-certified coffee growers. The success of certification seems to be depending primarily on contextual factors such as the specific institutional conditions within a cooperative or the concrete technical and financial support provided by partner organisations of the government, the private sector or civil society factors unrelated to certification. The transformational effect of certification alone, however, cannot compensate for the lack of such support in certain regions and fails to significantly improve the preconditions for a more sustainable and humane approach to coffee cultivation.



# Pro

money to support 340 producer organisations by means of a relief fund and an additional 128 by means of an economic recovery fund. The investment amounted to a total of 2 million dollars. The system steps in whenever producers need help. This also applies to improving quality and productivity.

## Fairtrade guarantees income, training and investment

One of the key points that needs to be understood is that fair trade products represent only a marginal share of the global market. In Germany, for instance, Fairtrade certified coffee only accounts for 5% of total coffee sales. Therefore, our producers can only sell approximately 45% of their coffee in this sector and must sell the remaining coffee without certification. If there were more buyers of Fairtrade coffee on the world market, producers would benefit from greater positive effects. However, as there is a guaranteed minimum price and a social premium, the requirement of a certain investment on the buyer's part, the Fairtrade system is not supported by all the players.

To us Fairtrade is a necessity. To this day it remains the certification that generates the most income for our producers and enables us to invest in further education and projects. For instance, we have a project that assists women in becoming landowners. Another project aims to improve the health within the community. Then there's a project that trains young producers and supports them by way of scholarships as they complete their education. If it weren't for Fairtrade, we wouldn't have any of these projects.

Naturally, the positive impact would be all the greater if we sold more. The first step in this process is always the consumer who creates a demand for the product. However, the companies who buy from the producers play a key part because they put the product on the market and make it available to customers. They advertise our products, and by purchasing and selling them, they give customers a chance to pay producers more for their coffee in the first place. They don't need to make us gifts. What we want is an equal, quality-oriented exchange. This way we all win: the producers, the consumers and the companies who make this form of trade possible. ●

# Contra

What works and what doesn't: Which methods do we use?

Ultimately, fair trade certifiers put themselves under pressure with limited sales figures. Although their objectives are of an idealistic nature, certification organisations are as committed to their own success and growth as any other organisation. If the sales market for certified products is restricted, then it follows that the potential distribution of certification is also restricted. If certification organisations want coffee producers to commit to their system despite such conditions, the reduction of standards might be a viable strategy. According to recent research, even major certifications still manifest significant shortcomings regarding their essential human rights standards, such as the guarantee of living wages. At the same time, the marketing of certified coffee is being given more leeway. You can already find labels that market coffee products as sustainable and include the indication that only a small portion of the package contents is actually derived from certified production, whereas the predominant share comes from conventional production.

These days, certification organisations seem to be applying a strategy of adaptation. The pursuit of growth under the prevailing circumstances appears to be the objective here. However, such a development also brings with it the

risk of certification organisations neglecting their role as innovation drivers of sustainable development. At any rate, the existing certification systems are unable to overcome the transformation obstacles that prevent a sustainable coffee economy. The global value-added chains of coffee have already proven themselves to be incubators for the development of sustainable innovations in the past. New innovation stimuli will continue to be required in the future in order to advance the governance and integrity of sustainable global coffee supply chains. 📄<sup>1</sup> ●

<sup>1</sup> Sources for this text can be found on p. 115





TEXT BY KATHARINA BAUM AND ELISABETH ZWISCHENBERGER

# VISIONARY IDEAS OF TODAY

What works and what doesn't: Which methods do we use?



↑ Health, equal rights, finances: A Kenyan project empowers women.

← In El Salvador villagers fight for their access to drinking water.

First they call you crazy. Then they become curious. And in the end, they all want to be a part of it. That is what it's like when you have visionary ideas. Those who want to change the future must be brave. And they have to prepare for the fact that progress is hardly ever straightforward. We present to you four roller coaster rides.







# Saving the world with true prices

THE IDEA BEHIND TRUE PRICE IS TO INCLUDE IN MARKET PRICES THE COSTS FOR NEGATIVE SOCIAL AND ENVIRONMENTAL IMPACTS WHICH OCCUR IN THE PRODUCTION PROCESS. THESE COSTS ARE NOT REFLECTED IN NORMAL SUPERMARKET PRICES.



↑ The ecological supermarket De Aanzet in Amsterdam seen from the outside...

↗ ...and from the inside.



What works and what doesn't: Which methods do we use?

In November 2020, customers at the small De Aanzet organic supermarket in Amsterdam noticed that many products had become more expensive. The reason? De Aanzet had made the decision to sell some of its products at their true price, the first supermarket in the Netherlands to do so. The true price means including in market prices the costs for negative social and environmental impacts and costs for not observing inviolable rights that occur in the food production process. These costs are not reflected in normal supermarket prices. True prices are determined by the Dutch social enterprise 'True Price'.<sup>1</sup> "Of course, a price tag cannot simply be put on human rights. But human rights violations such as child labour and exploitation can be priced. As can environmental violations such as polluting water and air. Such pricing is what we do", explains True Price co-founder Michel Scholte. "It works for apples from the Netherlands as well as for cocoa from Ghana or T-shirts from India".

Scholte is serious about making the world a better place. "I was already asking myself as a school kid why so many people live in extreme poverty while we are so rich here. Something was going wrong! And I knew I had to do something about it". After graduating from university, he became part of a think tank. This is where the idea of true prices was born – but at first nobody was interested. "Our idea was fundamentally new at the time, completely alien. We were labelled as crazy. We thought we could save the world with true prices, solve poverty, and gain enthusiasm and financial support for it. That was naive. Business people told us: 'It's a form of communism. That has never worked. You can't dictate prices'. Administrations and politicians said that to get financial support we first had to show that our idea works and cooperate with businesses", Scholte recalls. So he did just that and cofounded True Price, together with his friend Adrian de Groot Ruiz.

Companies can commission True Price to determine the true price of a product or commodity for them. "There are many ways and many levels at which you can calculate a true price", Scholte explains. "You have to decide the point at which you have enough data to make a meaningful as-

<sup>1</sup> [www.trueprice.org](http://www.trueprice.org)

essment. Ideally, we start with farmers and work our way up the supply chain of a particular product". True Price staff collect information on water use, pesticide use, working conditions and much more until they have a detailed picture of every impact a product has. From this, they calculate the product's true price using standard models and calculations. But they cannot always go into as much detail as they would like. "It's not feasible for a supermarket with hundreds of products, some of which change daily, to carry out detailed analyses for every product. We therefore calculate a weighted average price that is based on enough data to be meaningful. This price then applies, for example, to all apples from the Netherlands, regardless of who the exact supplier is".

ONE OF THE FIRST CLIENTS:

TONY'S CHOCOLONELY

One of True Price's first customers was the Dutch chocolate company Tony's Chocolonely, whose mission is to combat child labour and modern slavery on cocoa plantations. The first analysis in 2013 showed: one kilo of Tony's raw cocoa generates EUR 7.93 in externalised costs for environmental and human rights impacts. Tony's responded. "In a twenty-minute management meeting, they decided to distribute EUR 1.5 million directly to the smallholders. That was a huge share of their turnover at the time", Michel Scholte recounts. When True Price re-analysed Tony's raw cocoa in 2017, externalised costs had fallen to EUR 4.52, partly because there were fewer cases of harassment, inadequate pay and child labour.





↑ Comparing costs on the price tag: normal price vs. true price

A<sub>2</sub>  
SDGs: The Sustainable Development Goals of the United Nations

i True Price does not specify what will happen with the additional profit. Companies decided whether to give the money directly to the people in their supply chains or to finance social or environmental projects, for example.



adopted true prices. and we are now also working with several major banks.① We want to conquer the world with true prices”, states Scholte passionately. “We want to move towards a different way of consuming that is much more about the well-being of everyone involved rather than maximising the wealth of a small group”.

The unconventional concept is also becoming increasingly well known in politics. In autumn of 2021, True Price participated in the UN Food Systems Summit and contributed to the accompanying scientific reader. In his closing speech, UN Secretary-General Antonio Guterres touched on the ideas behind the True Price concept. The EU Parliament voted by a large majority in favour of a proposal to include the concept in the Farm to Fork strategy for food systems that are fair, healthy and environmentally friendly. “And in the Netherlands, the opposition has announced that they want true prices for all products. This is of course a welcome development”, says Scholte.

“The fact that so many businesses are working with us is a good sign. At the same time, we know that the destruction of the planet is running on steroids. We have unprecedented levels of carbon emissions, water pollution, exploitation, poverty. We have no illusions that what we are doing is nowhere near enough. It’s just a small step. True Price has been around for ten years, but only in the past three years have we really started to scale up our work. We are now doubling our staff every year, and I am sure that when we become even better known, we will have the potential to grow to ten times that size. We are hungry, and we want to create a world that is genuinely and sincerely sustainable”. ●

“Many companies are currently talking about sustainable transformation and corporate responsibility, but it is often just empty words. Everything stays the same. The true price principle is a quick way of showing whether a company is serious about sustainability or whether it is just green-washing or SDG-washing. A<sub>2</sub> If you ask me, it’s usually SDG-washing more than anything else”, says Michel Scholte with conviction. “In our world, we are often blind to values, blind to the impact of our actions. We have to start seeing again”. Paying the true price for a product is a step in that direction. To ensure that the concept becomes as widespread as possible, Scholte and his team developed it from the outset as open-source. “All our calculations, all our models can be downloaded from our website. So in theory, anyone can calculate true prices”.

The De Aanzet supermarket in Amsterdam demonstrates that the concept is also popular with consumers. Since introducing true prices about a year ago, turnover and profit have increased by 5%. “Other supermarkets also now want to use our concept. We are currently working on a generic retail formula. More and more businesses are also showing an interest in us. For example, two cafés



← Learning as a group is a central part of HERproject.

↓ Joan Nyaki passionately heads the programme in Kenya.

What works and what doesn't: Which methods do we use?



# Knowledge that saves lives

EVERY YEAR, KENYA EXPORTS AROUND USD 6 BILLION WORTH OF FLOWERS, FRUIT, VEGETABLES AND TEA. IN KEY ECONOMIC SECTORS SUCH AS TEA, CLOTHING AND HORTICULTURE, THE MAJORITY OF WORKERS ARE WOMEN. AND IT IS WOMEN WHO ARE PARTICULARLY DISADVANTAGED. JOAN NYAKI, COUNTRY COORDINATOR FOR HERPROJECT IN KENYA. WANTS TO CHANGE THIS.



“Women have key roles in global supply chains. They often shoulder a particularly high amount of responsibility. They take care of the children while also having to work to provide for their families. But many lack education”, is how Nyaki describes the situation.

Educational work is a priority of HERProject 3: “Many women simply lack basic knowledge on topics such as nutrition, family planning, finances and gender equality. They don’t know how to check their breasts for lumps. They don’t know that there are drugs for HIV. They don’t know about family planning methods”, Nyaki tells us. As a Kenyan woman, she knows all about these problems. She has been involved with HERProject since its launch in Kenya in 2012. For her, it is a labour of love.

### EMPOWERING WOMEN THROUGH EDUCATION

HERProject was launched in 2009 by the international NGO Business for Social Responsibility (BSR). “It is an empowerment programme for women”, Nyaki explains. “Our goal is to give women important knowledge – especially on health, gender equality and finance”. BSR has developed four programmes for this purpose, which are being used in production facilities all over the world: HERhealth, HERfinance, HERrespect and HERessentials. The training courses are financed by brand companies who have their products made in such facilities.

In Kenya, three programmes have thus far been launched. “It started with the HERhealth programme”, says Nyaki. The aim is to give women basic knowledge on health issues and to enable them to access treatments and products such as contraceptives. HERrespect addresses issues around equality and sexual harassment in the workplace. “We not only discuss what constitutes gender justice, but also look at what provisions there are to deal with sexual harassment in the different workplaces and how these provisions can be improved. HERfinance teaches women workers financial know-how, giving them greater economic independence. We also provide easier access to reputable financial services”, says Nyaki summarising the programmes.

Yet how can programmes that have been developed at international level function at the domestic level? “We work closely with local organisations and adapt training to specific contexts. Our partner organisations train the ‘trainers of trainers’, who then go into local companies and train more ‘peer educators’. This creates ripples all the way down to the village communities”, is how Nyaki describes the process.

As well as training, HERProject supports women workers to put what they have learned into practice and to improve their working conditions: “We take a close look at the individual workplaces. What policies are in place internally? Which rules need to be changed or introduced? It is also important, of course, whether women workers even have access to necessary services and resources. For example, is there a hospital where they can be examined? We therefore link employers up with partners who provide the relevant services and resources at reduced rates”.

But even the special HERProject approach doesn’t mean things run smoothly right from the start: “When the project was launched in Kenya in 2012, many factory owners were sceptical. Although the basic idea met with approval, concerns were raised about its implementation – training of the women was to take place during working hours. Some were worried that their work would be neglected. And also because the project would last as long as 14 to 16 months, even when only doing one of the three programmes”, explains Nyaki. “But such worries were eventually allayed. The time involved is only about two hours per month – which is really not much when you consider the huge positive impact”.

### THE POSITIVE EFFECT OF THE PROGRAMME IS ENORMOUS

When talk gets around to these success stories, Nyaki is almost unstoppable. She tells of the countless messages that she gets: messages from women workers enthusiastically telling about their newfound self-confidence as ‘peer educators’. Messages in which family members say thank you for the education so vital to life. And also messages from factory owners who gratefully acknowledge the positive impact in the companies.

Evaluation of HERProject demonstrates its enormous relevance, with figures that are impressive: “When we started our work, not a single participant was aware that mothers could transmit HIV to their children. It is now 64%. That is huge progress. Initially, only about 38% of women were able to check their breasts for lumps – now it’s

98%. This is knowledge that can save lives. Breast cancer is widespread in Kenya and leads to many deaths”, Nyaki says.

The pride as she talks is clear to hear. And it’s deserved. HERProject has already been able to reach 57,000 women in nine years, which is almost 6,500 women a year whose lives are being permanently changed by the project. It is therefore not surprising that Nyaki’s main goal is to keep HERProject moving forward: “I hope we can reach many more women – not only in Kenya, but all over Africa”. ●



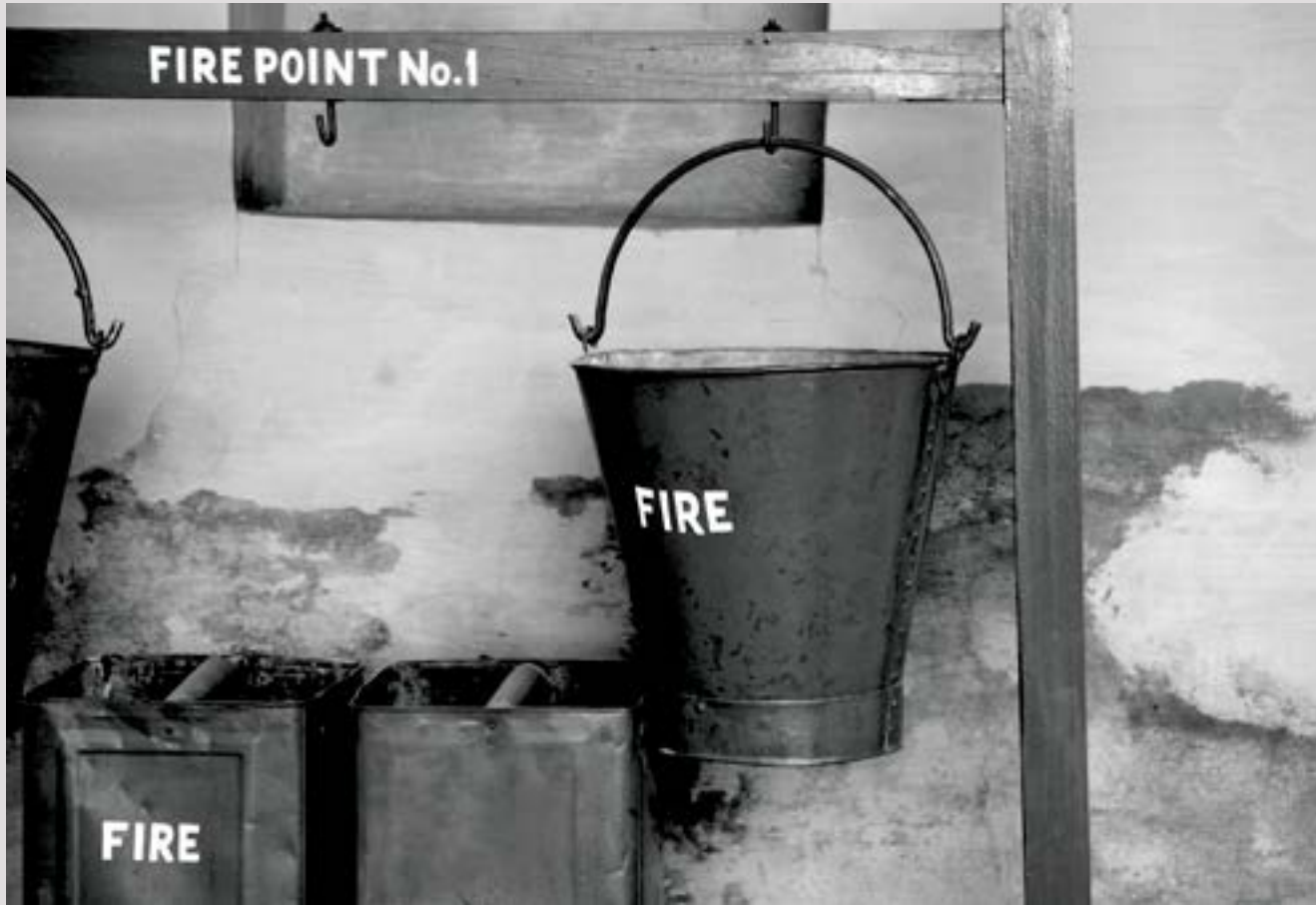
↑ The women don’t just learn for themselves, but are encouraged to pass their knowledge on to others.

### FACTORY OWNERS GRATEFULLY ACKNOWLEDGE THE POSITIVE IMPACT IN THE COMPANIES



# The breakthrough

THE BANGLADESH ACCORD IS A MILESTONE FOR MORE WORKPLACE SAFETY. IN SUMMER OF 2021, IT WAS UNCLEAR WHETHER THE AGREEMENT, VITAL TO THOUSANDS OF WORKERS, WAS TO BE RENEWED FOR FIVE YEARS OR NOT.



What works and what doesn't: Which methods do we use?

4  
[www.bangladeshaccord.org](http://www.bangladeshaccord.org)

Disputes, drawbacks, distrust and disagreement: negotiations on continuing the Accord on Fire and Building Safety in Bangladesh 4 were rocked by disruptions in spring 2021. In 2018, the 5-year agreement between more than 150 brands and the global UNI and IndustriALL unions had expired. An interim Transition Accord had already been extended twice, but without any long-term perspective.

Frustration was spreading. Negotiations were tough with some brands doubting the need for a binding agreement. "A lot of tension developed between the different companies", recalls Christina Hajagos-Clausen, who took part in the negotiations on behalf of IndustriALL. "It was argued that a binding agreement would deter many companies from joining the Accord. But precisely such binding commitment is what makes the Accord so effective". The corona pandemic further complicated negotiations. "Online conferences are not ideal for discussing and negotiating", says Christina Hajagos-Clausen. The Transition Accord needed to be extended for another six months. Summer holidays made it difficult to find a date.

However, in September 2021 the big breakthrough came almost unexpectedly: the 'International Accord for Health and Safety in the Garment and Textile Industry' 5 was adopted. Coming together face to face helped to focus on common goals and to break down mistrust. People realised that it was better to continue together than not at

5  
[www.internationalaccord.org](http://www.internationalaccord.org)

all. It was a great moment for work safety in Bangladesh, and a beacon of hope for the textile industry worldwide.

The history of the Bangladesh Accord began with a catastrophe. On 24 April 2013, the eight-storey Rana Plaza textile factory near the Bangladeshi capital Dhaka collapsed. A total 1,135 people lost their lives in the collapse, and over 2,400 others were seriously injured. It was the worst, but by no means the first or only disaster in an industry where factory fires and collapses continue to result in fatalities due to non-adherence to safety measures.

"Rana Plaza was a wake-up call for many brands", recalls Christina Hajagos-Clausen, who heads the textile, apparel and footwear sector at IndustriALL. "Most people had known for a while that something had to change, but Rana Plaza was the catalyst to finally do something".

In the summer of 2013, representatives of many international brands and the global UNI and IndustriALL unions signed the 'Accord on Fire and Building Safety in Bangladesh' at the headquarters of the International Labour Organization (ILO) in Geneva, thereby forming an unprecedented, sector-wide alliance.

The Bangladesh Accord aims to sustainably improve building safety in textile factories in Bangladesh. "The Accord was based on a legally binding joint declaration of intent that had been concluded by Tchibo and PVH some time before

THE 'INTERNATIONAL ACCORD FOR HEALTH AND SAFETY IN THE GARMENT AND TEXTILE INDUSTRY' HAS BEEN ADOPTED - A GREAT MOMENT FOR WORK SAFETY IN BANGLADESH. AND A BEACON OF HOPE FOR THE TEXTILE INDUSTRY WORLDWIDE.

← Security deficits in factories are to be abolished.



the Rana Plaza disaster”, explains Hajagos-Clausen.

The newly founded Accord initially met with scepticism and uncertainty among factory owners. “Many thought that the Accord was another greenwashing attempt by the brands”, recalls Christina Hajagos-Clausen. “Initially, factory owners believed that nothing would need to be changed”.

But then brands committed themselves in writing to only buy from factories that were deemed safe or that rectified any safety deficiencies within a reasonable period of time. Brands also pledged support for the factories to help them on their way. “For example, when a factory needs new fire doors but can’t pay for them themselves, the brands help.

*THE EFFORTS PAID OFF: “BANGLADESHI TEXTILE FACTORIES ARE NOW MUCH SAFER THAN THOSE IN OTHER COUNTRIES. BANGLADESH HAS THEREFORE BECOME A LOCATION WHERE GLOBAL BRANDS CAN PRODUCE GOODS SAFELY”, HAJAGOS-CLAUSEN SUMMARISES.*

We have whole protocols that solely deal with the financing of such measures”, explains Hajagos-Clausen.

The efforts paid off: “Bangladeshi textile factories are now much safer than those in other countries. Bangladesh has therefore become a location where global brands can produce goods safely”, Hajagos-Clausen summarises.

The Bangladesh Accord then expired in 2018. The Bangladeshi government was to have taken over the controlling of the factories, but was not yet ready. Measures therefore continued under a ‘Transition Key Accord’. This interim agreement aimed at developing a new and more comprehensive international accord.

It was a milestone for the global textile industry when 165 companies reached an agreement with global unions in September 2021, because it goes far beyond the Bangladesh Accord. New issues around workers’ health and safety have been added and are no longer limited to the Bangladeshi national context, with the accord now being internationally applicable in different countries. Other human rights issues are to be included in the new international accord in the future.

“The new accord is a very important step”, explains Christina Hajagos-Clausen. “It is a framework holding brands accountable. We will work together to solve systemic problems in the health and safety sector as many problems remain in this area”.

The two unions, UNI and IndustriALL, and the 165 signatory companies now have two years to achieve the goals they have set themselves and to extend the international accord beyond Bangladesh. There is still much to do. ●

What works and what doesn't: Which methods do we use?

# No water, no life



↑ Evelyn Monge (left) is committed to her community's water system.

*A FOREST IS TO BE CUT DOWN NEAR THE COMMUNITY OF OJO DE AGUA IN THE SALVADOREAN CORDILLERA DEL BÁLSAMO. A MAJOR COMPANY WANTS TO PUT SOLAR PANELS THERE. THE FOREST IS THE SOURCE OF WATER FOR EVELYN MONGE AND HER NEIGHBOURS, SO THE COMPANY'S ACTIONS ARE GIVING THEM SLEEPLESS NIGHTS. AND IT'S NOT JUST THEIR WATER SOURCE, BUT ALSO THAT OF SEVERAL THOUSAND OTHER PEOPLE.*





↑ The rural district of Huizúcar

Ojo de Agua, which is part of the Huizúcar district, is one of many communities in El Salvador that are only partially connected to the state water network. Although this small Central American country has enough water for everyone, it often fails to reach the people, especially in poorer communities – either because large sugar plantations or new construction projects take all the water, or because there is no connection to the water network. Like in Ojo de Agua.

Yet locals have been resourceful. The village community has used aid funding to construct a large tank, which is fed by nearby springs and supplies them with fresh drinking water, fully independent of the state and state water infrastructure. Juntas de Agua, Water Cooperatives in English, is what the locals call these self-help schemes. “Our water scheme was founded 30 years ago, and because the village community cooperates so well, it is still functioning”, says Evelyn Monge, who has lived in Ojo de Agua for seventeen years and has been involved in the Junta for six years.

**THERE ARE ALMOST 2,500 INDEPENDENT JUNTAS DE AGUA IN EL SALVADOR. EVELYN MONGE ESTIMATES THAT THEY SUPPLY AROUND A QUARTER OF EL SALVADOR'S SIX MILLION INHABITANTS WITH DRINKING WATER – A TASK THAT SHOULD ACTUALLY BE UNDERTAKEN BY THE STATE.**

There are almost 2,500 independent Juntas de Agua in El Salvador. Evelyn Monge estimates that they supply around a quarter of El Salvador's six million inhabitants with drinking water – a task that should actually be undertaken by the state. “In Ojo de Agua, there are 375 families, most of them with six to seven members, who get their water from the Junta de Agua. There is another Junta in our neighbouring municipality with a similar number of members”, says Monge. For all these people, it would be a disaster if the forests in their water catchment area were to be cleared, because the trees play an important role in regenerating water.

Evelyn Monge is ready to fight for her water: “We will do everything we legally can do to prevent deforestation”, she says. And this despite the mayor of their community supporting the company, as is so often the case in El Salvador. It is therefore all the more important for independent Juntas to be well organised. The Ojo de Agua water scheme is not alone in its fight and works closely with the ASAPS umbrella organisation.

ASAPS stands for Asociación de Sistemas de Agua Potable y Saneamiento [Association of Drinking and Waste Water Schemes]. Under its organisation, 25 schemes from the Cordillera del Bálsamo region join forces to support each other and use their shared resources in a purposeful way. Each member of each Junta pays a small membership fee for this, which is currently ten cents a month. Last autumn, ASAPS members elected Evelyn Monge as their president. Since then, she has represented the association externally.

“A lone Junta de Agua is easy to ignore and silence. It's much harder to do when we come together as a group”, Monge explains. Apart from organising themselves in umbrella organisations such as ASAPS, leaders of the independent water schemes also need strong nerves. Intimidation and threats are common whenever the interests of the Juntas de Agua get in the way of those of companies and business people.

The independent water schemes therefore need the support of domestic and foreign aid organisations. The village community of Ojo de Agua, for example, founded their Junta using funds from the Plan International organisation. Without such financial support, it would be difficult for locals to build the initial water infrastructure – El Salvador not only has one of the world's highest crime rates, but also suffers from extreme wealth inequality.

“Those with economic power in El Salvador also have water. Everyone else, and these are the many, must fight for it”, says Oscar Ruíz from ACUA, a Salvadorean aid organisation. ACUA is active in the Cordillera del Bálsamo region and also works with the Huizúcar water scheme and ASAPS. Although the scheme is now self-financing from membership fees and water bills, support from aid organisations is still very important.

“Without workshops organised by ACUA and other organisations, I would never have got to where I am today”, says Evelyn Monge. “The workshops teach us how to organise ourselves, how to manage our resources well and to understand the law. This is the only way we can fight for our rights”.

The German aid organisation INKOTA <sup>6</sup> has also been supporting independent water schemes in the Cordillera del Bálsamo and other regions of the country since 2019, together with ACUA and two other Salvadorean organisations. “The way the Juntas treat nature with such care and foresight, educate people about their right to water while also raising awareness on environmental protection, is very impressive”, says Michael Krämer, who has been involved in projects for INKOTA in El Salvador for more than 25 years.

The support from foreign aid organisations, despite being so vital to local people, almost came to an end in November 2021. A new draft law stipulated that a 40% tax would have to be paid on future aid money from abroad – yet another government measure to weaken political resistance in the country. “Fortunately, the law didn't get passed, partly due to massive international outrage. But there is every likelihood that the law will be back on the table at some point”, says Krämer.

For Evelyn Monge and her fellow campaigners this means continuing the fight. “My dream, of course, is that at some point the government will do its duty and support the country's disadvantaged people and protect natural resources. But I don't think that will happen. Until something changes, we will continue to organise ourselves and stand up for our rights”. ●

<sup>6</sup> [www.inkota.de/elsalvador/wasser](http://www.inkota.de/elsalvador/wasser)

What works and what doesn't: Which methods do we use?



IF I WANT TO MAKE A DIFFERENCE,  
THEN AS A COMPANY I DON'T JUST NEED  
TO BE A DONOR.  
BUT ALSO ACTIVELY CONTRIBUTE  
AND GET INVOLVED.



KENYA 2011

SUCCESSSES, FAILURES  
& LESSONS LEARNED

# For the women, with the women.

TEXT BY KATHARINA BAUM  
PHOTOS BY TEEKU PATEL

What works and what doesn't: Which methods do we use?

A project at Mount Kenya had both success and failure and forever changed the way Tchibo implements projects for and together with coffee farmers. A look behind the scenes.



In the run-up to Christmas 2011, Tchibo surprised its coffee customers with a heart-warming special sales promotion: anyone buying a pound of Tchibo African Blue coffee would be supporting a project in the Baragwi Kenyan coffee cooperative at the foot of Mount Kenya. Forty-five cents per pound of coffee would improve the living conditions of women farmers. Tchibo customers were informed that the women intended to build water pipes for their village, to buy cows, build stables and provide education for orphans.

Anyone could follow the progress of the Mount Kenya project over the next three years via short videos and blog posts, where smiling women farmers, running water, happy cows and energy-saving stoves were on view. The project looked like being an all-round success. But behind the scenes there were problems, and not everything was going smoothly.

## WOMEN AS THE PRIORITY

Difficulties were apparent from the beginning. The project was not to everyone's liking because it explicitly and exclusively aimed at women in the region. In Kenya, although women often do the lion's share of the farm and domestic work, all the income from coffee harvests usually goes to men. "We have a problem with chauvinism", explains Magdalene Njuki, who works as a financial administrator for the Mount Kenya project. "Most of the leaders in the cooperative are men". And they did not take the role of Cornel Kuhrt, who was overseeing the project locally on behalf of Tchibo, seriously. "In the end, we had to separate the project from the cooperative. From the moment we started working directly with the women, things started moving", recalls Cornel.

LESSON 1

what the future needs

ALL THE CONTENT,  
ALL THE IDEAS  
CAME FROM  
THE WOMEN

For the project manager Cornel, it was important from the outset that the project evolved together with the women, that they were able to contribute their ideas and feel responsible. "All the content, all the ideas came from the women. For this, Cornel regularly had meetings with them, discussing and debating everything. I believe this was an important factor for its success", says Njuki.

Three sub-projects were eventually put in place, which Tchibo worked on together with the women. The first project concerned the women's wish for a water pipe for their village, so that they no longer had to walk several hours a day to the nearest spring. The whole village helped build the pipeline. In the second project, the women of another village community wanted village orphans to be able to attend school. To raise money, they set up a catering service. Tchibo provided them with tents, chairs, a music system and the necessary cookware.

The third project proved to be the most sustainable: acquiring dairy cows to help feed families and earn extra money by selling surplus milk. "But it was clear that we couldn't just buy 500 cows and share them out among the women. It would have been less work and

would have made a great PR photo, but it would only have led to conflicts locally, because not everyone would have received a cow. A measure like this would not have helped the women in the long run", Cornel explains. They finally decided to invest the money in a so-called revolving fund. From this fund, micro-loans are granted for the purchase of animals and the construction of stables. The women repay these loans at low interest rates. This enables many more women farmers to benefit from the money, and because no one is getting anything for free, there is no reason for envy. They named the project Mount Kenya Dairies. The women are still benefiting from the fund today.

## SUCCESS AND FAILURE

In contrast, the water pipe was only a source of joy for a short time: there was discord in the village community, no one felt responsible for the pipeline's maintenance, so it gradually silted up. Water now rarely reaches the village through the pipeline. "We should have intervened earlier, for example, by employing a local manager", says Cornel in retrospect.

The catering service did not run as

LESSON 2

What works and what doesn't: Which methods do we use?



A CLOSE-KNIT COMMUNITY HAS DEVELOPED BETWEEN THE WOMEN OF THE PROJECT.

LESSON 3

planned either, and did not make a profit. The women had no training in book-keeping nor in working together as a coordinated group. "We also realised this too late", says Cornel. The women consequently decided to sell the catering equipment and to invest the money in a fund similar to Mount Kenya Dairies, which the women could then use to buy chickens and chicken feed. So the project was brought to a good ending.

The success of Mount Kenya Dairies compared to the other two projects was due in no small part to Magdalene Njuki. The trained banker managed the fund from the outset. "The beginning

was difficult. Giving out the first micro-loans was also the first time most of the women had opened a bank account. The concept of interest was alien to them, and they did not understand it. Today it is normal for them, but back then they thought it was a scam. Some women even wanted to drop out of the project because of it", Magdalene recalls.

Before the first funds were paid out in the three sub-projects, Cornel Kuhrt prevailed with her wish to get the women to learn some basics. "We ran financial courses and workshops on animal husbandry, on increasing yields in coffee cultivation as well as on topics

such as gender justice". Cornel visited regularly, talking to the women and following the project's progress.

## BEING PRESENT ON THE GROUND IS ESSENTIAL

"Cornel came twice, sometimes even four times a year in the beginning and had everything explained and shown to her. This was unusual, because when European organisations implement projects here, they usually hire a service provider and never visit themselves. Projects run like this are





What works and what doesn't: Which methods do we use?

LESSON 4

rarely successful”, Magdalene says. It has been known for service providers to send photos of other projects to the donor, when in truth nothing is happening at all. Tchibo also worked with local service providers, for example, to run workshops. “It was not immediately evident to us that some of these service providers were just pursuing their own interests. I ended up spending a lot of time there, because it was the only way to really make a difference to those involved”, Cornel explains. “Many companies promote their activities with nice images, but the actual fate of the people interests them very little. I didn’t want Mount Kenya to end up like that as well”.

LEARNING TO LET GO ...

Mount Kenya Dairies slowly achieved stability, the women made more and more decisions on their own, and Kuhrt’s visits became less frequent. “Cornel always wanted the project to be running

LESSON 5

for years to come. But this wouldn’t happen by her holding our hands the whole time. So she gradually handed sole responsibility for the project over to us. And that worked out well”, sums up Magdalene Njuki.

“The Mount Kenya project has brought us women closer together”, says Susan. “We now have a stable network, visit each other when someone is ill or has problems, regardless of how far apart we live. Thanks to the project, we have become friends”.

Susan is one of the women who have been part of the Mount Kenya Dairies project from its beginning. She is now the chair of the women’s group and the steering committee. “The project has made a big difference to the lives of us women. We have jobs, we have our own money and we don’t have to borrow it from men. The women are enthusiastic about the journey they are on and are bringing their communities and their families along with them. The project has already taken us a long way, and we want to go even further”.

THE FIRST COWS ARE IN THEIR NEW STABLE. THANKS TO MOUNT KENYA DAIRIES.



TO DATE, THE DAIRY PROJECT IS THE MOST SUCCESSFUL OF TCHIBO'S MOUNT KENYA PROJECT.



KENYA, 2011

... **AND TO LEARN SOMETHING NEW**

Magdalene and Susan are satisfied with the cooperation with Tchibo. "Our hopes have come to fruition because the project has been led and run by the women, not by Tchibo, and is now completely in our hands", says Susan. Magdalene adds: "If there were ever problems in the cooperation with Tchibo, Cornel never let us know it.

She has been the face of Tchibo for us, and because she has worked so hard, our experience with Tchibo has been a wholly positive one".

Cornel Kuhrt considers it a success that the women of Mount Kenya associate her so strongly with the project. The locals normally have no idea who the actual funder of a service provider implementing a new project for them is. "Having a local presence is key for the success of projects, and I am glad that Tchibo now takes this approach". Ever

since the Mount Kenya experience, the company has been recruiting local staff for new projects to represent Tchibo and ensure that local people really do get involved. "If I want to make a difference, then as a company I don't just need to be a donor, but can also actively contribute and get involved", says Cornel with conviction. ●

LESSON 6



# The Tchibo approach to sustainable coffee

The experience from several projects, and not just from Mount Kenya, has shown us that certificates are not the only, and not always, the best solution<sup>1</sup>. Since then, we have continued to develop our approach to coffee by always looking for practices that have the greatest sustainable impact for farmers and the environment.

What Mount Kenya and other projects clearly showed us is the absolute necessity of local representation. Similar to our Non Food WE Program, we now have Tchibo representatives – mostly individuals, but sometimes also NGOs – on the ground in all countries where we are carrying out projects with coffee farmers. We realised that we need people who know the local context, understand local people and can involve them. It doesn't work trying to impose a concept on them from the outside.

Today, our projects are always developed together with local people, because only when they feel that their views count can we achieve long-term success. We also take time to get to know and understand local conditions before embarking on new projects. This enables us to help people where they need it.

We are still far from achieving our goal of making the coffee sector more sustainable and humane. But we are learning from each new project and keep looking for new ways to increase our impact, e.g., by working together with other companies or organisations.

News from our coffee projects and about our approach to coffee can be found at [tchibo-nachhaltigkeit.de](http://tchibo-nachhaltigkeit.de)

What works and what doesn't: Which methods do we use?

## The three pillars on which we build:

- |  |   |  |
|--|---|--|
| 1.<br><b>Certifications</b><br>Fair prices for good work | 2.<br><b>Own farmer projects</b><br>The focal point is developed together with the people | 3.<br><b>Global partnerships</b><br>To solve systemic problems |
|--|---|--|



# Interview with: Belina Raffy



INTERVIEW BY REGINE GWINNER  
PHOTO BY MIKAEL COLVILLE-ANDERSEN



How do you deal with unknown and uncertain futures? The best way is to fully engage with the present, says Berlin-based improvisation consultant and world traveller Belina Raffy in an interview. Because the present offers more possibilities than we think.

*“Improvisation can improve the interaction between two people”:*

**Why should we incorporate the mindset and practices from improvisational theatre into our life in the future?**

**BELINA** The key moment that made me decide to fully dedicate myself to the sustainability issue and not just incorporate sustainability as a side issue in my improvisational creativity and collaboration work with companies was when I saw Al Gore’s film “An Inconvenient Truth”. I sat in the movie theatre and became more and more frightened. I wanted to run away and do something calming – go to a mall and go shopping. Mindless shopping, an activity that would not help the planet and was definitely not in line with what Gore was saying. I realised how much heaviness, anger and despair there is around the issue of sustainability. Dealing with these issues is just scary. And fear breeds helplessness

rather than engagement. I wanted to do something to counteract this fear.

**Everyone knows the feeling of wanting to run away when the problems are as overwhelming as a climate catastrophe. How can improv help?**

**BELINA** Improvisation is a practice and mindset that some actors use on stage to be more connected, present, and creative, even when they are afraid. On stage and in life, when we engage in this practice, we are able to focus on the present moment in ways which make us more resourceful, resilient, creative and collaborative. We can connect much better with what we care about and focus on solutions.

What I do is “applied improvisation”, so my focus is on helping people develop these skills for non-theatrical ap-

plication, so for collaboration, adaptive leadership, and much more. In this way, the practice has nothing to do with acting, but with expanding what we bring to work and life.

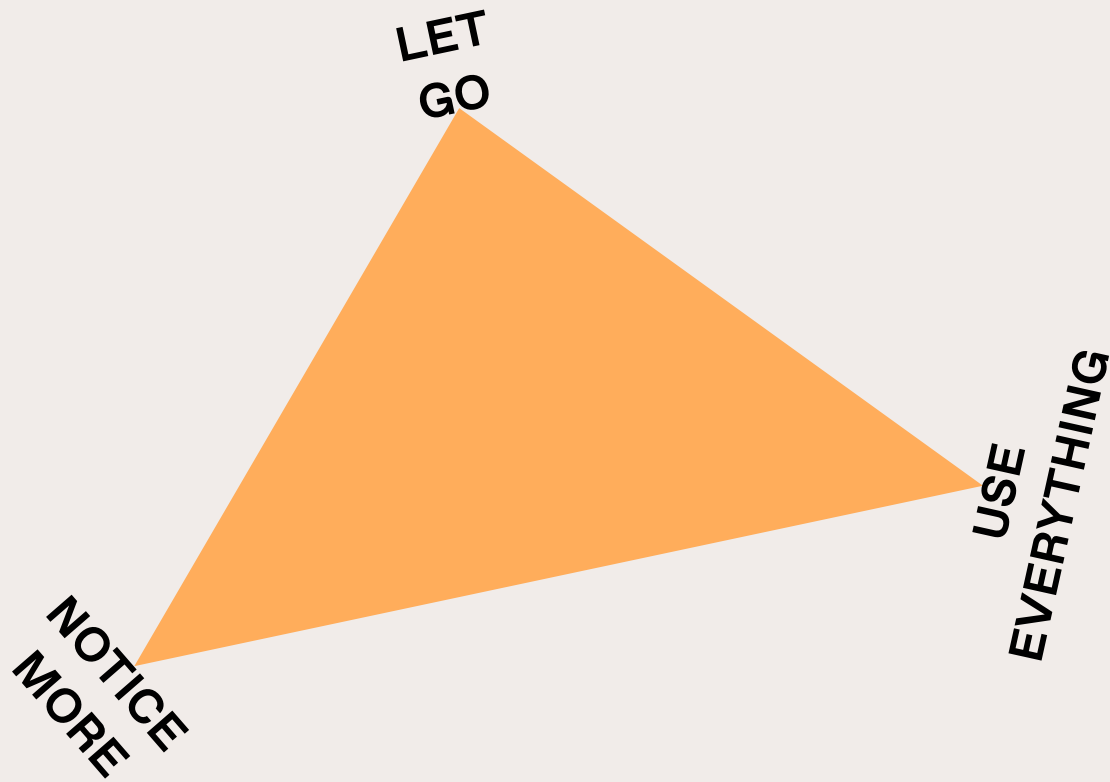
**Is it that easy to choose not to feel anxious? The threat is pretty real after all.**

**BELINA** Often, what makes us anxious is disconnecting from the present moment and imagining an apocalyptic future for which we imagine there is no escape. From this place of mind, it is actually very difficult to be productive, creative and collaborative about useful steps to address the situation, as our ‘reptile brain’ is effectively on fire.

What the practice of improvisation does is to help us focus on the here and now, and shift us, with the same

What works and what doesn’t: Which methods do we use?





↑ The three cornerstones of the improvisation model by Robert Poynton

reality, into a different part of the brain. Improvisation is not fighting reality, it is having us focus on what is actually here now and to use what is on offer to us in a more deep way at that moment.

#### How do I put this into practice?

**BELINA** I'm a big fan of Robert Poynton, a wonderful writer and consultant who also works with improvisation. He's developed a model of what he calls the 'Core Capabilities of Improvisation'. I don't have any tattoos, but if I were to get one, this would be it:

1. Let go (of all ideas and behaviour which don't help you in the moment!)

2. Notice more! (about yourself, others, resources to hand)

3. Use everything! (especially those things which will help you in the moment)

These capabilities have accompanied me on my journey around the world and helped me a lot. One example: toilets in Tokyo. They looked completely different from what I was used to. It doesn't help if I wish the toilets were different. What helped me was the thought: it's a toilet. Presumably, it does what other toilets do. But how? And then I tried to examine everything that was there until I found the solution. Or train stations: As a rule, you get the same information

at every station, no matter where in the world, but just at different places and in different forms. Instead of despairing because there is no proper timetable, it helps to be curious and attentive, to look around at what is actually there, to find where the information might be hidden.

**I understand how this attitude can help to get along better in the world. But can improvisation really save the world, as you suggest in your book?**

**BELINA** YES! I can save the world (or vastly improve it) in many ways: For example, the practice of improvisation can improve the interaction be-

tween two people, up to helping big, complex world-saving projects succeed.

One of the hosts on my trip, Gabe Mercado in the Philippines, works with survival groups. He did a workshop in collaboration with a woman from FEMA <sup>Az1</sup> to support people who were traumatised in one of the biggest typhoons to hit land. In a half-day workshop, 100 days after the typhoon. At the beginning of the workshop, they asked the participants how they were doing right now and how the typhoon had affected them. And many said, "If this happens again, I just want to die. At the end of the workshop – only 4 hours later – the participants said that they could now imagine going through such a disaster situation again and supporting themselves and others more effectively.

**It's hard to imagine how you can convey so much hope in half a day.**

**BELINA** First, they worked with participants using games designed to help them do what Robert Poynton talks about: let go, notice more, and use everything.

Then they set the following task in a playful way: Imagine the monsters are coming. What would you do? And as participants developed their response scenarios, improved by the improvisation practice, the facilitators kept pausing the process and created a space for reflection. They asked questions like: Are there other possible courses of action? What would help you, what would you wish for in the situation? What else could you do? How could you support each other? What they did in the Philippines is a deep improvisation practice with a kind of disaster simulation and space for reflection. Working with improvisation techniques gives people the opportunity to process negative experiences and develop alternatives, rather than falling back into familiar and unhelpful patterns of behaviour over and over again.

**Is the main point to slow down processes and bring more attention to the moment?**

**BELINA** Yes and no. Slowing down is important in order to notice how I am there, what helps me, and what would be a beautiful choice in that moment. But there's also another aspect to improvisation that has to do with trust. Trusting that the

***“Working with improvisation techniques gives people the opportunity to process negative experiences and develop alternatives.”***

right thing is already happening, following instinct and the first impulse. It's about staying in the moment and in contact with the other people instead of disconnecting and thinking for five minutes first and then getting back into it.

**Isn't that also the scary aspect of improvisation, that moment of panic when all eyes are on you, and you're supposed to be spontaneously creative?**

**BELINA** Many people have had the experience of suddenly being in the spotlight and not feeling prepared for it at all. This can happen in a client meeting, when your client suddenly asks you an important question that you had not thought of, or your child suddenly needs to go to the bathroom during an outing, or when there is an opportunity to create a brand new collaboration around sustainability which is bold and has never been done before.

The reality is that life, especially when we are living it fully, puts us in that situation. We all improvise from time to time. And when we consciously practice improvisation, and build our skills, we get better at it, more creative, and we have more fun.

A safe space is a prerequisite for being able to have this experience, observing how one performs and interacts in these games help us to understand better how we show up in everyday life. There is great power in seeing in which situations one is generous, when one becomes fearful, where one controls, where one relinquishes control – perhaps too quickly.

What works and what doesn't: Which methods do we use?

<sup>Az1</sup>  
The US-American Federal Emergency Management Agency (FEMA) is in charge of disaster control.



## How do you manage to create this atmosphere for the people you work with?

**BELINA** Three things really help me to do this:

1. **Context:** I familiarise myself with my participants' background, the particular context in which we are building their improvisational skills, and what they would love to get out of the experience. That gives me a good idea of what improv games to use, and how to contextualise them so that the experience translates into work.

2. **Design:** I create a design (yes, I plan!) for the workshop/event which starts early on with a simple improvisation game to give me a better sense of what kinds of activities light the participants up, and how selfreflective they are. I build the

experience step by step, so they can feel they have achieved some sense of mastery over a certain type of co-creation before it gets a bit more complicated. I also plan for different learning styles about every 20 minutes, so if one thing does not work for a participant, the next thing will.

3. **I embody what I teach:** I make sure that as a workshop goes along, I am responding to the emerging needs of participants and the group, as well as connecting to the context of why we are there.

If collectively, we could bring more connection, curiosity, playfulness and presence to tackling our big sustainability and social issues, I believe we would get a lot more done – and in a more beautiful way. ●



**BELINA RAFFY**

**IMPROVISATION CONSULTANT,  
COACH AND AUTHOR**

Belina Raffy (50) is an improvisation consultant and coach and author. For over 15 years, she has used the techniques of improvisational theatre to support people engaged in sustainability and social responsibility. Before coming to improv, she worked in the financial sector in the UK and witnessed daily how people work themselves into burnout be-

cause they are stuck in structures that are not healthy and not very productive. Her book "Using Improv to Save the World (and me)" tells the story of her global journey and the insights on how deeply universal and wildly useful the improvisation practice is she gained along the journey.

# Tools

1/2

## Improvisation Activity: What I like about your idea...

### Description

This is a powerful co-creation activity which helps each person in a pair to quickly identify and share what part of an idea they like (focussing only on that) and moving the story forward in small steps.

### Set up

Show the script part of the exercise 'Let's \_\_\_\_\_'.  
'Yes, what I like about your idea is \_\_\_\_\_ and we could \_\_\_\_\_'.

Start with something simple and easy, e.g. 'Let's go to the park' or 'Let's go to the movies'. The partner of the person who said the 'Let's \_\_\_\_\_' then says 'Yes, what I like about your idea is \_\_\_\_\_', and adds something specific that they like about the idea, without changing the idea in any way. That same person then adds '\_\_\_\_\_ and we could \_\_\_\_\_' and follows this by an idea of what the pair could do next. With the idea of what happens next, the first person (the one who said 'Let's \_\_\_\_\_') says: 'Yes, what I like about your idea \_\_\_\_\_' and the exercise continues back and forth until time is called.

Make sure that people are saying the full script. Each word is important. Sometimes the 'yes' drops off, and sometimes 'what I like about your idea' becomes 'what I like about THE idea'. Both the 'yes' and the 'your' are important for engagement of the co-creator in the pair.



Scan the QR-Code for more WE methods.

2/2

## Improvisation Activity: The rant

### Description

In this activity, one person complains with energy for an entire minute, and then the partner shares the beautiful intention or value 'beneath' the anger.

### Set up

This is a pairs activity that takes about 2 minutes to run, with about 4 minutes of debrief time.

Brainstorm a list of things that irritates you for about 90 seconds.

Circle one item from your list that you could complain about, with energy, for an entire minute to a partner.

Put a timer at 1 minute. Complain with energy. During the rant, the other person is silent. After the minute, your partner will say: 'Based on what you said, here is what I think you care about'.

Some examples: 'Based on what you said, I can tell you care about respect for others, about peace, about thoughtfulness...'. If you do The Rant with a group, ask the rest of the participants to share any other things they think the ranting person might care about.

Make sure that these are expressed as phrases about what the person WANTS, and not about what they don't want. E.g. 'I think you don't want people to be loud' could be rephrased in "... so I think you want silence, peacefulness'.

Use some minutes for a debrief, and then do the same exercise in opposite roles.

Some ideas for debrief questions

- What surprised you as the ranting person?
- What did you notice as the observer/ reflector?
- When might this way of listening help you?



Loud



and

quiet

Apart from silence, music is an important source of power. All around the world people use music to express their joie de vivre. We asked our interview partners for their power songs. The following playlist is the result.

<u>No.</u>	<u>Song</u>	<u>Artist</u>	<u>Power song of</u>
1.	Hum Dekhenge	Zohaib Kazi, Ali Hamza	Anannya Bhattacharjee, One question, four points of view
2.	Blinding Lights	The Weeknd	Crista Foncea, Zoom in
3.	I Got Life	Nina Simone	Beanca de Goede, Journalist, Diary
4.	Everybody's Gotta Live	Love	Axel Schröder, Tchibo, Background
5.	Imagine	John Lennon	Moon Mukherjee, Diary
6.	Ben Senin Var Ya	Yıldız Tilbe	Ayşe Keskin, One question, four points of view
7.	El Sombrero Azul	Salsa Clave	Evelyn Monge, Visionaries
8.	Beauty in the World	Macy Gray	Belina Raffy, Interview
9.	Kinna Sohna Remix	Nusrat Fateh Ali Khan/ Bally Sagoo	Dan Rees, One question, four points of view
10.	Truth Hits Everybody	The Police	Michel Scholte, Visionaries
11.	Bread and Roses	Utah Phillips	Christina Hajagos-Clausen, Visionaries
12.	Blowing in the Wind	Bob Dylan	Sreeranga Rajan, Background
13.	Hero of the Day	Metallica	Rick Lambell, One question, four points of view
14.	Pisces	Jinjer	Sebastian Sime, Background
15.	Something Just Like This	Coldplay	Nanda Bergstein, Tchibo, Essay
16.	Don't Stop Me Now	Queen	Nina Richter, Tchibo, Leading article
17.	Life Uncommon	Jewel	Julia Thimm, Tchibo, Leading article
18.	Zinda	Shankar Ehsaan Loy, Siddharth Mahadevan	Jaikumar Chandrashekar, WE Facilitator, Feature



Scan the QR-Code to listen to the playlist on Spotify and feel the power!



# What does the future need?

\_\_\_\_\_



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# ZOOM IN

## CHILD LABOUR\*

TEXT BY KATHARINA BAUM  
PHOTOS BY MORENA PÉREZ

\*What is child labour and what are its effects? We zoom in: from global to individual levels.



## **GLOBAL** Article 32: Protection from economic exploitation

States Parties recognize the right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development. <sup>(1)</sup>

In 2020, 160 million children were engaged in child labour worldwide, 79 million of which were performing hazardous work. <sup>(2)</sup>

What does the future need?

<sup>(1)</sup> UN Convention on the Rights of the Child, 20 November 1989, ratified by all countries except the USA

<sup>(2)</sup> Global Child Labour Report 2020 from the International Labour Organization (ILO) and UNICEF





## INTERNATIONAL

Children are working in mines, in factories, as domestic helpers and as vendors, but it is agriculture that accounts for the largest share of child labour with 70% tending livestock, ploughing fields and assisting with sowing and harvesting. Many of them do so unpaid: around three quarters of child labour worldwide takes place within families.

Children who have to work regularly cannot attend or are often absent from school. They have hardly any time left to play and learn. Children's health is constantly at risk because they carry heavy loads, wear inadequate safety equipment and work in places such as waste dumps and mines.

Child labour contributes to family incomes through the child's wages or, for example, by children helping with harvests so that parents can sell more. Poverty is the main reason for child labour. In most regions, the COVID-19 pandemic is therefore likely to increase child labour to compensate for the parent's loss of income. This might reverse the global trend of declining child labour since 2000.



In many countries, especially in Latin America, child trade unions exist. These unions do not call for the abolition of child labour, but for better regulation, access to education and, above all, better protection and fair payment for working children whose families rely on the extra income.

In 2019, the European Union imported €50 billion worth of goods whose production used child labour. That amounts to around 2.5% of the EU's total imports. Among these imports, coffee is ranked fourth at a volume of €1.1 billion. <sup>(3)</sup>

(3) Figures from the Global Child Labour Report 2020 by UNICEF and ILO, and from the study "50 Billion Euros: Europe's Child Labour Footprint in 2019"

What does the future need?



## NATIONAL

Guatemala is one of the countries where coffee is associated with child labour. Around 17 million people live in the Central American country. Almost 60% of them, that is 10.2 million, live in poverty. The indigenous population and rural regions are particularly affected by poverty. The Surroccidente and Noroccidente rural provinces have high proportions of indigenous people who make their living from agriculture, including coffee, and therefore have the highest levels of child labour. Coffee is one of the country's most important export products.

← Working instead of learning: Child labour prevents education.



Global coffee prices have been very low for a long time but have been rising significantly since summer 2021. In addition, farming plots are often too small to yield enough harvest necessary for a living income. This is why many coffee farmers and their families live below the poverty line. Over the past five years, the price per pound of green coffee has fluctuated between €0.80 and €2.15 on international exchanges, spiking in November 2021. To make one pound of green coffee, coffee farmers have to manually pick around 2.5 kilograms of coffee cherries. To increase yields, every helping hand is needed, even when it is a child's hand. It will be interesting to observe whether the current high prices (2021/2022) will help decrease poverty rates.

In 2002 Guatemala installed a National Commission for the Eradication of Child Labour (CONAPETI). The country plans to eradicate child labour by 2025. Guatemala has also signed ILO Convention 138, the "Convention on the Minimum Age for Admission to Employment", agreeing that children and adolescents may only work from the age of 15. But the reality is different. Around 7% of Guatemalan children between the ages of 7 and 14 are engaged in child labour. For young people between the ages of 12 and 17, this figure can be as high as 15%. Because they work, most of the children do not attend school, or lag behind and eventually drop out. Some of the children work 30 hours a week and live in poverty, at times extreme poverty.

Education is key to breaking the cycle of poverty. But for poorer families, sending children to school poses primarily financial problems. Although Guatemala provides a basic right to education that guarantees free school attendance up to the sixth grade, families still have to pay for school materials and uniforms. Moreover, even after completing a school education, many children in rural areas are unable to find better jobs than their parents. School attendance is there-



↑ Going to school is not a matter of course in Guatemala.

(4) Facts and figures from FAO, World Bank, ILO and from the "HOJA DE RUTA para hacer de Guatemala un país libre de trabajo infantil y sus peores formas", CONAPETI 2016 and the National Statistics Institute of Guatemala (INE).

fore perceived as an expensive waste of time, with children being better prepared for living independently by working with their families. It is therefore no surprise that despite the official figure of 95% of Guatemalan children being enrolled in school, many do not complete primary school, and even fewer go on to secondary school. (4)





## REGIONAL

Crista Fonca, in her work with families, is repeatedly confronted with the complex reasons for child labour. She heads the Guatemalan aid organisation Coffee Care:

“It looks clear on paper: child labour in Guatemala at a certain percentage. Foreign organisations come here and think by handing out a little money and sending the children to school, everything will be fine. But change cannot be imposed without knowing the local context. The reality is much more complex and is perceived by locals differently than one might think at first glance.

Coffee is the main source of income for many families. The harvest season lasts three months, from October to December in the South of the country and from January to March in the East. School holidays are also three months long and overlap with the harvest season. For the harvests, fami-

↓ In the kindergardens run by Coffee Care, the children of migrant workers are looked after during harvest season.



lies and their children move away from their hometowns to plantations, which are often far away. Families usually have no one to look after the children. The children are therefore taken along to the harvest. Many children tell me that they prefer helping with the coffee harvest because it is relatively easier work compared to the household tasks they often do at home. Fetching water or wood, for example.

What many people, especially from Western countries, sweepingly condemn as child labour, many Guatemalans perceive as quite normal: children helping their parents, sometimes to a greater, sometimes to a lesser extent. There are two main reasons why children help their parents: tradition and necessity.

Many coffee farming families live in poverty and depend on their children helping them. It was the same for the parents during their own childhoods. For many children, it is a dream to be able to provide financially for their families from a young age on.

Persuading these families that another way is possible is a longer-term task that can only succeed when various other factors come into play. It is good for the children to be able to go to school, preferably beyond primary school. To really gain from their education, they also need to learn practical skills: basic accounting or fertiliser production, for example. This will give them a perspective for life after school. Many of the children that we at Coffee Care helped to finish secondary school ended up picking coffee just like their parents, because there were no other jobs available. That is frustrating for them and discourages other children to follow their example.

But we must not just focus on the children. The solution has to be an overall solution that takes the families and external factors into consideration. For example, we have to create opportunities for the families to generate additional income outside the coffee harvest season. This reduces financial pressures on families, and helping them to lift themselves out of poverty is vital to improve the situation. For this to happen, they need to have options be it in education, in job opportunities or in housing. At the same time, it is vital not to impose anything on families, but to view them as equal, intelligent partners.

Attitudes and traditions that have been handed down for generations cannot be changed overnight. But we hope that the children whom we are working with today will see that things can be done differently and will think and act differently as adults. And that the country will rise up to accommodate their needs. Change happens within people”. (5) ●

What does the future need?

(5) Among other things, Coffee Care builds day-care centres for the children of migrant workers, provides scholarships for secondary school attendance and empowers women to establish secondary incomes alongside the coffee harvest. Since 2011, Tchibo and Coffee Care have jointly conducted several projects to support women farmers and children.



## GOOD NEWS

In 2020, the number of people living in extreme poverty had reduced by over a billion compared to 1990.

1990: 1.9 billion = 36% of world population; 2020: 729 million = 9.4%.<sup>(1)</sup>  
The share of people who have less than \$15 per day at their disposal has only diminished slightly during the same period (1990: 80.63%; 2017: 72.45%).<sup>(2)</sup>

<sup>(1)</sup> World Bank Group: Reversals of Fortune. Poverty and Shared Prosperity 2020, p. 34 (estimate)

<sup>(2)</sup> Max Roser, Esteban Ortiz-Ospina, Our World in Data, "Share in poverty relative to different poverty thresholds, World, 1981 to 2017"

## BAD NEWS

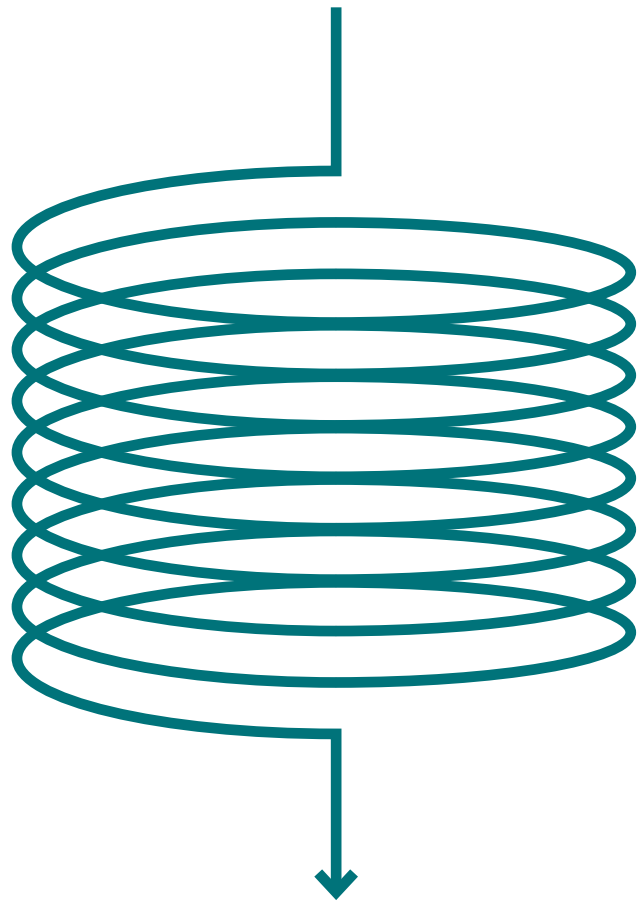
In 2020, 1.3 billion people in developing countries lived in acute poverty.

About half (644 million) are children under the age of 18.<sup>(3)</sup> 84.3% of these people live in Sub-Saharan Africa (558 million) and South-Asia (530 million, mainly in India, Bangladesh and Pakistan).<sup>(4)</sup>

<sup>(3)</sup> United Nations Development Programme/Oxford Poverty and Human Development Initiative: Global Multidimensional Poverty Index 2021, p.4. The index is not based on income but measures the living standard of people based on ten indicators such as nutrition, health, schooling rates, access to drinking water and housing conditions. <sup>(4)</sup> Ibid.



# The long path to



# fair wages



One question often asked of human rights experts at Tchibo is: “Why don’t you just pay fair wages yourselves as a company?”. The honest answer: individual companies only have limited power in the global web of political, social and economic conditions. And getting involved, even when well-intentioned, is not always right and often unwelcome. The following article shows why the path to fair wages sometimes means taking the long route and what approaches Tchibo is using to achieve living wages along its supply chains.

What does the future need?



[www.tchibo.de/nahstudio](http://www.tchibo.de/nahstudio)

Sreeranga Rajan is the managing director of the Dibella India textile factory. He founded the factory in 2013. His goal was to be paying fair wages to his workers in five years at the latest. He calculated that to achieve this based on his production processes, companies buying from Dibella India would need to pay 70 cents more per garment. He sees it as a joint undertaking: following a transitional phase, Dibella would bear 50% of these additional costs, and its buyers – brand and retail companies – would bear the rest.

With fair wages being the priority, Dibella initially operated without making a profit. Instead, Rajan believes that greater productivity and team spirit will offset the additional costs in the medium and long term. Dibella India’s main customers include the brands Nudie Jeans and, more recently, the Tchibo sustainability brand Nah Studio <sup>1</sup>.

## Why is it so difficult to achieve fair wages?

The path to fair wages is long – especially in the textile industry. Over the past 30 years, many human rights organisations have been campaign-

ing for better working conditions in this sector. For decades, trade unions have been fighting for fair pay. Even among the businesses profiting from low wages, there is a growing realisation that stability can only be achieved with a minimum level of welfare. However, in many of the producing countries, workers still need to work 60 hours a week at sewing machines in order to live from their wages.

If society wants it, then why does it remain so difficult to pay living wages, in the textile and garment industry?

Sebastian Sime has been working in the industry for 40 years. He trained as a tailor, then worked as a trainee supervisor before plunging into the global world of garment production as a coach and consultant. Sime has worked in over 20 countries and now lives in Ethiopia, purportedly the next economic wonderland of the garment industry. He has also worked with the German Development Agency GIZ and Tchibo to establish and oversee the WE human rights programme in production facilities.

If there is anyone who knows why it is so difficult to achieve fair wages in the textile sector, it is Sime. “It starts with the question of what ‘fair’ actually means”, he says, getting to the heart of the problem.



## ① What is a fair wage?

**Minimum wage:** a minimum wage is a wage set by law or collective agreement. Wages must be paid at least at the minimum wage level. Criticism of the minimum wage approach: the legally guaranteed minimum wage is set too low in many countries and is not enough to cover the cost of living.

A **living wage**, on the other hand, aims to set an income level that meets the basic needs for a decent living for the region. The Global Living Wage Coalition has evaluated over sixty different living-wage concepts and human rights declarations and used them to form the following definition of a living wage:

“The remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events”.<sup>2</sup>

<sup>2</sup>

[www.globallivingwage.org](http://www.globallivingwage.org)

## “What is perceived as fair depends very much on the cultural context”

For Sime, fair pay has two components. The first concerns comparative wage levels – what are others in a similar job being paid? “In Ethiopia, everyone is poor”, Sime states pragmatically. “The perception here is that it is extremely unfair when some individuals are paid more than others”.

The second measure of fairness, according to Sime, concerns wage levels in relation to the contribution each person makes to the system as a whole. When the economy is booming and the factory is profitable, it needs to be reflected in worker wages. In Sime’s view, following these simple basic rules creates a reasonable framework for paying fair wages, at least in local contexts.

### From minimum wages to living wages

Raising the debate to global levels adds a further dimension. Who determines what is fair in a particular social context? What can you rely on when a country’s official minimum wage is not even enough to cover basic needs? And when is a wage a living wage? Defining and delimiting the terms is contentious, as well as the question of which concept actually helps improve living conditions.

For some years now, the term ‘living wage’ has been used to describe an income which is sufficient ①. NGOs, academia, business associations, trade unions and governments have also been discussing how to achieve living wages in the textile industry.

One approach that wants to change culture and labour conditions from within is the Asia Floor Wage Alliance (AFWA) ①. It is a labour alliance of NGOs, unions and workers’ associations. Thus it acts from the perspective of workers involved in production. AFWA believes that dialogue and bringing all the institutions together is important. However, it advocates for regulations and binding mechanisms rather than voluntary mechanisms, that hold international brands that outsource manufacturing of their products to Asia accountable. AFWA works together with NGOs in Europe and the US to put more pressure on the brands and influence their sourcing

practices. In 2009, for the first time ever, AFWA calculated a wage level for garment production countries in Asia that would equal a living wage. This Asia Floor Wage has become an important instrument in the related international discourse.

“For a long time, brands used to say that the living wage was an imaginary number, that nobody knew what a living wage actually was, so they couldn’t pay it”, remembers Anannya Bhattacharjee from India, co-founder of AFWA. “Our big success has been that we unified the labour movement in Asia and defined a minimum level for a living wage. Thus we could approach the brands with a clearly defined demand for higher wages”.

AFWAs dedication has changed the dynamics in the international debate considerably and has forced brands to take up a position. “We made it very clear that the responsibility for closing the gap between the minimum wages paid thus far and the living wage lies with the brands”, explains Bhattacharjee.

Another success of the AFWA approach: its living wage formulation establishes a common cross-border wage level for Asian production countries. This will stop the international brands from moving their production to a neighbouring country as soon as wages rise in another country.

In recent decades, production has regularly moved on to the next cheapest region as soon as a country acquires a certain level of prosperity at a corresponding wage level. If the loss of jobs can be compensated for by other higher-value industries moving in, this may well be a desirable step on the road to economic growth for these countries. However, it is often the case that companies have contributed to decimating emerging structures in one country by switching too quickly to cheaper competitor countries.

What does the future need?

## ① Asia Floor Wage

The Asia Floor Wage Alliance (AFWA) is a global alliance of trade unions, workers’ rights and human rights organisations who have been actively campaigning for better pay for workers in the textile industry in Asia since 2005. AFWA has calculated a standard living wage across Asia based on a representative basket of goods. The value is set in purchasing power parity dollars and then converted into the local currency according to purchasing power per country. The Asia Floor Wage is used as a benchmark for local trade union negotiations, minimum wage increases and company activities. AFWA’s activities are also aimed at working with European and US NGOs to influence the purchasing behaviour of international brands in Asia.

A major success of the Asia Floor Wage is enabling a comprehensible living wage to be defined for many countries in Asia and the collaboration of a large number of actors across Asia.<sup>3</sup>

<sup>3</sup>

[archive.cleanclothes.org/livingwage/afw](http://archive.cleanclothes.org/livingwage/afw)



## ACT on Living Wages initiative

The ACT on Living Wages initiative is an alliance of around 20 international brands and retailers with trade unions at national and international level. In specific priority countries, it brings together all actors with responsibility for the textile industry: employers, trade unions, governments and brands and retailers such as Tchibo, H&M and Esprit. Priority countries are selected according to their importance to the fashion industry, the share of the country's total exports to the brands involved, and the urgency of the wage issue.

The initiative aims to change working conditions in the garment, textile and footwear industries, focusing on achieving living wages for workers. The instruments to achieve this are collective bargaining at sectoral level and brand commitments on responsible purchasing practices. In industry-wide collective bargaining, wages are negotiated that are binding for the respective country, so that the same wages apply to all workers, regardless of the factory.

Commitments to responsible purchasing practices ensure that payment of the negotiated wage is safeguarded in buying contracts. Sufficiently high purchase prices and contract durations are then guaranteed to enable producing companies to plan for the longer term. You can find out here in which countries ACT is active and how ACT works.

Myanmar is an example of how quickly ACT can have a positive impact – but also of how dependent it is on a stable political framework.



[www.actonlivingwages.com](http://www.actonlivingwages.com)



Learn more in "Continue Reading", p. 115



Learn more in "Moon's WE Diary" p. 42

## ACT – brands in solidarity with trade unions

In addition to the Asia Floor Wage, another approach has developed in recent years with some international companies becoming partners in living wage projects or even cautiously taking on the role of "drivers" of higher wages and better working conditions among their producers. One example giving hope is 18 international brand companies joining forces in 2015 with the IndustriALL Global Union trade union federation to form the ACT on living wages initiative. ACT stands for Action, Collaboration, Transformation. The initiative aims to proactively promote living wages in garment supply chains.

Working together internationally in ACT is a great opportunity for Tchibo. "As a company we have tried to tackle the issue of Living Wages on our own and have implemented pilot projects with producers", says Axel Schröder, one of the human rights experts in Tchibo's CR team. "Implementation of our WE Program for better working conditions is also something we are doing on our own as a company."

**"But we have realised that doing it alone is not the way forward to bring about sustainable and wide-scale improvements in working and living conditions in producing countries. This is particularly so for wage levels".**

## Poverty thresholds according to the World Bank in PPP /day

Extreme poverty

1.90

Poverty in lower-income countries

3.20

Poverty in middle-upper-income countries

5.50

### Note

Purchasing Power Parity (PPP) enables comparison of the purchasing power of currencies in different geographical areas. A fictitious shopping basket is used for the calculation.

## Relationship of living wage to official minimum wage

Living wage

Official minimum wage

Living wage = 100

China = 24.89

Guatemala = 85.68

Bangladesh = 3.38

Kenya = 51.32

What does the future need?

### Note

The figures presented here only show discrepancies between official minimum wages and living wages. They reveal nothing

about actual poverty in a country, because many self-employed or informally employed earn less than the minimum wage.

Global Wage Report 2020-2021, ILO, [www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms\\_762534.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_762534.pdf); Asia Floor Wage Alliance, [asia.floorwage.org/living-wage/](http://asia.floorwage.org/living-wage/); Global Living Wage Coalition, [www.globallivingwage.org/resource-library/?fwp\\_resource\\_type=livingwage](http://www.globallivingwage.org/resource-library/?fwp_resource_type=livingwage); Conversion of minimum and living wages to per cent: own calculation



## The 3 risk factors for factory-level solutions

An important insight gained at Tchibo is that agreeing on better purchase prices with a production partner, for example in Bangladesh, and linking this to a condition for increasing wages, places the partner in a dilemma. On the one hand, it risks disrupting the partner's internal wage structure as Tchibo is not the factory's only customer and its share of production is not sufficient to allow for permanently higher wages for all workers. "The factory would then either have to pay only some workers more wages or only pay them more while working on Tchibo orders. Both options can cause a lot of unrest among

the workforce", explains Axel Schröder from the Tchibo human rights team. "On the other hand, factory management makes itself dependent on the goodwill of an individual client as well as on the client's own commercial situation. What if Tchibo cannot extend the contract? Workers will then be forced to accept a reduction in wages, a guarantee for workers resigning and social unrest".

Even more challenging for factory owners, however, is the pressure from employer associations, neighbouring factories and politicians against breaking away from local wage structures and paying better than other local employers.

"Only an approach that involves all actors and goes beyond the individual contract to longer-term cooperation

can give workers a real chance of stability and better livelihoods", stresses CR expert Schröder.

This is where the ACT on Living Wages initiative can make a big difference. Instead of individual purchasing agreements, it focuses on collective agreements and strengthening the collective bargaining partners.

Instead of working towards a higher minimum wage, ACT aims to get producers and unions to negotiate industry-wide collective agreements that will regularly be re-negotiated between the national employers and unions.

ACT uses tripartism, a three-party approach in which employers' and workers' organisations negotiate on an equal footing, ideally with governments supporting the results through appropriate legislation. What makes ACT special is that the fashion brands commit to remain in the country when an industry-wide collective agreement comes into force, to at least maintain production volumes at current levels, and to give producers security to plan with long-term contracts – even when labour costs and thus overall prices increase. The theory behind ACT is that by strengthening workers' representation, the balance of power in the country shifts and the level of wages rises through negotiations over a period of years until it reaches the level of a living wage targeted by workers and unions.

### Participation, not interference

The model used for ACT comes from a predominantly Western European experience where trade unions have become established as a recognised social force, and have, usually over long periods of time, gradually achieved significantly improved working conditions.

"As Central Europeans, we have a very particular perspective on social standards", explains Sebastian Sime. "We have a strong trade union tradition that dates back to industrialisation. It is part of our culture and has developed over a very long period of time, even when many are no longer aware of it today. In most nations there is a different culture. In the USA, a health insurance system like ours based on parity is considered to be practically communist. In other nations, such as China, it is the state that takes all the decisions. There is no big consensus like ours on social standards".

What Sime keeps observing on his assignments abroad: "Many companies, governments, civil societies and even workers are very critical of external involvement, especially from Western countries.

So if you want to achieve real improvements, you need respect, sensitivity and a lot of patience. And you must be prepared to let go of your own ideas and adapt to other cultural realities".

### Global economy in transition

Even when the various interest groups are far from agreeing which road is the quickest to fair pay, developments over recent years show that the world's economy is changing and old structures are finally being called into question: "NGOs began campaigning for living wages 20 years ago. 10 years ago, the issue became part of the public consciousness. But only in the last few years have there actually been visible activities and initial successes, even when we, the industry, remain far from satisfied with the situation on the ground", says Axel Schröder, summarising developments. "It will certainly take some time before we really achieve something here. But we are in the midst of a transformation that is unstoppable".

This then leaves the end-consumers, who also play an important role in making higher wage levels possible in the textile industry.

"It is often said that just a few cents more need to be paid so that textile workers can have living wages", says Sabine Ferenschild from the Südwind Institute, which has been supporting the

labour rights movement with its research and investigations for the past 30 years. "But those few cents or that one euro may mean large percentage mark-ups on the costs that are incurred in the country of production: taxes and other price-related surcharges are added to wages. And other workers in the supply chain have to be considered: cotton pickers, weavers, etc., who also need to be paid fairly. Every extra euro or cent has a knock-on effect on costs, which are passed on to the overall product". Even when companies offset this price increase through more efficient planning, or, like Sreeranga Rajan of Dibella India, by foregoing profits altogether, living wages cannot be achieved without additional costs for end-consumers.

So Sreeranga Rajan focuses on information and humaneness. "No consumer has ever asked for people in supply chains to be exploited. The fact that exploitation is happening is kept hidden from them", he says.

**"I firmly believe in the general moral compass of the greater public".** ●

What does the future need?





# What the future needs!



TEXT BY NANDA BERGSTEIN,  
DIRECTOR CORPORATE RESPONSIBILITY AT TCHIBO

In our work, we often hear the same reproach: the discourse on human rights is a form of Western cultural imperialism and not innate to the global south. Our answer is: says who? Because the people affected, no matter where, want their rights to be respected. In that, we conclude, human rights are universal.

GLOBAL EMPATHY

I have always been deeply touched by the statement: „Die Würde des Menschen ist unantastbar.“ from article 1 in the German constitution <sup>[1]</sup>. It's translation – the dignity of the human being is inviolable – does not completely convey the depth of its German meaning. What is special is a sense of deep empathy and reverence for the essence of humankind, a feeling that inspires us in our human rights work.

[www.bundestag.de/gg](https://www.bundestag.de/gg)  
(article 1)

The term is not without controversy. Again and again, we hear the following: the human rights discourse is a form of Western cultural imperialism and not innate to the Global South. This argument quickly collapses simply by asking: says who?

Most of the times, it is ministers, state secretaries, employers' and industrial associations in producing countries and buyers that make these claims. Usually, they are the parties that stand to lose something if power shifts to the people.

But if you ask the workers in the factories, they will clearly demand respect, not being shouted at, freedom of speech, good food, not having to fear for their safety. In short: they want their dignity and rights be respected. I don't see a trace of Western cultural imperialism here, rather the universality of human rights.

Having said that, we also know this much: language and discourse are just the beginning. How it becomes a lived reality is the key.

So, what does it take for implementation – human rights due diligence legislation, empowerment and systemic approaches being important building blocks. Here's what I think: ultimately, it takes an inner stance and outward practice of "global empathy" that deeply understands the inherent dignity of each single person on this planet".

Global empathy for us means recognising and actively ensuring that all human beings can realise their rights, regardless of their origin, race, gender or any other distinguishing features. It acknowledges that everyone is equal and interconnected – no matter where on this planet – and calls for relating to each other with dialogue, esteem, and appreciation.

When we act in the spirit of global empathy, we become a driving force for positive change.

This, to be clear, must be learnt and practiced. Our social interactions often lack this particular kind of empathy: Certain refugees from Ukraine were turned away at the border to Poland because of their skin colour. People from the Global South have been working in precarious conditions for decades, without consumers, politics and companies crying out and pushing for real change. We seem to look away when we are not directly affected but others are.

Not empathising with "others" goes back to the reptile part of our brain that is wired to differentiate between friend and foe as a matter of survival. It doesn't think in terms of "all of us", but "us" and "them". This helps the reptile brain understand who is part of our tribe and who isn't. In autopilot mode, we quickly fall into the trap of looking at the world from this angle. The white female activist who laments "the deplorable fate of those poor women" in Asia pushes my buttons because she is not thinking

OUR BRAIN DOESN'T THINK IN TERMS OF "ALL OF US" BUT "US" AND "THEM"



What does the future need?



↳ THEY DON'T WANT CHARITY; THEY WANT TO BE VALUED AND TO LEAD SELF-DETERMINED LIFE.

in terms of "all of us" but in terms of a hierarchy that puts her on top and the "poor women" below her. This misrepresentation often leads to projects that focus solely on changing the women but not the system.

This stands in stark contrast to what my team and I experience on our trips to Asia, Africa and Latin America: People, no matter where and no matter the circumstances, have dignity, and they exude it. They are strong. They tolerate living conditions that those from more affluent contexts can't even begin to imagine – they do so with courage and a zest for life when they have every right to be angry or sad. I have never met anyone who wanted charity; rather I saw the desire to be valued and lead a self-determined life. Our job is to initiate change in the socio-economic environment in a way that it balances out unfairness and creates space for all. Indeed, the people we encounter in our work are anything but second-class people, weak, small or passive.

Tchibo's WE Program <sup>2</sup> aims to put these thoughts into practice in the workplace. To help shift supply chain dynamics, I have often taken decision-makers with me on trips to meet the people in our supply chains. The more connection, the more empathy. Indeed, we need immersion programmes in which executives work in factories for a week at least. They would see for themselves the strength, power and courage inherent in the workforce. There is a lot to learn from them and this is how mutual respect and appreciation develop.

Let's be bold and imagine we had embraced global empathy as our guiding behavioural principle and implemented it in our institutions globally. What would be different?

- 1. All decisions would take into account the impact on the people in our immediate and extended surroundings, today and in the future – globally, to be clear. The economy and business models would put people at the centre instead of marginalising them. Combatting poverty, alleviating climate change and stopping the exploitation of the environment would automatically become our top priorities.
- 2. We would be part of a global community and would be in respectful dialogue with one another, including in situations of conflict.
- 3. On an individual level, openness, vulnerability and humanness would shape our interactions, making people feel connected and less isolated.
- 4. We would take joy in the entire diversity of people and personalities and would cherish the beauty that emanates from everyone that has embraced her/ his full power.

This may sound like utopia, but isn't this the kind of world we would all like to live in? We can all contribute to this by actively changing our behaviour – in our daily interactions with others as well as in our corporate principles.

EXECUTIVES AND EMPLOYEES SHOULD WORK IN THE SUPPLY CHAIN'S FACTORIES FOR A WEEK AT LEAST

<sup>2</sup> Learn more in "Moon's WE diary", p. 42.



# Continue reading and listening

Information and inspiration around the topic of human rights

## Study/Report

**Fashion Transparency Report**  
Fashion Revolution

**The true price of Jeans**  
Impact Institute (True Price)

**Child Labour – Global Estimates 2020**  
ILO/UNICEF

**Coffee Barometer 2020**  
Sjoerd Panhuysen, Joost Pierrot

**Global Wage Report 2020 – 2021**  
International Labour Organization

**Statistics on human rights**  
Our World in Data,  
ourworldindata.org/human-rights

**Legal Brief: Joint Employer Liability Legal Strategy**  
Asia Floor Wage Alliance

## Movie

**Inviolable – The fight for human rights**  
ZDF/Claus Kleber, Angela Andersen

## Magazine

**Global Worker**  
IndustriALL Global Union

## Podcast

**Conversations on Business and Human Rights from Around the World**  
Institute for Human Rights and Business

**Talking Threads**  
IndustriALL Global Union

## Blog

**Military Coup in our Textile Sourcing Market Myanmar**  
blog.tchibo.com/aktuell/unternehmen/military-coup-in-our-textile-sourcing-market-myanmar/

## Book

**Elements of a Theory of Human Rights**  
Amartya Sen

**Business and Human Rights. Beyond the End of the Beginning**  
César Rodríguez Garavito

## Online-Tool

**CSR Risiko-Check**  
MVO Nederland

**ILOSTAT – Country-specific statistics on labour and wages**  
International Labour Organization

**Global Compact Network Case studies**  
unglobalcompact.org/library

What does the future need?

# Reference list

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