**Ensuring that Human Rights Due Diligence frameworks impact positively on small farmers and workers in agricultural and textile supply chains:**

**Consultancy assignment for**

**Bread for the World and Fair Trade Advocacy Office**

**Call for proposals**

v 17 April 2019

**Background**

Bread for the World and the Fair Trade Advocacy Office are seeking the support of a consultant for a piece of research on the implementation of Human Rights Due Diligence frameworks in the agricultural and textile supply chains.

The Protestant Agency for Diakonie and Development - Bread for the World, hereinafter Bread for the World, carries out duties of development service, humanitarian aid and worldwide inter-church assistance for the churches and associations. It supports through financial contributions, human resources, expert advice, emergency and disaster relief and scholarship grants the work of churches, Christian organizations and other private agencies worldwide who contribute to build a just society, help to improve the living situation of poor and marginalized people whose human dignity and rights are being violated or threatened by war or other catastrophes, and stand up against discrimination based on origin, gender or religious affiliation.

As a joint initiative of Fairtrade International, the World Fair Trade Organization and the World Fair Trade Organization-Europe, the Fair Trade Advocacy Office, hereinafter FTAO, speaks out on behalf of the Fair Trade Movement for Fair Trade and Trade Justice with the aim to improve the livelihoods of marginalised producers and workers in the South. FTAO’s aim is to promote fairer and more sustainable supply chains, where human rights and the environment are respected along the while chain. In particular, we aim to ensure fairer trading practices and prices (paid) by businesses to their suppliers contribute to small producers earning a living income and workers receiving a living wage, particularly in agri-food, textile and handicraft supply chains.

One of the key tools to promote fairer and more sustainable supply chains, is to require companies to conduct Human Rights Due Diligence in their supply chains. HRDD frameworks constitute one of the essential tools to promote fairer and more sustainable supply chains and has a great potential to lead companies to address human rights and the environment in a way that serves long term socio-economic development, and contributes to the achievement of the SDGs.

Companies are increasingly under pressure to make sure that their supply chains are sustainable, legal and free of human rights violations. Numerous developments are taking place, at national, EU, or international level, whether they are binding or voluntary frameworks[[1]](#footnote-2). CSOs are very active on this topic, and some campaigns are emerging also at national level, in Finland, Germany, the Netherlands.

We are very supportive of this trend. We advocate for binding due diligence regulation that places appropriate responsibilities and accountabilities along the supply chains, leads to real change in companies’ trading practices (including prices paid to suppliers), and have a real positive impact on the ground, in particular in terms of living incomes and living wages for farmers and workers.

However, because of the uneven relationship of power in global value chains, it may occur that buying companies pass the responsibilities for HRDD compliance along the chain. This might have unintended consequences especially for marginalized producers and workers. For instance, HRDD frameworks need to be designed and implemented in a way that does not lead to a mere cascading down the HR violation risks and compliance costs to suppliers, which could have an adverse impact of smallholders and on workers, inter alia.

It is also important to ensure that HRDD frameworks are not just tick-box exercises and bureaucratic paper work processes, without real impact on the ground.

Also, companies should ensure their HRDD processes do not lead to companies just pulling out of high-risk areas or their current suppliers.

In a separate piece of legal advice, Bread for the World and the FTAO are currently looking into legal frameworks and links between Human Rights and living income and wages, and how trading practices and prices can be a key element to decide on the legal responsibility of buyers with regards to the Human Rights violations of their suppliers.

In this piece of research, we are looking for an impact analysis, as follows:

Purpose of the research:

The objectives of this piece of research are:

1. To assess how the implementation of HRDD frameworks (whether legally-binding or voluntary) by companies has affected / could affect the research´s target groups (see below), both in a positive and negative way with a special focus on unintended consequences for the research target groups.
2. To draw conclusions for the agricultural and textile sector and highlight potential risks of negative impact on the research target groups
3. To identify recommendations to relevant stakeholders to design or improve HRDD frameworks and their implementation in order to address the identified potential risks and ensure a positive impact on the research target groups.

Scope of the research:

**Sector:** The scope of the research work should include agricultural, textile supply chains and any other supply chain (e.g. minerals) that could be useful and relevant. The scope of the recommendations should clearly focus on agricultural supply and textile supply chains.

**Research target groups:** small farmers, farm workers, including migrant workers, workers in textile manufacturing plants and artisans from the Global South.

**HRDD frameworks:** The researcher should look into HRDD frameworks, both voluntary and binding (see footnote above), but also any other relevant due diligence frameworks that can provide some useful learnings to the research.[[2]](#footnote-3)

**Stakeholders**: Stakeholders included those who have been directly involved in the design/implementation of one of Human Rights Due Diligence frameworks (or other due diligence frameworks): policy-makers, consumer and producer country governments, international institutions, policy think tanks, researchers, NGOs, companies, farmers, workers.

Phases and components

The research includes the following components:

1. **Impact Analysis:** Analysis of the companies’ practices in Due Diligence :

Questions to be covered include for instance:

* 1. how are due diligence frameworks applied in practice? What measures do companies put in place to make sure that their activities and the production process comply with HR along the value chain?
	2. Analysis of impact of these frameworks on producers: how does the requirement to comply with HR affect producers and workers? Does it, for instance, lead to increased costs for producers? or other types How are these costs covered?
	3. How do companies support their suppliers in complying with Human Rights? How is the burden of compliance shared?
	4. How do choices in where the initiative places the legal “burden” (on companies vs buying companies vs famers) influence whether the cost of compliance is passed on to the farmer or worker?
	5. Does the adoption of HRDD frameworks or sustainability schemes lead to a change in trading relations between producers and traders, and on companies behaviour (in terms of buying practices)?
	6. What is the impact of HRDD measures on producers’ incomes? identification of (potential) negative counter-effects of the HRDD on producers livelihoods (documentation of anecdotal evidence) ?
	7. What is the impact of HRDD measures on workers’ labour conditions and wages?
	8. What are other possible unintended consequences of the implementation of HRDD measures on the research target group, (linked to the power relation in the supply chain)?
	9. Identification of best practices, in terms of trading practices, (whenever the researcher comes across them).
1. **Learnings for the agricultural and textile sectors:**

Based on the findings above, assessment of the existing and potential impact of HRDD measures in the agricultural sector and in the textile sector.

1. **Presentation of options** to make sure HRDD frameworks have a positive impact on producers and workers and ensure companies take their responsibility in the share of the cost: amendment of existing policies, definition of new instruments
	1. Recommendations for HRDD regulation
	2. Recommendations for implementation by companies
	3. Recommendations for measures to be taken by Civil society and other actors

Methodology:

The research will involve the review of existing documentation and interviews with stakeholders.

**Desk research:** analysis of existing studies and reports.

**Stakeholder interviews:** The researcher should interview a wide range of stakeholders (as defined in the scope), to reach the project objectives.

Questions may include for instance:

For key individuals who were involved in designing & implementing the initiative

* what measures they took to avoid placing the burden on smallholders
* what measures they took to ensure the cost of compliance is shared along the supply chain
	+ how well these measures have (or are likely to—in the case of new initiatives that don’t have any

experience of implementation yet) worked.

* + What could have been done differently/better?

For companies:

* + has (or will) the compliance with Human rights resulted in increased operating costs for the supplier / producer? If so, how have (or will) the companies paid for the increased costs for the supplier / producer ?
	+ Has the DD regulation resulted in a change in the procurement practices of the company? Of the price they pay to their suppliers?

For producers / Suppliers:

* + How HRDD frameworks / regulations have impacted them? have they felt increased pressure to respect Human Rights? Has it led to increased costs of compliance for them? Have they received support to help them comply? How have they covered the costs? Has there been any adverse effects? How have these been mitigated?

For trade unions, workers committees:

* How HRDD frameworks have impacted them? Have they seen a change in their labour conditions? In their wages?

To ensure the research is aligned with the expectations of Bread for the World, FTAO and their allies, the researchers should have regular calls / webinars with them throughout the duration of the work, to exchange on progress and align on next steps.

The research work should include voices from the research target group, either via field research or other ways.

Expected results:

1. First report based on the findings of the desk research, detailed plan for interviews , including how to include voices from the research target group (by end of June)
2. Workshop/webinar to present preliminary findings of the desk research and plans for follow-up, and receive feedback from Fair Trade movement and other allies (by June 2019)
3. Final report with recommendations & list of resources and actors (CSOs / research institutes / organisations / companies / policy makers) that have developed expertise on these issues (by October 2019).
4. Workshop with the Fair Trade movement and other allies to present the findings and recommendations and discuss the way forward (October 2019)
5. Presentation of the results in a public event (at EU level, or possibly at the UN Forum on Business and Human Rights (TBC) (November 2019).

**Requirements for the consultant**

The research will be awarded to a consultant with the following requirements:

* Fluency in English, both written and spoken. Additional languages (including but not limited to French, Spanish, German are an advantage).
* Demonstrable expertise in Human Rights Due Diligence frameworks, both voluntary and binding.
* Demonstrable experience in conducting research and interviews.
* Network and contacts with actors involved in Human Rights Due Diligence, experts, policy-makers and companies.
* Knowledge of the realities and challenges of global agricultural supply chains and textile supply chains
* Ability to write in a simple, concise and didactic way.
* Ability to present data concisely and clearly and to make presentations in meetings
* Demonstrable policy on research ethics and the EU GDPR *(*General Data Protection Regulation*)*
* Commitment to fair and sustainable supply chains.
* Understanding of Fair Trade principles would be an advantage
* Partnership with local organisations in the South for field research would be appreciated

**Budget**

The maximum available budget for this study is about 15 000 Euro, exclusive of VAT.

The budget should include the researcher fees, and the travel costs for conducting the interviews (if any) and the costs of including voices from the research target group.

Lay-out and printing costs are not included in this budget. This will be taken care of by the contractors.

The travel costs of participation of 1 consultant to a physical workshop in October in Brussels, and potentially another event in Brussels or Geneva in November will be reimbursed by the contractors (Bread for the World or FTAO) and are not included in this budget.

**Application process**

Interested consultants and organisations are welcome to send an expression of interest (max 8 pages) including:

* proposed methodology / sources of information / plans for interviews, including a proposal for including producer voices in the research report outline
* Any comments/suggestions in relation to this consultancy
* Indicative timings
* Budget
* Previous relevant experience
* Example of a previous relevant report you have completed
* Reference for client you have done similar work for

Offers covering both this research as well as the HRDD legal advice are welcome.

The deadline for submitting expressions of interest is 19. May 2019, midnight.

The contact for this research is: Fabienne Yver (yver@fairtrade-advocacy.org).

Applications need to be addressed to:

Evangelisches Werk für Diakonie und Entwicklung e.V.

Brot für die Welt,

Caroline-Michaelis-Str.1

10115 Berlin

Germany

Applications should be sent to the following email addresses: yver@fairtrade-advocacy.org, CC: Teresa.hoffmann@brot-fuer-die-welt.de.

1. Examples of existing or proposed, voluntary or binding HRDD frameworks: Voluntary due diligence (UN Guiding Principles on Business and Human Rights, OECD guidelines on Responsible Business Conducts OECD/FAO guidance on agriculture, garments supply chains), Binding Due Diligence legislation (existing or in progress: UK anti-modern slavery act, French Duty of Vigilance Law; Swiss Responsible Business Initiative; Dutch Child Labour Due Diligence Bill; German proposal for a Human Rights Due Diligence Act, Proposal for UN Binding Treaty on Business and Human Rights) as well as supply-chain specific legal frameworks (EU Conflict Minerals Regulation, FLEGT approach for Timber (EU Timber regulation and VPA), Cocoa: (Artkin Engels Protocol for Child Labour in Cocoa). [↑](#footnote-ref-2)
2. Relevant initiatives that have already defined due diligence frameworks for companies, include for instance:

	* OECD Guidelines on Responsible Business Conduct, and in particular the sector guidance document (agriculture, garments and footwear, conflict minerals, etc…)
	* UN Guiding Principles on Business & Human Rights
	* French Due Diligence Law (though it may be too early to tell—but still useful to talk to people that designed it, to hear how they tried to tackle the issue)
	* Dodd Frank Act (US Regulation)
	* EU conflict minerals regulation
	* High Carbon Stock (HCS) in the palm oil sector, which have examined extensively the question of how to adapt this standard to smallholders.
	* UK Modern Slavery Act
	* Californian 'Transparency in Supply Chains' (TISC) Act [↑](#footnote-ref-3)