



How to build cross-sectoral collaboration to protect workers in the age of COVID-19

Developed by **Resonance** as part of the USAID
Asia Counter Trafficking in Persons project

NOVEMBER 2020

The coronavirus pandemic (COVID-19) has had profound effects on the world economy and global supply chains — damaging companies, creating significant instability and uncertainty for suppliers, and imperiling vulnerable workers worldwide. Among the devastating impacts of COVID-19 is increased vulnerability to trafficking in persons (TIP) and forced labor for job-seekers, migrant workers and at-risk communities.

This learning product explores four categories of the pandemic's impacts on supply chains and workers. It then puts forward strategies, examples, and new concepts for how NGOs, donors, foundations, and projects focused on countering trafficking in persons (CTIP) — collectively referred to here as “CTIP organizations” — can work with the private sector to protect workers and advance more ethical supply chains in the wake of COVID-19. The four categories include:

CATEGORY 1: WHEN SUPPLIERS STRUGGLE, WORKERS PAY THE PRICE

Reduced demand, high uncertainty, and economic hardship for suppliers have led to mass worker layoffs, often with no financial or social safety nets. Here you can find ideas for protecting suppliers, reducing uncertainty, and providing services and support to unemployed workers.

CATEGORY 2: IN THE WAKE OF COVID, WORKERS ARE MORE VULNERABLE AND DETECTION IS MORE DIFFICULT

COVID-19 health and travel restrictions can make it more difficult for companies to detect workplace abuses, and financial pressure has led some companies to make cuts to compliance/sustainability teams. Here, we explore ways that CTIP organizations can help companies deploy new tools to map risk, ensure compliance, communicate with workers, and detect labor violations remotely.

CATEGORY 3: THE COVID WORKPLACE DEMANDS NEW PROTECTIONS FOR WORKERS

In this section, we explore ideas for cross-sector collaboration to adapt the workplace and forge new communication channels to ensure safe on-site working conditions.

CATEGORY 4: WE NEED SUPPLY CHAINS TO BUILD BACK BETTER, BUT SURGE ECONOMIES CREATE NEW PRESSURES

Here, we look to ways that CTIP organizations and companies can work together to ensure that workers continue to be protected when production ramps up post-COVID to build back better, for a more resilient, more ethical future.



THE IMPACT OF COVID-19 ON THE PRIVATE SECTOR

In June 2020, the International Monetary Fund (IMF) projected emerging market (developing) economies to **shrink by an astonishing 3.2 percent this year** – the largest drop for this group on record. While such projections come with a high degree of uncertainty given rapidly changing conditions around the globe, one thing is certain: the magnitude and speed of collapse in global economic activity in the face of COVID-19 is unlike anything experienced in our lifetimes. **As described by the IMF’s Chief Economist**, “As countries implement necessary quarantines and social distancing practices to contain the pandemic, the world has been put in a Great Lockdown.”

In practical terms, the “Great Lockdown” has had an enormous impact across the global supply chain. Government-mandated closures and social distancing regulations have caused interruptions in production and operations, including the lack or limited availability of raw materials (e.g. metals and minerals, agricultural inputs like cotton and sugar, manufacturing components, textiles, etc.). According to a **May 2020 Responsible Business Alliance survey** of over 8,200 factories in 28 countries, 51 percent of factories are not functioning at full capacity. In Nepal, for example, only 11 to 25 percent of the workforce was back at work. The impact of COVID-19 and associated lockdown measures have also drastically reduced global consumption and investment. Chains such as GAP Inc **have seen their stocks fall as much as 50 percent**, reflecting a severe decline in demand that is contributing to crises in liquidity (cash assets).

While the impact of the COVID-19 pandemic on business and the bottom line is unprecedented, the crisis has shone a spotlight on and exacerbated long standing **vulnerabilities and abuses in the supply chain** that increase the risk of TIP. Around the world, workers face sudden loss of income, travel and mobility restrictions, and challenges to reintegration when they return home. In many cases, workers who have kept their jobs or found new employment opportunities experience working conditions that compromise their health and wellbeing. These include factories without proper health and safety protocols, the documented use of forced labor in the production of high demand items (masks, surgical instruments, rubber gloves), and restricted freedom of movement.

LOOKING TO RECOVERY AND BEYOND

The statistics and data paint a bleak picture, and behind the facts, are individuals, families, communities, and countries around the world facing extreme hardship, leaving them vulnerable to exploitation and the risks of human trafficking and forced labor. Nevertheless, amid the crisis, there are important examples of progress and innovative practices that reduce the risk of TIP – where businesses are leading by example and public and private sector entities are effectively partnering to address systemic challenges that contribute to TIP. This brief explores key challenges faced by private sector companies in the context of COVID-19 as well as approaches that CTIP organizations can consider in their private sector engagement (PSE) and partnership strategies both now and in the future.

Successful Public-Private Collaboration for CTIP, Pre-COVID

Public-private partnerships for CTIP typically aim to reduce the incentives that drive TIP and spur private sector action to reduce TIP in supply chains. The strongest partnerships are rooted in *shared value*, which means that all partners benefit (think “win-win”), and partners share in the design, implementation, risk and reward of the partnership. Shared value partnerships can help companies strengthen supply chains – and mitigate their own risk – by advancing fair labor and rooting out harmful labor practices (a win for the company and a win for CTIP organizations seeking to reduce TIP). CTIP partnerships can also pilot and test innovative solutions (e.g. new apps and technologies, new approaches and pilots) in the market with the potential to drive systemic change in high-risk industries, such as fishing, agriculture, construction, domestic work, and hospitality.

Types of CTIP partnerships include, but are not limited to:

- Partnerships to pilot new technology solutions that enhance worker voice, recruitment due diligence, and supply chain transparency (e.g., [partnerships with Mars Petcare and FairAgora developed through the USAID Asia & USAID Thailand CTIP projects](#))
- Partnerships that extend new mobile phone and social media channels to enhance workers’ access to vital information about their rights, employment opportunities, and protective and support services in their communities (e.g., [Labor Solutions’ WOVO worker engagement platform](#))
- Partnerships that promote responsible recruitment of migrant workers by piloting new approaches to cross-border responsible recruitment (e.g. [Patagonia’s collaboration with Verité and with other outdoor and apparel companies on responsible recruitment in Taiwan, to train suppliers on ethical recruitment standards and cut out labor brokers](#))
- Partnerships that support collective bargaining and worker’s rights (e.g., [Action, Collaboration, Transformation \(ACT\)](#))
- Industry-based partnerships that promote and share best practices for elevating conditions for workers (e.g., [Better-Work in the garment industry](#))
- Partnerships that support safe and sustainable livelihoods and income generation opportunities for at-risk populations and survivors. (e.g., [the Jivika activity under the Hamro Samman project and the Bangladesh Ashshash Project](#)).

CTIP organizations can play a variety of critical roles to help the private sector better combat TIP in supply chains, including:

- **Cross-sector facilitators and supply chain conveners:** CTIP organizations can act as a credible and neutral party, bringing diverse actors from the private sector, government, and civil society together to address this extremely sensitive issue and facilitate sharing of ideas and solutions. Many CTIP projects and organizations also have local or regional networks that are invaluable to augmenting company investments to combat TIP.
- **Subject matter experts:** CTIP organizations bring vital expertise, helping companies direct their investments toward initiatives more likely to make meaningful differences in worker protection and counter trafficking, such as recruitment policies and workplace safety measures.
- **Innovation champions:** It is difficult and risky for one company alone to identify, invest in, and attempt to scale a new technology or approach for CTIP. CTIP organizations can partner with companies to uncover promising new technologies and approaches to mitigate the cost, risk, and difficulty of piloting and scaling new solutions.
- **Direct Service Providers:** Some CTIP organizations can also directly provide tailored, appropriate services to victims of trafficking (e.g. job-seeking support, mental health services, legal aid), or help companies link to appropriate services and support for vulnerable workers and communities.
- **Policy Advocates:** CTIP organizations can work with companies to drive advocacy efforts and awareness raising campaigns for improved CTIP policy outcomes at the national and international levels (e.g. lobbying for more comprehensive labor laws that all companies are held accountable to raises the bar for everyone).
- **Thought Leaders:** CTIP organizations can make sure that best practices, lessons learned, and new solutions uncovered through partnerships have ripple effects across the industry by disseminating knowledge and raising public awareness.

CATEGORY 1: WHEN SUPPLIERS STRUGGLE, WORKERS PAY THE PRICE

COVID-19 has severely disrupted business operations and supply chains. Confronted with reduced consumer demand across all sectors, businesses are forced to make quick and difficult decisions on retaining their workforce and supporting their supply chains through crisis. Many brands and buyers have cancelled or suspended orders from suppliers. Meanwhile, mandated closures and social distancing regulations have required companies and suppliers to shut down or significantly reconfigure operations.

Meanwhile, costs are increasing as suppliers face shortages in raw materials and components, particularly from China. In January and February 2020, industrial production in China fell 13.5 percent. This stark drop far outpaced comparative drops due to the 2002-2003 SARS outbreak and the 2008-2009 global financial crisis, and its impact has **rippled across the globe**. As suppliers scramble to access raw materials, they face higher prices and are penalized for delayed orders.

RAMIFICATIONS FOR WORKERS:

Many supplier factories have closed, and others have furloughed or laid off workers, often without severance. Indeed, garment workers in Asia have been **deprived of an estimated \$3.1 to \$5.7 billion in wages** due to **cancelled orders and withheld payments**. These workers typically are among **the most vulnerable**, with little in the way of safety nets or access to essential services.

Further, restrictions due to COVID-19 have left many migrant workers stranded in **camp-like settings** which are overcrowded and lack adequate sanitation and other essential services. Workers able to return home face lack of employment, limited access to social safety nets, high debt due to migration costs, and discrimination from **community fear of COVID-19 transmission**. Families who depend on remittances from those migrant workers are also left vulnerable.

OPPORTUNITIES FOR PRIVATE SECTOR ENGAGEMENT:

- **Create New Channels for Collaboration Across Supply Chains.** The costs of supply chain shocks reverberate up and down the chain, ultimately reaching and **harming the most vulnerable workers**. To protect workers, we must also protect suppliers, and stabilize supply chains wherever possible. CTIP organizations can help companies reimagine how they collaborate with suppliers, forging **long-term, transparent buyer-supplier relationships**. Secure relationships between buyers and suppliers allow suppliers the stability to invest in their business, including **investments in CTIP**. CTIP organizations can support this by fostering cross-sector platforms – bringing together worker advocates with suppliers and buyers— to coinvest in solutions for managing supply chain uncertainty, enhancing transparent communication on sourcing decisions, and forecasting demand and labor needs, while minimizing impacts on vulnerable workers.

- **Highlight and Share Best Practices from Companies:** COVID-19 forced companies everywhere to take fast action to protect their supply chains, their bottom lines, and their workers. In this period of extreme pressure and great uncertainty, companies had to weigh financial risk against concerns for their workforce and supply chains. CTIP organizations can help support company decision-making by curating and sharing best practices from the private sector, highlighting success stories for CTIP and protecting workers, even during crisis periods.

Example: When confronted with reduced demand, a company's first instinct may be to cancel contracts invoking force majeure clauses and/or implement wage freezes. But many companies acted instead to protect their workers and supply chains: H&M, Inditex, and Marks and Spencer committed to pay for orders under production. Primark is covering worker wages for orders that were under production but got canceled. Recognizing the hardships faced by suppliers, Unilever and L'Oreal transferred funds owed to suppliers faster than contractually required. According to supply chain and CTIP experts, such actions represent significant progress by companies since the global financial crisis, and may be attributed, in part, to expectations established by the UN Guiding Principles on Business and Human Rights and companies' increasing awareness that the actions they take should not exacerbate – and should ideally mitigate – the impact of economic crisis on the most vulnerable populations.

- **Help Companies Map and Tap Available Support for Impacted Workers:** CTIP programs can also work with companies to ensure they are aware of the range of public and private sector initiatives that mitigate the impact of lost wages for workers, as well as how to extend support to their own workforce, either by engaging directly or ensuring awareness among suppliers and workers. This could range from working with industry and business associations to pool and channel resources to ensuring suppliers regularly share with workers up-to-date information about where and how workers can access assistance.
- **Collaborate to Create New Opportunities for Workers' Relief:** CTIP organizations can co-design and facilitate [multi-stakeholder partnerships](#) or [relief funds](#) with companies and local governments to create access-to-finance opportunities for workers who have been laid off or furloughed, to bridge the period in which they cannot work.

Example: Primark is working with the International Labour Organisation (ILO) to bring together governments, international financial institutions, and development banks to mobilize funds to [compensate workers in the garment industry for missed wages and benefits](#).

- **Crowdsource and Co-Fund Solutions to Support Workers:** Open innovation competitions allow companies and development actors to cast a broad net, crowdsourcing and unearthing bold new solutions from local and global innovators. In this exceptional time – marked by systemic, global, and fast-emerging challenges – CTIP organizations can collaborate with companies to use open innovation to identify and then seed-fund creative solutions to extend vital services and support to suppliers, workers, and migrant laborers impacted by the pandemic's economic hardships.

**Do you want to learn how to better engage the private sector to collaborate on CTIP efforts?
Check out our Private Sector Outreach Tool.**

CATEGORY 2: IN THE WAKE OF COVID, WORKERS ARE MORE VULNERABLE AND DETECTION IS MORE DIFFICULT

Widespread unemployment shifts power further away from workers and into the hands of employers. Limited opportunity and general desperation accentuate the vulnerability of workers to exploitative recruitment and working conditions, with more and more workers willing to gamble on riskier coping strategies or unfavorable offers from recruiters and employers.

Meanwhile, as companies struggle financially, some will make internal company cuts to human rights and labor compliance teams or otherwise direct less investment toward the detection of labor violations. Travel restrictions, lockdown measures, and widespread disruption make the detection of human rights abuses even more difficult.

RAMIFICATIONS FOR WORKERS:

In essence, the complex effects of COVID-19 on supply chains both make it harder for companies to detect abuses in their supply chains while also accentuating the vulnerabilities of workers to abusive practices and exploitative conditions.

OPPORTUNITIES FOR PRIVATE SECTOR ENGAGEMENT:

With companies increasingly strapped for resources and supply chain monitoring is ever more difficult, CTIP organizations can help companies co-invest in new solutions to increase supply chain visibility, engage in effective remote monitoring, and forge new communication channels that amplify worker voice. Promising practices include:

- **Facilitation of Rapid Risk Mapping.**
CTIP organizations are well equipped to help companies plan and/or conduct efficient TIP risk mapping, working remotely and drawing on cross-industry data and in-country and regional networks to help companies prioritize needed action and investments.
- **Innovations for Remote Due Diligence and Monitoring.**
 - CTIP organizations can help companies **get creative about partnering with suppliers and/or local civil society** – taking advantage of supplier HR systems and resources already on the ground – to capture data on labor conditions on farms and in factories.
 - CTIP organizations can help companies co-design, pilot, and/or scale **new approaches for remote supply chain monitoring**, to allow buyers visibility even while travel bans and social distancing measures are in place. These might include desk-based risk mapping, self-assessment questionnaires, and remote auditing and grievance mechanisms. Please see examples below.

Example: The USAID Thailand CTIP project advanced a [partnership to pilot FairAgora Asia's Verifik8 technology](#) to improve worker voice and wellbeing, increase labor transparency, and promote fair recruitment practices within Thailand's sugarcane industry. Through this collaboration, USAID Thailand CTIP is supporting the social enterprise FairAgora Asia as it adds new social metric features to Verifik8, a sustainability analytics platform traditionally used to help farms measure environmental sustainability performance. These additions will allow the tool to measure labor standards and worker wellbeing at the farm level. The partners will pilot the new version of the tool in sugar mills and farms in Thailand that supply to large global buyers. Collaborating partners include a range of stakeholders involved in the production and sale of sugarcane in Thailand, from smallholder farms and sugar processing mills to large global food and beverage companies.

Example: Business for Social Responsibility (BSR) has developed a [COVID-19 rapid human rights due diligence tool](#). The tool walks companies through human rights due diligence — step by step — in situations, like those created by COVID-19, in which very little time is available

- **Establishment of New Communication Channels.** CTIP organizations can partner to help companies [establish new communication channels all along the supply chain](#) – connecting buyers to suppliers to recruiters to workers – to allow for clear, two-way communication of policies, COVID-19 protocol, and worker rights and assistance, as well as collecting worker feedback and needs.
 - **Promotion of Workers' Access to Information:** CTIP programs can support companies to harness appropriate technology and platforms to facilitate workers' access to critical information, including updates on existing and potential disruptions, health protocols, and available support services, among a range of other topics.
 - **Ensuring Ready Access to Effective, Secure Grievance Mechanisms.** While on-the-ground monitoring has also been limited by the COVID-19 pandemic, CTIP programs can support companies' use of technology to establish or ensure continuity of remote grievance mechanisms. Open innovation and hackathons can be useful tools to shape fresh ideas for the design and implementation of grievance mechanisms and mobile communication channels.

Example: The COVID-19 pandemic and economic fallout has been especially devastating for garment factory workers in Cambodia, with many workers laid off or furloughed without pay. These workers have lost their incomes and lack sufficient access to health care and social safety nets, increasing their risk of exploitation and human trafficking. In June 2020, in the midst of the pandemic, USAID Asia CTIP and USAID Cambodia CTIP forged a [new partnership with Labor Solutions](#), the owner and developer of the free mobile application *atun*. *Atun* provides current and former factory workers information on COVID-19 and workplace re-openings, upskilling and e-learning opportunities to facilitate return to the workplace, and community resource referrals. It also provides an employer toolkit to encourage brands, retailers, and suppliers to share *atun's* resources with their current and former workers. USAID Cambodia CTIP, USAID Asia CTIP, and Labor Solutions will partner to use *atun* and mobile technology to improve worker welfare in the garment and footwear industry during the pandemic and beyond.

Example: Tools such as [Apprise Audit](#), developed by the Mekong Club and the United Nations University Institute in Macau (UNU MACAU), can be adapted for remote due diligence. Apprise Audit is a mobile solution to improve the consistency, privacy, confidentiality, and effectiveness of worker interviews during social compliance audits. The tool offers an audio questionnaire in several languages and [captures worker feedback](#) in a central content management system that can be analyzed by company clients to detect indicators of forced labor.

**Do you want to learn more on partnership and COVID-19 and CTIP?
Check out a tool to engage private sector in the age of COVID-19.**

CATEGORY 3: THE COVID-19 WORKPLACE DEMANDS NEW PROTECTIONS FOR WORKERS

COVID-19 demands new safety guidelines and measures in every workplace, at a time when brands and their suppliers are already struggling to adapt and cover costs.

Workers in the lower tiers of the supply chain are especially vulnerable to COVID-19 exposure and other unsafe working conditions. In Singapore, for example, migrant workers often live and work in cramped and unsanitary conditions. They account for **more than 90 percent of Singapore's COVID-19 infections**.

RAMIFICATIONS FOR WORKERS:

Workers face new health and safety risks that many workplaces are not equipped to handle.

OPPORTUNITIES FOR PRIVATE SECTOR ENGAGEMENT:

- **Curate and Share Actionable Workplace Health and Safety Guidelines.** CTIP organizations can work with government and public health organizations to help companies and suppliers access clear and actionable information and resources on the measures each industry and workplace needs to take to protect workers during the pandemic. Further, CTIP organizations, through their direct networks and linkages to workers, can help companies effectively push these messages and resources out to workers and provide safe return to work.
- **Advance New Communication and Training Tools for Worker Safety.** CTIP organizations can help the private sector leverage **new communication tools, e-learning and online training platforms, and microlearning tools** through which training can be delivered in bite-sized segments on a mobile device, and anonymous worker grievance mechanisms (see section above) to ensure workers have clear information on COVID-19 and how to protect their health, have access to appropriate safety training, and **know how to hold their employer accountable for worker protections**.

- **Pilot New Communications Technologies for Migrant Workers.** CTIP organizations can work with supply chain actors to pilot new digital technologies and communications tools that specifically target migrant populations – who, due to travel and other COVID-related restrictions – find themselves at particular risk. **New channels and communication tools** can be used for targeted awareness raising for migrant workers; to share information on COVID-19, workplace safety, and labor rights; and to link them to local service providers and targeted assistance.

Example: BetterWork has introduced a **range of initiatives** to advance employer and workers' access to information during the COVID-19 pandemic. For example, Better Factories Cambodia has launched a new worker hotline focused on preventing the spread of COVID-19, and Better Work Bangladesh (BWB) has developed a comprehensive set of guidelines to help garment factories maintain safe workplaces as well as a COVID-19 Resource Hub with resources and free training courses for factories and workers to manage the COVID-19 crisis.

Example: In Singapore, the NGO **HealthServe works to support migrant workers** with medical care, counseling, and social services. In the face of COVID-19, HealthServe launched targeted telemedicine and counseling services for migrant workers; information campaigns for the migrant community on COVID-19 prevention, testing, and treatment; as well as other support for migrant workers under quarantine. CTIP organizations can help companies link with and leverage the work of established local actors, such as HealthServe, to support vulnerable workers in their supply chains.



CATEGORY 4: WE NEED SUPPLY CHAINS TO BUILD BACK BETTER, BUT SURGE ECONOMIES CREATE NEW PRESSURES

As soon as the immediate effects of COVID-19 abate, the recovery will likely spur every level of global supply chains into action, as companies will need to rapidly ramp up production to meet renewed market demand. This will put pressure on suppliers and, by extension, their workers. This is accentuated by lack of communication and collaboration across the supply chain: a forthcoming [2020 Better](#)

[Buying Industry Trend Report](#) found that 17 percent of suppliers regularly lack visibility into the upcoming buying season and many receive late forecasts, leading to “inefficient production and the potential for either increased overtime or under-employment due to idle lines.”

Further, at times of rapid and competitive expansion, many companies and suppliers will [struggle to uphold typical standards of due diligence and monitoring](#).

RAMIFICATIONS FOR WORKERS:

Following the pandemic, boom periods of increased demand and surge production may lead to [illegal subcontracting, excessive working hours, forced labor and increased risk of health and safety incidents](#).

OPPORTUNITIES FOR PRIVATE SECTOR ENGAGEMENT:

- **Facilitate Collaborative Planning.** Strong partnerships between buyers and suppliers – and open channels of communication – will help suppliers [better plan for the boom period](#) following the pandemic, reducing volatility and harmful labor practices. CTIP organizations can help facilitate coordination and productive communication across the supply chain by serving as the primary liaison between the different actors, identifying the mutual interests and priorities among each (to make the value proposition for collaboration), and organizing/facilitating meetings and discussion to explore and pursue collaboration.

Example: Better Buying’s [Learning Loops program](#) connects buyers and suppliers to co-create solutions for resilient supply chains. Through collaboration, “Better Buying helps companies use supplier input to identify specific opportunities to improve purchasing practices, develop custom micro-surveys to create a dialogue with suppliers and key performance indicators to measure success, and engage in the change process.”

- **Lay the Groundwork for Ethical Recruitment.** CTIP organizations can help buyers and suppliers start planning now for ethical recruitment.
 - **Project Demand and Create a Network of Ethical Recruiters.** Business demand may be contracted now, but needs will be significant and competitive once the pandemic eases. **CTIP organizations can work with companies** to map expected recruitment needs and labor market conditions by industry and geography, and identify ethical recruiters to prepare for projected demand.
 - **Develop New Tools and Processes to Ensure Ethical Recruitment.** CTIP organizations can also help buyers and suppliers develop tools and processes to **more effectively screen and monitor labor brokers** to ensure ethical recruitment. This should involve special scrutiny to **protect migrant workers**.

Examples:

- Verité offers brands and suppliers a **Fair Hiring Toolkit**, which includes tools, criteria, and considerations for screening and evaluating labor brokers. Scaling the use and application of such tools, especially in advance of the expected production surge post-pandemic, is an area primed for public-private collaboration.
 - In 2019, the International Organization for Migration (IOM) and Diginex, a blockchain financial services and technology company, launched **IRIS SAFER**. IRIS SAFER is a new digital ethical recruitment tool that helps recruitment agencies see where they stand against global principles for ethical recruitment and improve their practices accordingly.
 - In 2019, Earthworm Foundation — an NGO that works with private sector members to advance responsible sourcing and production practices — launched a Malaysia-focused **recruitment due diligence tool** to help companies assess risk in their recruitment practices and gather information to remedy negative impacts on the company, its suppliers, and workers. The tool is rooted in research and multi-stakeholder engagement in Malaysia's palm oil industry.
- **Leverage the Power of Investors to Urge Companies to Build Back Ethically.** CTIP organizations can consider tapping the power and influence of investors to define standards for companies and exert pressure to motivate companies to build back better, more ethically, and with a renewed commitment to address forced labor, post COVID-19. Indeed, more than 335 long-term institutional investors representing over \$9.5 trillion USD in assets under management **have joined together** to call for investee companies to protect their suppliers and their workers in the face of COVID-19. These sentiments among investors can be leveraged for cross-sector action to protect workers across global supply chains during COVID-19 and beyond.

Example: Better Work, a partnership between the International Labour Organization and the International Finance Corporation (IFC), brings global brands, factories, governments, and other key stakeholders together to support the garment industry. Among other approaches, BetterWork draws on IFC-developed trade financing packages to provide preferential interest rates as financial incentives to factories making labor improvements.

- **Use Mobile Money Platforms to Increase the Visibility and Efficiency of Wage Payments.** Trillions of dollars in supply chain payments are made in cash, with hundreds of millions of people in developing countries receiving cash for their wages. In addition to being expensive, inefficient, and unsecure, **cash payments make it extremely difficult for brands and factories** to track payments and ensure that workers are paid the correct amounts in a timely fashion. Going forward, CTIP organizations and companies can partner to unlock new mobile financial services for workers, to facilitate increased efficiency, speed, transparency, and security in wage payments and, more broadly, to expand financial inclusion and women's economic participation. Mobile money could allow new levels of transparency in global supply chains, providing a clear record of who was paid how much and when.

Example: The Better Than Cash Alliance (BTCA) brings together global companies, governments, and NGOs to advance the transition to digital payments. BTCA hosts a **series of toolkits and research** that CTIP organizations and companies could use to advance the transition to digital payments.



BUILD BACK BETTER TOGETHER: HOW CTIP ORGANIZATIONS CAN ENCOURAGE COMPANIES TO FORGE A NEW PATH FORWARD THROUGH PRE-COMPETITIVE COLLABORATION

There is a limit to the reach, influence, and budget of even major global companies. Together, companies that share key suppliers, workforce, and raw materials can transform supply chains in ways that no one company could alone. Pre-competitive collaboration occurs when competing companies work together to develop a solution for a mutually shared challenge or problem, and, by doing this collaboratively, they all stand to benefit from the solution and none of them stand to gain a competitive advantage. CTIP organizations should encourage, support, and facilitate pre-competitive collaboration to advance ethical, transparent supply chains. The following are potential areas ripe for pre-competitive partnership:

- **Staff training on human and labor rights issues.** Between 2017-2019, Principles for Responsible Investment (PRI) conducted research on companies' labor practices in agricultural supply chains, surveying 33 food and beverage and general retail companies. The survey found that while 97 percent of surveyed companies have a supplier code of conduct in place, only half offer staff training on human rights and labor issues. To implement fair labor practices effectively, companies need staff in place who are accountable and knowledgeable. However, these capacity building investments can be *shared* investments, through the convening power and technical leadership of CTIP organizations. Companies can share the cost of CTIP and labor rights training with other forward-thinking companies. Indeed, some companies have already **teamed with industry partners** to develop or share training resources for labor rights.
- **Data Sharing for Supply Chain Mapping, Risk Screening, and Audit Results.** While many companies are reluctant to disclose the locations and names of their suppliers, there could be concrete advantages to doing so. Companies have overlapping supply chain maps, and could conceivably collaborate with one another – sharing costs and resources – to **map their supply chains and to monitor their shared suppliers**. Further, CTIP organizations can encourage and facilitate platforms for data sharing, thereby amplifying the impact – and avoiding redundancy – of individual company investments in fair labor monitoring, by allowing companies to see areas of common risk exposure, build on and learn from the results of supply chain risk mapping or social audits, and focus their own due diligence efforts.

Examples:

- In some industries, platforms already exist for sharing social audit data between companies – such as the Sustainable Apparel Coalition’s Social & Labor Convergence Project, and Responsible Business Alliance’s (RBA) Validated Assessment Process (VAP).
 - **Sedex Advance** offers a collaborative ethical data platform – used by over 50,000 members in 55 countries – through which buyers, auditors and suppliers can input and share information about social and environmental performance within supply chains. Buyers can use this shared data and associated risk mapping tools to prioritize action, and suppliers benefit by sharing information with multiple customers using one, agreed upon format. Meanwhile, **Verité’s CUMULUS Forced Labor Screen™** provides member companies a secure, online platform for mapping their supply chains, sharing data about recruitment practices and recruitment agents, and screening for forced labor risk.
 - **AIM-Progress** works with member companies to enhance responsible sourcing efforts while reducing duplication in on-site audits or remote assessments of shared suppliers. For member companies, AIM-Progress enables the sharing and/or mutual recognition of supplier audit or assessment results.
- **Improving Supplier Performance.** The above mentioned **PRI survey** found that only 42% of surveyed companies provide their suppliers with some kind of training or technical assistance to boost compliance with labor standards. Companies need suppliers with the capacity to identify forced labor risks, engage in monitoring, and adhere to high standards for the recruitment and treatment of workers. And, just as companies can share data to increase the efficiency and efficacy of risk mapping and prioritization, companies with shared suppliers can co-invest together in supplier capacity building and monitoring.

Examples:

- In the aquaculture sector, Thai Union North America, Monterey Bay Aquarium, Resonance, and a host of research, industry, and civil society partners collaborated to develop and test the **Partnership Assurance Model (PAM)**. PAM brings together governments, farmers in a specific area, and buyers to co-design, implement, and verify sustainability and fair labor improvements in aquaculture production. The model involves collaborative goal setting, credible and fit-for-purpose verification, and multi-stakeholder collaboration and co-investment – engaging buyers, suppliers and farms, government, and civil society – to help aquaculture farms in target areas improve their sustainability and labor practices.
- With support from and in collaboration with the U.S. Department of State, Verité also maintains **responsible-sourcingtool.org**, an open-source resource offering free information and tools to help companies, federal contractors, contracting professionals, and others understand and prevent risks of human trafficking in supply chains. The site offers tools to create strong policies, tools for screening and evaluating labor recruiters and suppliers, tools for compliance management, and tools to explore and understand risk.

CONCLUSION

Protecting workers during the pandemic, the recovery, and its aftermath will require commitment, creativity, and collaboration across sectors and up and down supply chains. CTIP organizations have vital expertise, perspective, and networks to help companies best direct their investments and efforts to support workers, uncover risks and avoid unintended consequences, and rebuild to forge more resilient, more ethical supply chains, during the COVID-19 pandemic and beyond.

Please reach out to the USAID Asia CTIP project and/or Resonance for more information and support to take these ideas forward and seed new cross-sector collaboration.

RESOURCES

GENERAL PARTNERSHIP RESOURCES

- Resonance Guide to Cross-Sector Collaboration: <https://www.winrock.org/wp-content/uploads/2019/04/Learning-Action-Brief-2.pdf>
- USAID PSE policy: <https://www.usaid.gov/work-usaid/private-sector-engagement/policy>
- USAID Asia Counter Trafficking in Persons project's "Learning & Action Brief 2: Five Learnings on Engaging the Private Sector to Combat Trafficking in Persons"
- The Global Environmental Management Initiative (GEMI) and Environmental Defense Fund's [Guide to Successful Corporate-NGO Partnerships](#)
- [Partner with Purpose: Solving 21st Century Business Problems Through Cross-Sector Collaboration](#) (a new book authored by Steve Schmida, Chief Innovation Officer at Resonance, a sub-implementer on the USAID Thailand CTIP project)
- Endeava's [NGO and Company Partnerships for Inclusive Business](#)
- United Nations Department of Economic and Social Affairs — Division for Sustainable Development, [Partnerships webpage](#)
- Mercy Corps' [Private Sector Engagement Toolkit](#)

COVID-19 AND CTIP RESOURCES

- Verité COVID-19 Guidance: <https://www.verite.org/resources/covid-19-guidance/>
- BSR COVID-19 Content Hub: <https://www.bsr.org/en/covid-19>
- BetterWork COVID-19 Resources: <https://betterwork.org/our-work/resources/>
- Business & Human Rights Resource Centre's COVID-19 resource "in-depth area": <https://www.business-humanrights.org/en/big-issues/covid-19-coronavirus-outbreak/>
- The Mekong Club, "Addressing Modern Slavery Worker Vulnerability During COVID-19": https://themekongclub.org/wp-content/uploads/2020/08/TMC_Covid-response_EDM_English.pdf
- ILO COVID-19 Business Resilience Guides for Garment Factories in Asia: https://www.ilo.org/asia/publications/issue-briefs/WCMS_748040/lang-en/index.htm
- IOM COVID-19: Guidance for employers and business to enhance migrant worker protection during the current health crisis https://iris.iom.int/sites/default/files/IOM-COVID%2019_Employer_Guidance_V1.pdf
- Responsible Business Association COVID-19 Resource Hub: <http://www.responsiblebusiness.org/focus-areas/covid19/>
- USAID Asia CTIP and Freedom Collaborative Webinar Series COVID-19 Rapid Response: Updates from the Frontlines, with country-specific COVID-19 updates: <https://freedomcollaborative.org/webinars>

Box: Principles for Partnering

- **Break the Problem Down to Its Roots:** Think about the problem you want to solve, and then break it down into root causes. What drives this problem, and how might collaboration weaken those drivers?
- **Who Has Interest and Influence?** Map relevant stakeholders with influence and/or interest in seeing the problem solved. Who do you need to have on board to advance a viable solution? And how might complementary assets of diverse stakeholders best be deployed?
- **Focus on Areas of Shared Risk and Aligned Interest.** For private sector engagement, be clear on company interests, incentives, and realities.
- **Be clear-eyed and realistic** in designing your cross-sector partnership: Listen to your partners' concerns and understand their limitations and constraints. Try to negotiate a way forward collectively, focusing on shared goals.
- For COVID-19 solutions, **consider the time horizon:** Are you directing PSE for quick-win pandemic response or building back better? Is the partnership you seek to advance aligned with the needed time horizon?

PRIVATE SECTOR (PS) OUTREACH TOOL

USAID Asia CTIP has created this Private Sector Outreach Tool to support its partners, including CTIP bilateral projects, and other interested development and non-governmental organizations to effectively engage the private sector for CTIP. The Private Sector Outreach Tool is based on the team's experience forging cross-sector partnerships for CTIP, and is intended to support productive outreach and engagement with companies during the pandemic and beyond.

HOW TO USE THIS TOOL:

- It is recommended that CTIP organizations use this tool – or something like it – to hold informational interviews with current or potential private sector partners.
- These interviews serve as a way to assess private sector needs during COVID-19. The sample questions aim to elicit private sector perspectives on support businesses may need right now in responding to the pandemic, especially relating to worker recruitment and fair labor issues.
 - Example #1 is a simple five-question survey designed for use by beginner-level practitioners who are not familiar with private sector engagement and partnership development.
 - Example #2 is a more detailed survey that requires more data analysis resources, which not all organizations may necessarily have.
- As a supplement to the Private Sector Outreach Tool, readers should also develop short organizational profiles in advance of interviews. Organizational profiles help ensure that interviewers do their homework in advance of the conversation; the profiles should cover what the company does, where it operates, any relevant investments and partnerships in fair labor and social issues, and a quick scan of media headlines. This exercise is especially important if the interviewing team has not worked with this organization before.

Note: *In addition to interviews and meetings with the private sector, CTIP organizations can also consider attending industry conferences and high-level events to gather additional private sector input.*

EXAMPLE #1 FOR COVID-19 PSE OUTREACH

Sample Questions

1. What is the most pressing issue right now for your business?
2. What is the most pressing issue in relation to your labor workforce and participation?
3. Do you see any shifting of priorities on issues related to worker welfare or participation?
4. What labor-related desk research would be useful to you right now?
5. What other support do you need related to worker wellbeing or labor force?

EXAMPLE #2 FOR COVID-19 PSE OUTREACH

Sample Questions

1. Organization Name and Representative Name: _____

2. General Notes

3. Degree to which COVID-19 has affected their supply chain (scale from 1-10)

- 1 = Not at all
- 10 = Total disruption

4. Are any of the below factors hindering migrant workers and/or other vulnerable workers in your supply chain (check all that apply)?

- Travel restrictions
- Closing or suspension of business operations
- Sick
- Dependent Care
- Government Policies
- Other _____

5. How is their business affected?

- Reduced workforce
- Disruptions with suppliers
- Suspension/delays of operations (e.g. distribution, sales, marketing, manufacturing)
- Other _____

6. Recovering Needs

- Loans / financing
- Grants
- Labor
- Technical assistance
- New policies or regulations
- Other _____

7. Are migrant workers and their families more exposed to exploitation now

- 1 = No, not at all.
- 10 = Yes, they face a serious and dangerous threat.

8. Business continuity plan activated to respond to COVID-19?

- 1 = No changes
- 10 = Complete pivot

9. Openness to partner with other private sector actors

- 1 = Not open
- 10 = Actively exploring

10. Openness to partner with other CSOs or donors

- 1 = Not open
- 10 = Actively exploring

11. What types of resources could this private sector company bring to a partnership?

- Convening power
- Subject matter expertise
- Financial support
- Other _____

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This toolkit is made possible by the generous support of the American people through the United States Agency for International Development (USAID).
The contents are the responsibility of Winrock International and do not necessarily reflect the views of USAID or the United States Government.

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