



—
**A global network to support businesses
on implementing HREDD**

giz

RESPONSIBLE BUSINESS HUBS / HELPDESKS (RBH)



Challenge: Increasing sustainability requirements from international buyers meet lack of understanding and awareness at supplier level



Objective: Improved local capacities and awareness on new requirements for export readiness and competitiveness



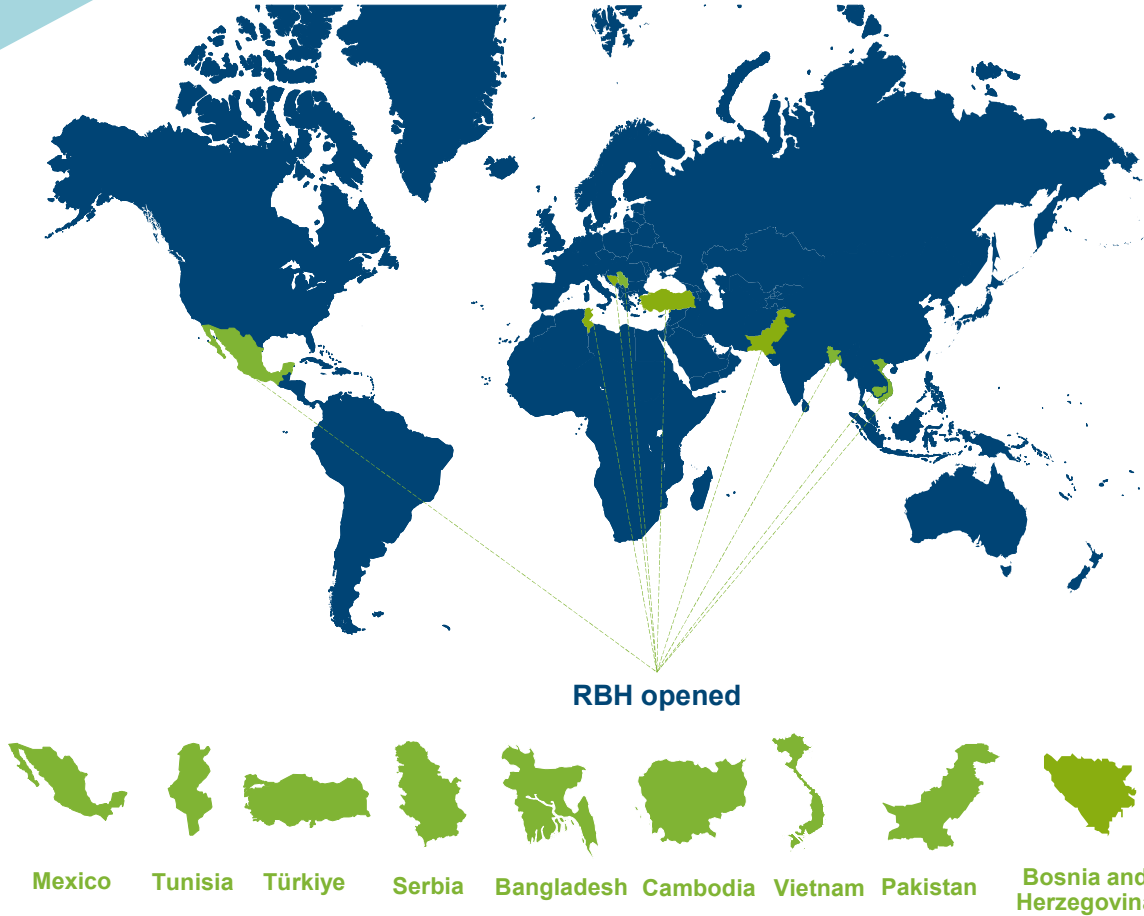
Approach: Establish RBH with suitable partner institutions for a long-term anchoring of services on the ground



Impacts: Since end of 2022 over 2500 suppliers in 8 countries have made use of the support services of the RBH



A GLOBAL NETWORK



Host organizations



VANJSKOTRGOVINSKA KOMORA BOSNE I HERCEGOVINE
СПОЉНОТРГОВИНСКА КОМОРА БОСНЕ И ХЕРЦЕГОВИНЕ
FOREIGN TRADE CHAMBER OF BOSNIA AND HERZEGOVINA



KEY SERVICE OFFERINGS



A range of different services is offered depending on the local context



Advice on HREDD

- ▶ Approachable service desk
- ▶ Standardized initial information
- ▶ Provision of assessment tools



Networking and Referencing

- ▶ Connection to local and international experts
- ▶ Building a strong pool of experts, consultants and trainers for in-depth trainings



Trainings and Sensitization

- ▶ Awareness raising events, webinars, HREDD trainings, Public-Private dialogues or round tables
- ▶ Atingi HREDD e-Learning: free of charge, multilingual



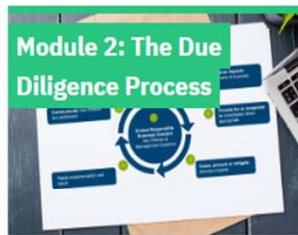
Provision of information

- ▶ Regular updates on international developments regarding Due Diligence
- ▶ RBH Website with translations and tailor-made information for local suppliers

HREDD in action: A practical approach for suppliers



This self-paced eLearning course provides a structured yet flexible introduction to **Human Rights and Environmental Due Diligence (HREDD)**, equipping you with the knowledge and tools needed to integrate responsible manufacturing companies, seeking to understand and implement HREDD, the course covers the key concepts, regulatory expectations, and practical steps for mitigating human rights and environmental risks in global supply chains. This course allows you to progress at your own pace while gaining actionable insights into effective HREDD implementation.



First e-Learning on HREDD for manufacturers/suppliers

1



Objective

- ▶ Low-barrier general introduction to HREDD targeted at supplier needs
- ▶ Complementing the in-person trainings of the RBH

2



Target group

- ▶ Sustainability/Compliance/HR officers at producing companies in developing markets
- ▶ Intersectoral and international

3



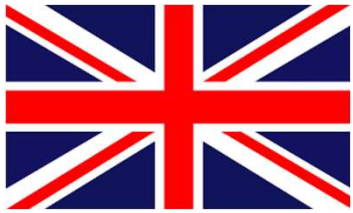
Key features

- ▶ **Costs:** Free of charge
- ▶ **Duration:** 3 - 4 hours
- ▶ **Learning mode:** Self-paced
- ▶ **Platform:** GIZ e-Learning platform atingi
- ▶ **Eligibility:** Atingi - account
- ▶ **Co-authors:** Labour Solutions, RBH hosts, Responsible Contracting Project (RCP)
- ▶ **Languages:** 9

A Multi-Language Course

Published

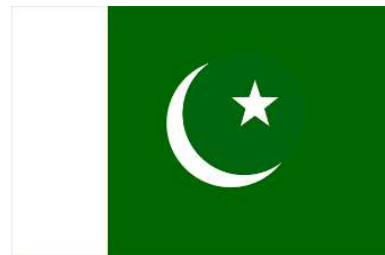
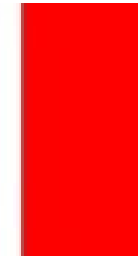
English, Khmer, Mandarin



IGS INITIATIVE FOR
GLOBAL SOLIDARITY

Published soon

Bangla, French, Serbian, Spanish, Turkish, Urdu, Vietnamese



CONTACT



Paul Steimer

Initiative for Global Solidarity (IGS)
RBH Network Coordinator

E paul.steimer@giz.de

I igs@giz.de



HREDD Web-Based Training for Suppliers

Upskill + Educate Your Supply Chain Partners

17 July 2025



Improving the Lives of Workers

Driving sustainable, worker-centered change with flexible tech, expert guidance + action plans.

Modular, Worker-Centric Tech to Ensure Due Diligence at Scale

Tools aligned with UNGPs to **connect, engage, + educate** workers + suppliers wherever they are.

Real Time Data for global companies to ensure supplier due diligence

Beyond Data: From advisory to improvement plans — we build capacity + deliver lasting impact.

Small Enough to Customize. Big Enough to Scale Agile + Capable. We flex to fit your needs — without compromising on impact.

Proudly Women Founded, Owned + Led. Asia-Based Social Impact Business

12+

Years

2.5 M+

Workers

41

Languages

180

Countries





In a Constantly Changing World, Keeping Huge Workforces Up-To-Date + Trained is Complex + Expensive

Face to Face trainings take workers **away from the production line**

Every client has their own needs and “improvement program” + reporting requirements

New **global regulations** are mandating more and more often worker training

Training workers face to face is **expensive**

Labor Solutions' Suite of eLearning Tools Ensure Your Entire Value Chain Knows their Rights + Responsibilities

Lessons Designed with Industry Experts to Reduce Risk, Support Growth + Improve Social Outcomes

Learning Products

Labor Solutions' + Partner Modules

Subscription-based learning + LMS via WOVO. Lessons based UN Guiding Principles for Human Rights. Designed by Labor Solutions are in partnership with leading subject matter experts.

Licenses

Use Labor Solutions' modules on your LMS

Customized Modules

Designed by Labor Solutions' In-House Instructional Designers, Animators + Subject Matter Experts in Collaboration with You.

Learner Types

Workers

Workers learn not only their rights and responsibilities but also practical tips for in and outside the workplace. Designed to be approachable, short and accessible via mobile phones.

Line Leaders

Lessons designed to help managers on the front line have the tools necessary to protect human rights and be more successful. Designed to be approachable, short and accessible via mobile phones.

Company Leaders + Practitioners

Lessons focused on concepts, theories and practical implementation of key human rights and human resource policies + themes. Tend to be longer and are typically better accessed via a web-browser

Module Types

Core Human Rights Modules

To ensure stakeholders have foundational knowledge on rights + responsibilities

Risk-Based Modules

Based on country and/or supplier risk profile

Impact Modules

Beyond compliance + risks. Supporting well-being, productivity + development

Customized Modules

Designed by Labor Solutions' In-House Instructional Designers, Animators + Subject Matter Experts in Collaboration with You.

Designed in partnership with global subject matter experts, including:



LS Custom Digitized Training Design for GIZ RBH: Engaging + Interactive Content Designed for Suppliers

Lessons Designed Specifically for Supplier Management Teams

For company leaders, human resource +
human rights practitioners

Case studies + supporting materials to
connect to real scenarios

Topic 2 of 8

About the Principles

Communication style is the way people process ideas and convey their opinions.

Principals of a successful tool

While there are many different types of tools, successful tools will uphold a few key principles to encourage workers to speak up. For workers to use tools, they need to be anonymous, known and accessible.

Anonymous

While an open dialogue and communication between management and workers are essential in any organization, workers still need to be able to log their grievances, otherwise they may not come forward and serious issues may not be addressed. **Workers should be able to raise complaints anonymously** to give them confidence that they will not be retaliated against for raising concerns.

Known

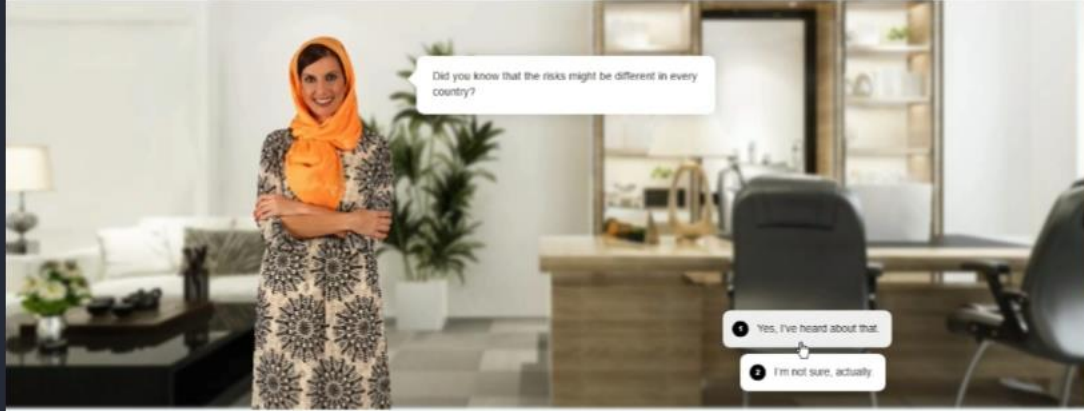
Accessible

Quiz



Step 2 of 4

Human rights and environmental risks and regulations in Türkiye



 Complete the content above before moving on.

Designed with engaging interactions

RBH HREDD Training Focuses on Building Skills, not just Transferring Knowledge

How to write a Human Rights / HREDD Policy

Example in practice: Fujitsu group human rights policy statement

Click on the buttons to read more.

Fujitsu Group Human Rights Statement

3 Commitment to respect for Human Rights
Fujitsu recognizes that its business activities may impact on the human rights of all stakeholders.

3.1 Respect for Human Rights of employees
Fujitsu respects the rights of all officers and employees and adheres to the Fundamental Principles and Rights at Work.

3.2 Respect for Human Rights in the supply chain
Fujitsu requires all suppliers to uphold this statement: prohibit human trafficking, forced labor and discrimination; support freedom of association and the right to collective bargaining; and promote equal remuneration.

3.3 Respect for Human Rights of customers and end users related to products and services
Fujitsu engages with stakeholders to deepen understanding of and mitigate potential adverse impacts on various human rights issues involved in advanced technology, such as data security, privacy protection and AI ethics, in fulfillment of our responsibilities as an ICT developer and provider.

How to Identify and Prioritize HRE Risks in Your Operations

Risk Heat Map

Risk title	Risk severity	Risk likelihood
Risk 1	Low	Low
Risk 2	Low	Low
Risk 3	Low	Low
Risk 4	Low	Low
Risk 5	Low	Low
Risk 6	Low	Low
Risk 7	Low	Low
Risk 8	Low	Low
Risk 9	Low	Low
Risk 10	Low	Low
Risk 11	Low	Low
Risk 12	Low	Low
Risk 13	Low	Low
Risk 14	Low	Low
Risk 15	Low	Low
Risk 16	Low	Low
Risk 17	Low	Low
Risk 18	Low	Low
Risk 19	Low	Low
Risk 20	Low	Low
Risk 21	Low	Low
Risk 22	Low	Low
Risk 23	Low	Low
Risk 24	Low	Low
Risk 25	Low	Low
Risk 26	Low	Low
Risk 27	Low	Low
Risk 28	Low	Low
Risk 29	Low	Low
Risk 30	Low	Low

Risk Heat Map

The risk heat map shows risk severity on the x-axis (Low, Moderate, High) and risk likelihood on the y-axis (Low, Moderate, High). Risks are plotted as colored circles: Risk 1 (Low severity, Low likelihood), Risk 2 (Low severity, Low likelihood), Risk 3 (Low severity, Low likelihood), Risk 4 (Low severity, Low likelihood), Risk 5 (Low severity, Low likelihood), Risk 6 (Low severity, Low likelihood), Risk 7 (Low severity, Low likelihood), Risk 8 (Low severity, Low likelihood), Risk 9 (Low severity, Low likelihood), Risk 10 (Low severity, Low likelihood), Risk 11 (Low severity, Low likelihood), Risk 12 (Low severity, Low likelihood), Risk 13 (Low severity, Low likelihood), Risk 14 (Low severity, Low likelihood), Risk 15 (Low severity, Low likelihood), Risk 16 (Low severity, Low likelihood), Risk 17 (Low severity, Low likelihood), Risk 18 (Low severity, Low likelihood), Risk 19 (Low severity, Low likelihood), Risk 20 (Low severity, Low likelihood), Risk 21 (Low severity, Low likelihood), Risk 22 (Low severity, Low likelihood), Risk 23 (Low severity, Low likelihood), Risk 24 (Low severity, Low likelihood), Risk 25 (Low severity, Low likelihood), Risk 26 (Low severity, Low likelihood), Risk 27 (Low severity, Low likelihood), Risk 28 (Low severity, Low likelihood), Risk 29 (Low severity, Low likelihood), Risk 30 (Low severity, Low likelihood).



Participants Complete Training with **Action Plans** and **Clear Next Steps**

Action Plan Customized to Your Starting Point



HREDD implementation plan

Use this template to outline your plan for implementing due diligence procedures. The content provided is an example. Customize the table by updating it with your management's specific HREDD processes.

Core element / Risk topic	Objective	Activities	Who is involved	Who is leading	Timeline
CORE ELEMENT EXAMPLE: Training	Raise awareness of employees' rights to promote reporting risks and violations.	<ul style="list-style-type: none"> Training for new employees during onboarding. Annual refresher for all employees. 	<ul style="list-style-type: none"> HR Legal 	Jane B	First training to launch in Q1 of 2025.
CORE ELEMENT EXAMPLE: Grievance mechanism	Enable anonymous reporting of concerns by internal and external stakeholders.	<ul style="list-style-type: none"> Launch new reporting system using text messages. Promote <u>new</u> system using posters, social media, employee assemblies, etc. 	<ul style="list-style-type: none"> HR IT Employees (their representatives/unions) 	Jane D	January to October 2026.
RISK TOPIC EXAMPLE: Freedom of association	Ensure employees know that they are free to form or join unions of their own choice.	<ul style="list-style-type: none"> Conduct training for HR, Legal and employees on the legal framework and principle of the right of freedom of association Introduce <u>new</u> freedom of association policy 	<ul style="list-style-type: none"> HR Legal Employees (their representatives/unions) 	William C	January to December 2026.
RISK TOPIC EXAMPLE: Waste management	Clarify and promote employees' responsibility in waste management.	<ul style="list-style-type: none"> Roll out and monitor recycling program with proper support such as training and Guide material. Form a committee to track and measure waste management activities with regular reporting to management activities with regular reporting to management. 	<ul style="list-style-type: none"> Operations Legal or Compliance Management 	Sandra E	November 2025 to June 2026

Actionable Guidance for Every Step of HREDD Process

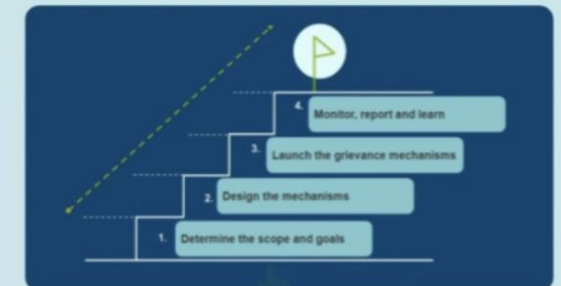
Identify & assess adverse impacts

4. Track implementation and result

- Improving due diligence efforts begins with a well-planned strategic monitoring process.
- Monitoring findings should be the basis for policies and procedures improvement.

To monitor your HREDD impacts:

- Review existing tracking systems to determine their suitability for monitoring.
- Establish Key Performance Indicators (KPIs) that accurately reflect your HREDD goals.
- Collect data relevant to your chosen KPIs.
- Analyse the data to assess the effectiveness of your HREDD efforts.
- Evaluate and refine HREDD approach continuously.





This Training is Free, in 9+ Languages (and growing!) and Accessible Any Time

- Any number of Executives + HoD at each company or facility can register
- Take and Revisit training as much as you want
- Success at Tier 1 helps spread thru upstream tiers

*Registration requires email address

Buyers Can Ensure **All** Global Value Chain Partners Understand HREDD without Training/Audit Fatigue





Educating workers on rights + responsibilities key to a functioning grievance mechanism. [Read Case Study](#)

Financial literacy lessons helped one company see a **23% increase in worker satisfaction**. [Read Case Study.](#)

Proven Results: More Productive Workforces + Safer Working Environment





Human Rights and Environmental Due Diligence (HREDD) Now a Global Business Imperative

Our newly developed HREDD Web-Based Training is uniquely designed for suppliers in countries exporting to Germany and the EU making it more targeted, and practical. The training help suppliers:

Identify + address key Human Rights & Environmental risks and impacts

Set up functioning grievance mechanisms and effective remediation processes

Localized content with country-specific modules reflecting real-world supplier challenges

Support monitoring + reporting on HREDD compliance and progress



Challenge:

How to Ensure a **Consistent Global Standard** for Suppliers' Responsibility for HREDD that supports Supplier Companies' **seamless access to EU markets?**

Answer:

a Modular Self-Paced Online Training Series with both global and local content + context

Peer-Reviewed Content for Simplicity + Impact



**Global Brands +
Buyers**

Selected 9 brands from 7
diverse industries joined



**Local Chambers of
Commerce + Partners**

General Reviewers with
Local Business
Knowledge



**Responsible Business
Helpdesk Network**

Country-Specific
Modules + Case Studies
Localization



LS + GIZ IGS Experts

Main Reviewer,
design of global
training approach



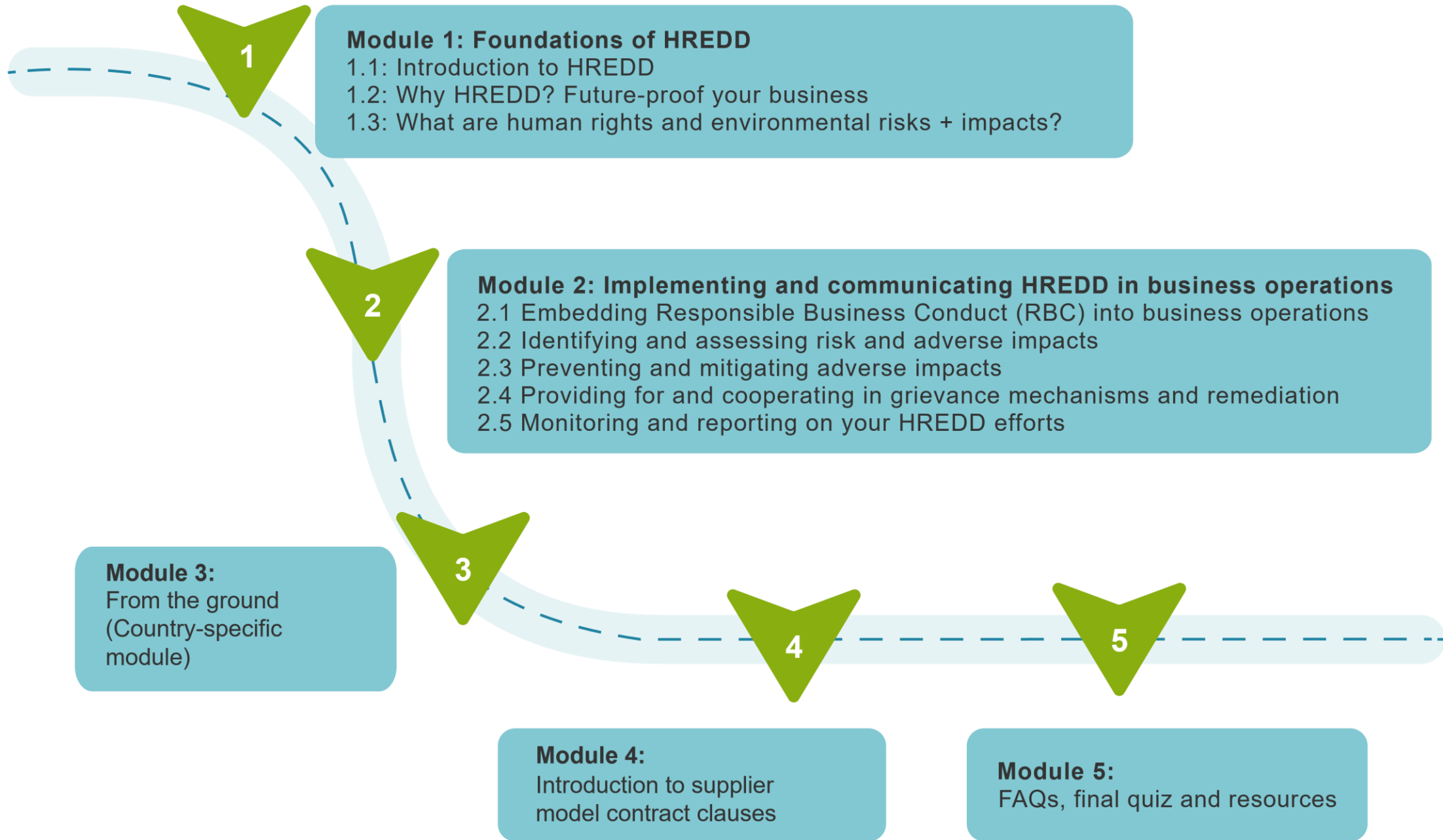
Result: A Comprehensive Training for Suppliers on HREDD Basics, Approved by Major Global Multinational Companies across Sectors



Mini-Modules Make Digital Learning Accessible + Practical for Management

- Short lessons are designed to be completed in 15- 20 minutes each
- Lessons build on each other and reinforce concepts through repetition
- Uniquely tailored to suppliers' challenges and needs
- Practical, industry- and country-specific resources and examples
- Designed to give companies a foundation for RBH support





Mandatory

Module 1

Foundations of HREDD

The What, Why and So What of Human Rights and Environmental Due Diligence

Module 1.1

Introduction to human rights and environmental due diligence



What are your concerns about HREDD?

1 I did compliance-driven due diligence multiple times, but HREDD just a type of it?

2 My company conducts social and environmental audits. Does that mean we're also doing HREDD?

Complete the content above before moving on.

Preparing your business for HREDD now

Let's take a look at a story from **StitchPro Garment**, a fictional fashion retailer.

StitchPro, a popular fast fashion brand based in the EU, found itself at the center of a major controversy. Reports surfaced, revealing troubling evidence of labor rights abuses, worker exploitation, and poor working conditions within the company's supply chain.

The backlash was swift and widespread. In response, StitchPro launched an independent review to investigate these allegations in its supply chain and assess their practices.

The independent review revealed that the allegations were true:

- Workers in several suppliers are paid below the minimum wage.
- Workers are forced to work overtime in poor working conditions.

To address these, StitchPro made the decision to:

- Discontinue their contract with numerous non-compliant suppliers.
- Source their products from different suppliers.

CONTINUE

Module 1.2

Why HREDD? Future-proof your business



Module 1.3

Human rights and environmental risks and impacts



What are some examples of environmental risks?

Climate change

Definition
Long-term shifts in temperatures and weather patterns.

Causes
Greenhouse gas emissions resulting from energy use, industry, transport, and agriculture.

Consequences
More intense droughts, wildfires, rising sea levels, flooding, storms.

Complete the content above before moving on.



Mandatory

Module 2 Implementing and communicating HREDD in business operations

How to apply the HREDD Process to a supplier's business operations

Module 2.1 Embedding Responsible Business Conduct (RBC) into business operations



Example in practice: Fujitsu group human rights policy statement

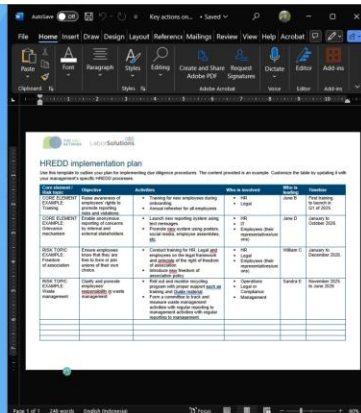
Click on the buttons to read more.



Module 2.2 Identifying and assessing risks and adverse impacts



Module 2.3 Preventing and mitigating adverse impacts

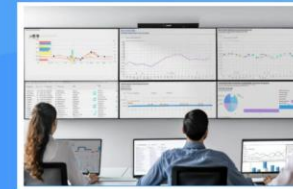


Page 1 of 1 | 248 words | English (India) | 100%

Module 2.4 Providing grievance mechanisms and remediation



Module 2.5 Monitoring and communicating your HREDD efforts



Safety and Health (OSH) is the most likely and severe risk that must be prioritized this year.

Now, after a year of implementation, the company wants to evaluate the effectiveness of its HREDD measures in meeting regulatory requirements and ethical standards related to OSH.

Following the guide above, help AgroTech's management set up an action plan to establish a formal monitoring procedure.

1. Get the data available in the tracking system through a worker survey, grievance report, incidents report as the tools available to assess the implementation and effects of their OSH-related measures.
2. Adjust Global Reporting Initiative (GRI) Sustainability Reporting Standards and choose key performance indicators (KPIs) that can help measure the company's HREDD performance on OSH.
3. Conduct data gathering from grievance channels, incident and incident report.
4. Distribute a worker survey to assess current OSH practices.
5. Gather the human resource, operational, and legal teams to compare the existing data with the survey result to quantify the company's OSH compliance. The conclusion should assess the effectiveness together and share the responses to top management.

Based on the monitoring result, top management determines what changes are required to improve OSH at the workplace.

SUBMIT



Mandatory

Module 3

Country-specific module

Relevant local laws, industry issues, examples and available resources

Module 3

Country Specific



actors in Tunisia. Some may not be as relevant for certain factories, and there may be other important stakeholders not mentioned in the tables.

Stakeholders to engage in Tunisia

Government

possible business helpdesk

Industry associations

International organisations



Here are the stakeholders to engage in Tunisia.
Click on the buttons to learn more.



Optional

Module 4

Responsible contracting

It may be difficult for suppliers, like your business, always to be in perfect compliance with due diligence requirements. Under risk-shifting contracts, when there are compliance issues, you may be liable for breach as such contracts tend to expect perfection. However, expecting perfection is unrealistic and can be unethical, especially if the buyer engages in poor practices that do not support suppliers' HREDD. Furthermore, under HREDD standards, if there is a problem ("actual adverse impact") in your supply chain, then, as a matter of priority, remediation should flow to those who were adversely affected, such as the workers, not (or not just) between buyers and suppliers.

Suppliers, like your business, may face challenges in meeting all due diligence requirements. In such cases, you may be liable for breach of contract, which may result in having to pay damages to your buyers. However, it is unethical for them to receive compensation for rights violations, as such remedies should be directed to the workers and other affected parties. This is particularly concerning when buyers do not actively support your due diligence efforts.

i Risk-shifting contracts that demand suppliers to be "perfect" formalise and allow purchasing practices that exacerbate human rights and environmental risks.

Responsible Contracting Project (RCP)

Drag the button **below** to learn more.

Responsible contracts are introduced to replace risk-shifting contracts, ensuring that contracts are used as a tool to support effective HREDD.



Module 4

Introduction to responsible contracting in support of HREDD



Module 5

- Recap, final assessment, and the next steps
- Certificate and list of resources

Module 5

Final assessment and recap



4. Track implementation and result

- Improving due diligence efforts begins with a well-planned strategic monitoring process.
- Monitoring findings should be the basis for policies and procedures improvement.

To monitor your HREDD impacts:

1. Review existing tracking systems to determine their suitability for monitoring.
2. Establish Key Performance Indicators (KPIs) that accurately reflect your HREDD goals.
3. Collect data relevant to your chosen KPIs.
4. Analyse the data to assess the effectiveness of your HREDD efforts.
5. Evaluate and refine HREDD approach continuously.

Identify & assess adverse impacts

CONTINUE

CERTIFICATE OF COMPLETION

This is to certify that

Jolenta Gracia

has successfully completed the

**HREDD in action:
A practical approach for suppliers**

on this day, **March 2026**

This course provided essential knowledge and practical guidance on integrating human rights and environmental due diligence into business operations.

Certificate code: 2534789



For more information or updated courses please contact info@laborsolutions.tech



17/07/2025

E-Learning “HREDD in Action: A Practical Approach for Suppliers” Webinar

Country-specific Modules (Turkey example)

Atty. Dr. Pinar KARA

BHR Expert - Founding Partner of Minerva BHR



About us



Atty. Dr. Pinar KARA
BHR Expert
Founding Partner of Minerva BHR

Minerva BHR is an international consultancy company with established offices in **Istanbul** and **Paris** that offers operational and strategic services focused on human rights and environmental due diligence.

Minerva BHR supports companies in fulfilling their **responsibilities to respect human rights** throughout their activities and business relationships in their value chains by combining local knowledge with international best practice. We collaborate with **private sector** actors, **public institutions**, and **civil society** to advance responsible business conduct and sustainable impact.



About us



As the local technical backstopping consultant for RBH Türkiye under GIZ's IGS Programme, Minerva supports the design, localisation, and continuous improvement of HREDD services, tools, and training materials for RBH Türkiye, with a focus on practical implementation and long-term sustainability.





Country-specific Modules (Turkey example)

Country-specific Focus

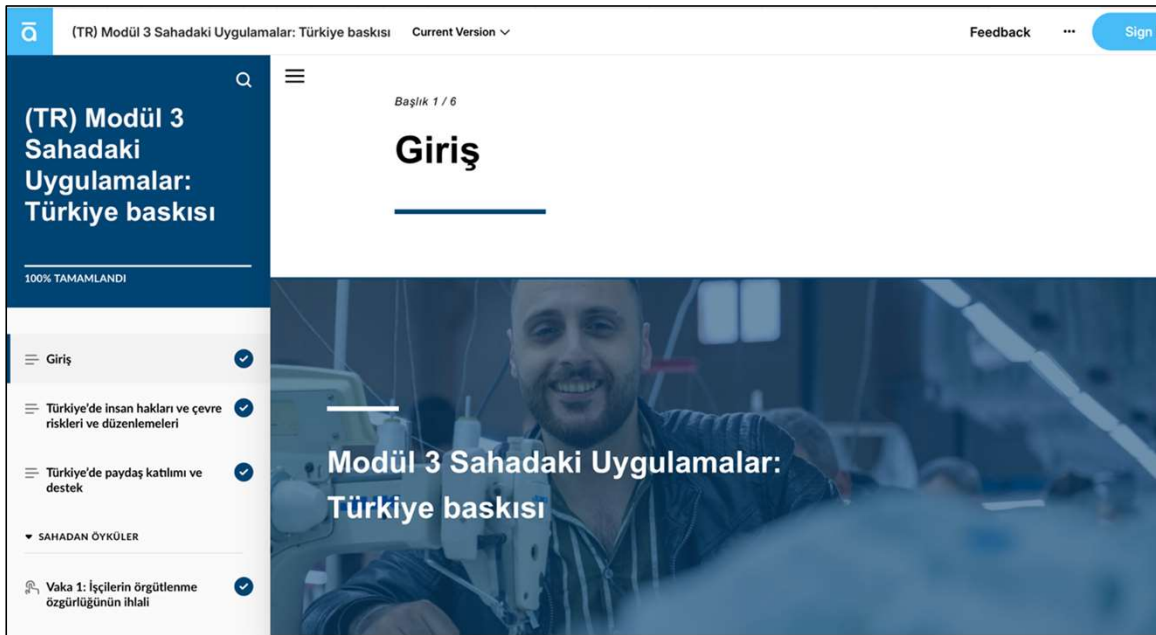
- The implementation of HREDD should be shaped by country-specific conditions, including risk assessments, stakeholder participation and existing support mechanisms.
- To support this contextual understanding, **country-specific modules** have been developed as part of the e-learning series.
- Each country module follows a **common structure, tailored to national contexts**. The **Türkiye module** is presented here as an example to illustrate the design and content of these country modules.

Background of the Türkiye-Specific Module

- Strong **trade relations** between the EU and Türkiye, especially in high-risk export-oriented sectors such as **textile** and **automotive**, increase the relevance of HREDD and responsible business practices
- **Limited awareness** of the human rights impacts of business activities (e.g., absence of a national action plan, insufficient public communication, and lack of direct HREDD legislation)
- **Insufficient enforcement** of existing laws and regulatory gaps contributing to issues such as **child labour, forced labour, labour rights violations, discrimination**, and restrictions on **freedom of association**



Overview of the Türkiye-Specific Module



The Türkiye Module includes content across the following key areas:

1. Introduction
2. Human rights and environmental risks and regulations in Türkiye
3. Stakeholder engagement and available support mechanisms
4. Case Studies
 - Case 1: Violation of workers' freedom of association
 - Case 2: Ineffective grievance mechanisms
5. Key takeaways and resources

Thank you!



hello@minervabhr.com
minervabhr.com



E-Learning “HREDD in Action: A Practical Approach for Suppliers”

Responsible Contracting in Global Supply Chains

Responsible Contracting Project (RCP)

Ben Rutledge, Senior Advisor

17 July 2025



About Responsible Contracting Project (RCP)

**Promoting shared
responsibility for the protection
of people and the planet**

RCP's mission is to drive better outcomes for people and the planet through better, more responsible contracts.

- **Open Access Tools:** model clauses, codes of conduct, guidance
- **Methodology:** “google translate” responsible business conduct standards -- UNGPs & OECD Guidelines -- into contracts
- **Signature approach:** Embed **shared responsibility** for human rights and the environment into commercial agreements

Module 4: An Introduction to Responsible Contracting in support of HREDD

- What is responsible contracting and why does it matter
- Due diligence and responsible contracting
- The Supplier Model Contract Clauses (SMCs)
- Different approaches for implementing shared responsibility

Exploring the principles of responsible contracting and its benefits for your business and workers



Contracts matter for protecting people and the planet

3 key functions:

- **Legal:** Make policies binding across borders regardless of background legislation → “legal links of supply chain”
- **Operational:** Manual for the supplier-buyer relationship
- **Relational:** Can support trust, cooperation, transparency OR adversarial, deceptive, opportunistic.
- Many contracts are used only as **policing** tools → risk-shift
- **Risk-shifting seems sensible, but it is not effective.**

RISK-SHIFTING IS NOT THE SAME AS RISK-MANAGEMENT

Contracts are critical for implementing human rights and environmental due diligence (HREDD) across supply chains. But you need to get them right.



What's Wrong With Traditional Contracts?

X One-sided

1. Rely on one-sided, supplier-only guaranties of perfect compliance (tick-box)
 - **unrealistic**: no supply chain is pristine, so the ask is impossible, puts supplier in breach on day 1
 - **dangerous**: incentivize hiding problems

X Ignore buyer responsibility

2. Assume only “bad” suppliers & ignore *buyers’* role in HRE. **Purchasing practices matter**: e.g., low prices, short lead times, order changes, no assistance, standards overwhelm.

“Gold standards and not even bronze prices”

Call to action: COVID taught us hard lessons. Can we apply to tariffs?

X No remediation

3. Put traditional contract remedies first: Cancel order, freeze payment, terminate
 - don't provide remediation to adversely **impacted stakeholders**



Responsible Contracting Is About Sharing Responsibility





The 3 Core Principles or “3RS” of Responsible Contracting

- 1** Responsibility for human rights and the environment is shared between buyer and supplier
- 2** Responsible purchasing practices
- 3** Remediation first and responsible exit

Open communication, trust, and cooperation are essential for effective HREDD



The Do's and Don'ts of Responsible Contracts

Do's

- ✓ **Do:** Both parties have responsibility for HREDD in contracts
- ✓ **Do:** Commit parties to cooperate to address impacts in ongoing, risk-based, dynamic fashion
- ✓ **Do:** Commit buyers to responsible purchasing practices and fair commercial terms

Don'ts

- Don't:** Shift HREDD responsibilities onto supplier
- Don't:** Establish one-sided obligations on strict liability basis where any imperfection equals a breach
- Don't:** Ignore buyers' purchasing practices, which can aggravate risks

Module 4:

- ✓ Overview of the what, why and how of responsible contracting
- ✓ Links to free-to-access model clauses with example language, plus other resources

Introduction to responsible contracting in support of HREDD

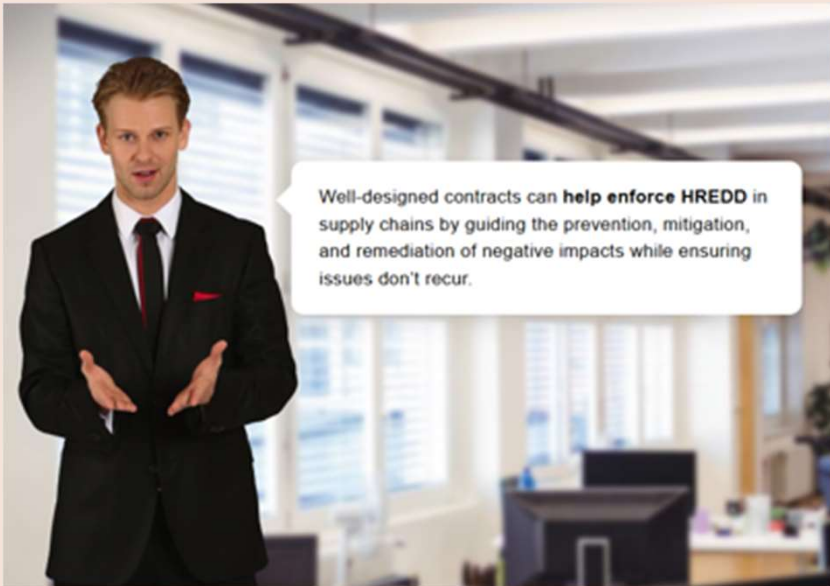
0% COMPLETE

- ☰ Why responsible contracting matters
- ☰ Due diligence and responsible contracting
- ☰ The Supplier Model Contract Clauses (SMCs)

Explanation and key details

Here are some key differences between risk-shifting and responsible contracts:

Risk-shifting	Responsible
<ul style="list-style-type: none"> • Risk-shifting contracts shift risks onto the supplier. • Any negative human or environmental impact in an operation is the responsibility of the supplier. • The supplier must remediate the issue 	<ul style="list-style-type: none"> • Responsible contracts manage human rights and environmental risks. • The buyer aims for responsible purchasing, for example, by allowing sufficient production time and supporting fair wages.



- 1**

Responsible contracting, which commits both parties to work together to uphold human rights and environmental standards, is **important** because it is **more realistic and effective than the risk-shifting approach**.
- 2**

Responsible contracts can powerful vehicles for implementing effective HREDD across the supply chain. **Use your contracts to provide a roadmap for both parties to do their part.**
- 3**

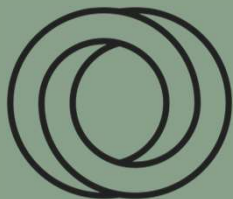
Become **familiar** with the **core principles of responsible contracting** and include--and adapt--the SMCs (or other clauses available open-source on RCP's website) to make your contracts more due diligence-aligned.
- 4**

Upholding human rights and environmental standards is a **responsibility for all businesses**, including you and your buyer. Make sure this is reflected in your own operations, your own purchasing practices, and your own contracts.

Thank you for your attention!

Email contact: RutledgePBenjamin@gmail.com

<https://www.responsiblecontracting.org/>
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