

RESPECTING TRADE UNION RIGHTS IN GLOBAL VALUE CHAINS

Practical Approaches
For Businesses

Many businesses today recognize both the business and social imperative of respecting human rights throughout their global value chains.

This includes the expectation that they **respect core labor rights**, including **freedom of association** and **collective bargaining** (jointly referred to as **trade union rights** throughout this publication).

In addition to being fundamental rights in and of themselves, trade union rights are also recognized as enabling rights, meaning that respecting these rights can often lead to the fulfillment of a number of other labor rights, including adequate wages, reasonable working hours, workplace safety, and a work environment free from discrimination and harassment.

Companies have committed to respecting trade union rights in their company policy commitments, their adherence to industry standards, and their participation in multi-stakeholder initiatives.

Yet, when it comes to taking action, many companies still struggle to identify and implement meaningful action to address identified risks to trade union rights in their global value chains. This is due to a range of factors, both external and internal.

- **External factors arise from the contexts in which global companies operate, and into which their global value chains extend. This includes relevant laws and regulations and their implementation, the social practices that shape perceptions of trade unions, and the local capacity of trade unions and business partners to claim or respect these rights in practice.**



- **Other factors relate to certain business models, which can create heightened risks to trade union rights if not properly managed. These include sourcing from high-risk (and lower cost) markets, extensive use of contract or temporary labor, and a company's own purchasing practices.**
- **Another set of factors relate to corporate culture and business practices. These include assumptions and attitudes towards trade unions at headquarters, and weaknesses or common pitfalls in company due diligence processes.**

In order to develop meaningful approaches to taking action, companies first have to understand the range of factors that could be contributing to heightened risks to trade union rights.

This publication provides a diagnostic tool: a set of questions to help guide companies in assessing where and why they might face heightened risks to trade union rights.

But assessing and understanding the risks is only the first step. Ultimately, companies are expected to take meaningful action. In doing so, they can use a range of approaches. The publication highlights a set of practical steps companies can take depending on the risk factors that are present:

- **Identify higher-risk contexts**
- **Name trade union rights as a salient human rights issue**
- **Audit for red flags around trade union rights**
- **Strengthen the capacity of local actors**
- **Analyze the company's use of contract and temporary labor**



- Conduct a joint risk assessment
- Formalize escalation pathways
- Solve a specific problem together
- Collaborate with peer companies to raise standards
- Strengthen and leverage certification schemes
- Influence the regulatory landscape

Several of these approaches are illustrated in the eight case examples that follow.

- H&M's Workplace Dialogue Program
- Camposol's Social Dialogue Program
- Pepsico and IUF in Pakistan
- IMPACTT's Up! Program
- Freedom of Association Protocol in Indonesia
- ACT (Action, Transformation, Collaboration)
- Program for Endorsment of Forest Certification
- Peer Efforts to Engage Government in Cambodia

As the authors of this publication, Shift and Mondiaal FNV hope to equip companies with practical ideas for action, in order to help close the gap between commitment and practice.

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Shift

Shift is the leading center of expertise on the UN Guiding Principles on Business and Human Rights. Shift's global team of experts works across all continents and sectors to challenge assumptions, push boundaries, and redefine corporate practice, in order to build a world where business gets done with respect for people's dignity.

Shift is a non-profit, mission-driven organization, headquartered in New York City. Learn more at shiftproject.org

Mondiaal FNV

Mondiaal FNV is a trade union solidarity support organization affiliated to the largest employees' organization in the Netherlands: the FNV.

Mondiaal FNV strengthens labour organizations in Africa, Asia, Latin America, and the MENA region to campaign for decent work, engage in constructive social dialogue and improve labour conditions in high risk value chains. Learn more at: www.mondiaalfnv.nl

