



# PARTNERING FOR SUSTAINABLE GROWTH

*A publication by  
Multi-Stakeholder Initiative Tamil Nadu (MSI-TN)*

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# Abbreviations

<b>Abbreviation</b>	<b>Full Form</b>
AITUC	All India Trade union Congress
BCG	Boston Consulting Group
BMZ	German Federal Ministry for Economic Cooperation and Development
BSI	British Standards Institute
CARE	Cooperative for Assistance and Relief Everywhere
CITU	Centre of Indian Trade unions
DIFE	Department of Inspection for Factories and Establishments
DISH	Directorate of Industrial Safety and Health
FTAs	Free Trade Agreements
G7	Group of Seven
GFA	Global Fashion Agenda
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GRC	Grievance Redressal Committee
GUNi	Global University Network for Innovation
HMS	Hind Mazdoor Sabha
ICC	Internal Complaints Committee
ICRW	International Centre for Research on Women
ILO	International Labour Organisation
INTUC	Indian National Trade union Congress
ITF	Indian Textpreneurs Federation
LPF	Labour Progressive Front
MGMA	Myanmar Garments Exporters Association
MLF	Marumalarchi Liberation Front
MoLE	Ministry of Labour and Employment
OECD	Organisation for Economic Co-operation and Development
OSC	One stop service centres
OSMA	Open End Spinning Mills Association
P.A.C.E	Personal Advance and Career Enhancement
PSES	Promotion of Social and Environmental Standards in the Industry
PST	Partnership for Sustainable Textiles
SDGs	Sustainable Development Goals

<b>Abbreviation</b>	<b>Full Form</b>
SIMA	Southern India Mills Association
SISPA	South India Small Spinners Association
T&A	Textile and Apparel
TASMA	Tamil Nadu Spinning Mills Association
TEA	Tiruppur Exporters Association
TEAMA	Tiruppur Exporters and Manufacturers Association
TLCF	Textile Clothing Leather and Footwear
TTCU	Tamil Nadu Textile and common Labor Union
UNICEF	The United Nations Children's Fund

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# About this report

Textile and Apparel (T&A) industry's contribution to economic growth, industrialization, employment generation and poverty alleviation of societies has coexisted with concerns about environmental and social sustainability. In the past couple of years, several media investigations and reports have highlighted instances of sexual harassment, gender based violence, abuse and exploitation of women employed in the T&A supply chain, especially in supplier factories located in developing countries.

Today, the global focus is shifting towards having sustainable, ethical and responsible supply chains. An increasing number of consumers are including sustainability considerations in their buying decisions. There is a growing demand for transparency and traceability in supply chains and several global brands have embarked on the sustainability journey. Other industry stakeholders such as the Government, Trade Bodies, Industry Players, NGOs and Non-Profit Organizations have started to appreciate the need to for change. This has resulted in the emergence of several partnerships focusing on bringing systematic improvements in T&A industry for making it more sustainable.

This report is based on secondary research, as well as primary findings from social dialogue activities<sup>1</sup> carried out by Multi-Stakeholder Initiative Tamil Nadu (MSI-TN). It aims at highlighting the need for attaining sustainable growth in the T&A industry and outlining the importance of partnerships for this purpose. Different types of partnerships, roles and responsibilities of partnership stakeholders and potential benefits have been elaborated, with specific focus on the T&A industry.

This report also contains a detailed coverage of MSI-TN's activities and their impact.

*MSI-TN is a Tiruppur based initiative comprising of members from key stakeholder groups from Tamil Nadu. The initiative strives to capture the improvements in the textile supply chain of Tamil Nadu and demonstrate it in the global market.*

*MSI-TN is supported by the Partnership for Sustainable Textiles, a German multi-stakeholder initiative, which was initiated by the German Federal Ministry for Economic Cooperation and Development. Today, members of the Textiles Partnership cover about half of the German textile market. The Partnership for Sustainable Textiles aims to ensure fair, ethical and sustainable labour practices along the whole textile supply chain. In Tamil Nadu one approach is working together with the MSI-TN to be active "on the ground".*

*One of the focus areas of MSI-TN is to improve working conditions in the Tamil Nadu T&A industry, especially in spinning mills, through in-factory trainings and social dialogue among industry stakeholders viz. government officials, trade unions, NGOs, trade bodies and industry players. MSI-TN dialogue and training activities have helped build trust among industry stakeholders, and they are working together for collective action to resolve the challenges being faced by the industry.*

The report concludes with recommendations for partnerships to achieve scale and transform markets, based on extensive review of available literature, and learnings from MSI-TN activities.

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<sup>1</sup> MSI-TN has been carrying out Theme Based District and State Level Dialogue Forum meetings. More than 40 such meetings have been conducted till January 2020, having participation from all major stakeholder groups of Tamil Nadu T&A industry.

# 1. Attaining sustainable growth in the Textile & Apparel industry

**Global pattern of T&A trade is fast-changing – demand and supply of clothes is set to grow rapidly, especially in Asian countries.** If the global population rises, as expected, to 8.5 billion people by 2030 and the GDP per capita grows at 2% per year in the developed world and 4% in the developing world, Global Fashion Agenda (GFA) and Boston Consulting Group (BCG) have projected<sup>2</sup> that the overall apparel consumption will rise by 63%, from 62 million tons in 2018 to 102 million tons in 2030—an equivalent of more than 500 billion T-shirts.

The World Bank<sup>3</sup> has predicted that in the short to medium term, demand for clothing is set to grow fastest in Asia and in the Group of Seven (G7) countries of Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States, which represent more than 62% of global net wealth. In Asia, the rapidly growing demand for clothing is projected<sup>4</sup> to increase sales by 6% each year, and it is estimated that the region will account for about 40% of global sales by 2025. Many Chinese manufactures have already started to produce for domestic and regional markets in Asia<sup>5</sup>. The growing supply and demand sets the foundation to build a strong case for sustainable growth in the Textile and Apparel (T&A) industry.

## 1.1. Need for sustainable growth in T&A industry

The textile value chain is complex and with production facilities spread across the globe, it becomes even more challenging to gather accurate information about its adverse environmental and social impacts across the value chain.

*The tragedy of the Rana Plaza building collapse in Bangladesh in 2013 that cost 1,134 women and men their lives has brought worldwide attention to the urgent need to improve workplace safety and working conditions in the industries. It has also sparked numerous multi-stakeholder initiatives to advance decent work and sustainability in the industries.*

– *The future of work in textiles, clothing, leather and footwear, Working Paper No. 326, ILO, 2019*

In order to make the T&A value chain more sustainable, industry stakeholders need to adopt sustainable practices. For this, it is imperative that they understand the magnitude and severity of the environmental and social challenges. This is where the concept of transparency, traceability and accountability comes in.

*The “Made in India” label on your shirt does not convey relevant supplier information- Which location in India was the shirt manufactured in? In which factory? Under what social and environmental conditions? This brings concepts of transparency and traceability into the picture – concepts which are becoming increasingly relevant in today’s tech and media savvy generation.*

**More and more consumers are including sustainability considerations in their buying decision-making process.** Consumer sentiment survey<sup>6</sup> conducted by Boston Consulting Group in March 2019 for the Pulse of the Fashion Industry Update found that consumers are more aware of sustainability, which is now an increasingly important driver in purchasing decisions. As news outlets and social media shine a light on social and environmental responsibility in the fashion industry, consumer concern is growing.

<sup>2</sup> Pulse of the Fashion Industry, Global Fashion Agenda & The Boston Consulting Group, 2018

<sup>3</sup> M. Hallward-Driemeier and G. Nayyar: Trouble in the Making? The Future of Manufacturing-Led Development. (Washington DC, World Bank Publications, 2017).

<sup>4</sup> J. Andersson et al.: Is apparel manufacturing coming home? Nearshoring, automation, and sustainability – establishing a demand-focused apparel value chain (McKinsey & Company, 2018).

<sup>5</sup> Ibid

<sup>6</sup> Survey with 2,900 participants from Brazil (523 participants), China (514 participants), France (529 participants), the UK (703 participants) and the US (703 participants) for Pulse of the Fashion Industry, Global Fashion Agenda, Boston Consulting Group, Inc. and Sustainable Apparel Coalition, 2019

Awareness is highest among younger people, especially Millennials. This awareness is beginning to have a greater impact on consumer purchasing decisions, with more than a third of survey respondents reporting they have already switched from their preferred brand to another for reasons related to responsible practices. More than half of the respondents said they anticipate that their next purchase decision will be based on the sustainability practices. These results indicate a shift in importance of sustainability considerations and present a strong signal to the industry.

Ignoring sustainability can cause a direct hit to the profitability of a business, as can be seen from Nike's case study.

### ***Case in Point: How Nike bounced back from its Sweatshop problem<sup>7</sup>***

*Today, Nike is regarded as one of the frontrunners when it comes of ensuring social and environmental sustainability in its supply chain. However, in 1992, Nike came under media scrutiny after activist Jeff Ballinger published an exposé of Nike, which highlighted the case of an Indonesian worker who worked for a Nike subcontractor for 14 cents an hour, less than Indonesia's minimum wage. There were also allegations of child labor, verbal and physical abuse as well as unjustified termination.<sup>8</sup> This led to a public outrage, with protests at 1992 Barcelona Olympics and in front of Nike Stores. The outrage continued and in 1998, Nike experienced a dramatic decline in sales.*

*In 1999, The real shift began with a May 1998 speech by then-CEO Phil Knight, who said, "The Nike product has become synonymous with slave wages, forced overtime, and arbitrary abuse. I truly believe that the American Consumer doesn't want to buy products made under abusive conditions." In this speech, Phil announced that Nike will raise minimum wages of workers, significantly increase monitoring and will adapt OSHA clean air standards in all factories. With this, Nike began its journey towards an ethical and responsible supply chain. Nike began creating the Fair Labour Organisation in 1999, and from 2002-2004, the company performed nearly 600 audits, including recurring visits in problematic factories. In 2004, Human Rights activities acknowledged that Nike's monitoring efforts dealt with the worst problems in the supply chain such as usage of hazardous chemicals and restriction on worker movement, although other problems still persisted. In 2005, Nike became the first company in its industry to disclose its complete list of suppliers.*

**Workforce in developing countries is more susceptible to exploitation.** Globalization in the 20<sup>th</sup> century resulted in shifting of T&A industry to low cost developing regions such as South Asia and South East Asia, in search of cost advantages. However, these 'low-cost' countries have limited capacity to implement laws and regulations, and with the pressure on profitability, working hours and wages, there is a high risk that fundamental principles and rights at work will remain a distant aspiration for many employers and workers.<sup>9</sup> Moreover, with the advent of Fast Fashion, high time and cost pressures often percolate to the bottom of the supply chains, often impacting the health, safety and working conditions of the manufacturing workforce.

*The ILO estimates that the growing number of young unskilled women and men in the industries in developing countries is likely to lead to an increasing proportion of vulnerable workers in future. It therefore becomes critical to ensure that sustainable social growth is achieved, where all workers have access to decent working conditions, social security, up-skilling and right to collective bargaining. For this vision to be realized, it is necessary that the industry move towards a more formalized set-up, which is in contrast to the informal, often subcontracted forms of employment that often prevail in the T&A sector in the developing countries.*

<sup>7</sup> [https://www.businessinsider.in/strategy/how-nike-solved-its-sweatshop-problem/articleshow/21122639.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://www.businessinsider.in/strategy/how-nike-solved-its-sweatshop-problem/articleshow/21122639.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst) , accessed on 27<sup>th</sup> January 2020, <sup>7</sup> <https://www.sgtgroup.net/textile-quality-management-blog/5-apparel-brands-that-failed>, accessed on 28<sup>th</sup> January 2020

<sup>8</sup> <https://www.businessinsider.in/strategy/how-nike-solved-its-sweatshop-problem/articleshow/21122639.cms>, accessed on 27<sup>th</sup> January 2020

<sup>9</sup> The future of work in textiles, clothing, leather and footwear, Working Paper No. 326, ILO, 2019

The case of Tamil Nadu T&A industry, which has been the focal point of several initiatives to improve social compliance and sustainability is elaborated below.

**Case in point: Tamil Nadu T&A Industry**

Tamil Nadu T&A industry holds high significance for the national and state economy. The complete value chain of conventional textile products, i.e. spinning to garmenting is present in the state. T&A sector is the second largest employer in the state, only next to agriculture.

Tamil Nadu accounts for ~19% of the country's T&A output. The state has 46% of India's spinning capacity, 60% of yarn export, 20% of power loom capacity, 12% of handloom capacity and 70% of cotton fabric knitting capacity.

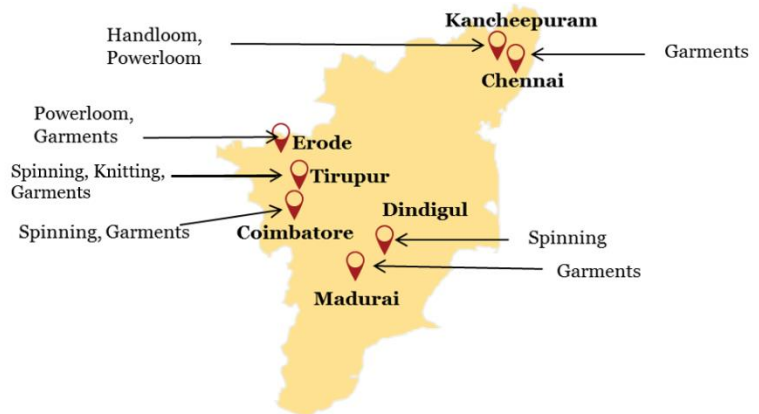


Figure 1 Major T&A clusters in Tamil Nadu, India

Tiruppur district in Tamil Nadu is country's largest knitting and garmenting cluster. Coimbatore, Dindigul, Erode, Chennai, Madurai, Kancheepuram are other major textile & apparel clusters of the state.

Women and young girls form a major part of workforce employed in the Tamil Nadu T&A industry and they comprise of around 80% of workforce in spinning mills located in the state. The industry is often characterised by violations of the fundamental rights of workers, especially in the lower tiers in the supply chain – such as spinning mills. Issues of abuse, exploitation and harassment of workforce, especially in case of women workers, have been highlighted by media and international organisations .

In addition to this, performance of the Tamil Nadu T&A industry has not shown encouraging trends over the past few years, which may be attributed to several factors such as early signs of global recession, US-China trade war resulting in decreased cotton yarn and fabric exports to China, absence of Free Trade Agreements (FTAs) with major export markets, influx of duty-free garments being imported from countries like Bangladesh under FTA.

Key stakeholders of the Tamil Nadu T&A industry, from industry players to trade bodies, are calling upon the government to take steps to boost the industry's performance. Many partnerships are also being undertaken in the state for promoting social and environmental sustainability in order to build a strong business case for attracting investment. Examples of such initiatives include Labour programmes run by Southern India Mills Association (SIMA) and Tiruppur Exporters Association (TEA) and Multi-Stakeholder Initiative Tamil Nadu (MSI-TN).

The T&A industry's growing environmental footprint and the prevalence of poor working conditions along the value chain have caused labour and environmental advocates to conclude that the current model of consumption, production, and organization of work is unsustainable.<sup>10</sup> Although many large retailers and brands are championing sustainability through their visions and actions, it is not enough. Most small and medium scale players– both brands and manufacturers, also need to put sustainability at the core of their business agendas. If no action is taken towards ensuring sustainable growth, industry players will most likely find themselves squeezed between falling average per-item prices, deeper discount levels, rising costs, and resource scarcity along the value chain.<sup>11</sup>

Companies can take small steps to address common challenges faced by the industry, but task of addressing some of the global challenges cannot be undertaken by one business alone. This is where partnerships and

<sup>10</sup> The future of work in textiles, clothing, leather and footwear, Working Paper No. 326, ILO, 2019

<sup>11</sup> Pulse of the Fashion Industry, Global Fashion Agenda & The Boston Consulting Group, 2017



collaborations come in. Partnerships enable business and other actors to leverage each other's strengths, capabilities and resources, and work together to find innovative and integrated solutions to the global challenges.

*Attaining sustainable growth in today's era of unprecedented disruption is challenging –How is it to be achieved? Accenture, in a 2018 report<sup>12</sup> answered this question by coining the term 'Living business' - one that continuously adapts to the evolving needs of its customers and market conditions, with speed and at scale, to achieve total relevance.*

*By becoming a Living Business, successful companies realize that today, customer expectations are shaped by the most relevant, real time, dynamic experiences they encounter across all industries. Such companies are effective in attracting and retaining customers. Customers don't switch from these organizations to others; increasingly, they switch to them. Accenture's findings indicate that companies succeeding and achieving continuous growth established collaborative relationships with forward thinking partners and a broad set of ecosystem alliances beyond their traditional industry boundaries. That is because Living Businesses share and select data purposefully and efficiently—internally and across a broad ecosystem of partnerships—to achieve a powerful multiplier effect.*

## **1.2. Achieving sustainable growth through collective and collaborative action**

Brands and retailers must join forces with suppliers, investors, regulators, NGOs, academia and consumers to create an ecosystem that supports transformational innovation and disruptive business models. This is especially important for the most difficult steps in the value chain: raw materials and end-of-use. Companies cannot overcome these challenges alone.<sup>13</sup> A board commitment and coordinated participation of all stakeholders is needed. This requires setting up ambitious goals, making joint commitments, starting collaborative initiatives and sustaining these initiatives to create impact.

As per ILO<sup>14</sup>, when compared to other sectors, the Textile Clothing Leather and Footwear (TLCF) industries have made noticeable progress in terms of experimenting with new forms of collaboration and social dialogue across borders. This has helped companies positive impact in their business performance and brand image. In the Pulse of the Fashion Industry 2019 update<sup>15</sup>, it has been concluded that the two factors explain the significant progress seen by companies that increased their Pulse Score<sup>16</sup> more significantly than others, are –

- **The power of foundational steps:** Companies progressed by integrating sustainability in their strategy, corporate identity, decision making, governance, reporting and tracking, which is reflected in the positive leaps in their scores.
- **Association memberships:** Given the knowledge building and collaborative nature of associations like Sustainable Apparel Coalition, joining them can strongly contribute to a company's ability to set targets, define strategies and build governance foundations, which are especially valuable for companies getting started with their sustainability efforts.

<sup>12</sup>Living Business: Achieving Sustainable Growth Through Hyper-Relevance, Accenture, 2018

<sup>13</sup> Pulse of the fashion industry 2018, Global Fashion Agenda and The Boston Consulting Group, 2018

<sup>14</sup> The future of work in textiles, clothing, leather and footwear, Working Paper No. 326, ILO, 2019

<sup>15</sup> Pulse of the Fashion Industry, Global Fashion Agenda, Boston Consulting Group, Inc. and Sustainable Apparel Coalition, 2019

<sup>16</sup> The Pulse is a baseline score, powered by the Higg Index, for measuring and tracking the sustainability management and target setting of the global fashion industry on key environmental and social impact areas. It is measured on a scale from 0 to 100

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## ***2. Partnerships for attaining sustainable growth***

**Sustainable growth is achievable through commitment, innovation and collaborative action.** Private sector collaboration for sustainable growth and development is not a new concept. It emerged in the early 1990s, offering companies the opportunity to more legitimately engage, influence and support social & economic development.<sup>17</sup> Since then, several unique and innovative collaboration and partnership models have emerged, with the aim of solving global challenges and building better, sustainable and more inclusive societies.

### ***2.1. Types of partnerships***

Some of the most commonly implemented partnership models<sup>18</sup> are elaborated in this section.

#### ***A. Partnerships with business partners along value chains***

Most companies have several business partners in their supply chains –buyers, suppliers, distributors, retailers, investors and so on. Companies can build partnerships with these actors by models such as setting compliance standards, providing financial/non-financial incentives, collaborating for shared capacity building opportunities and undertaking joint initiatives to ensure more responsible, compliant, inclusive and sustainable value chains. For example, companies often incorporate specific compliance and performance criteria into the guidelines for their suppliers/vendors. Some of these companies also deploy capacity building for their partners to aid compliance. Buyers' Codes of Conduct for their suppliers are examples of such partnerships, such as Levi Strauss & Co. Global Sourcing And Operating Guidelines, H&M Code Of Conduct etc.

Many companies also share their best practices, knowledge, information and expertise with other actors of the value chain, for them to adopt these practices. Sister companies, under the same parent group often engage in such knowledge transfers.

#### ***B. Project level financing and implementation partnerships***

These types of partnerships involve one or a group of companies, often partnering with each other or with the government, NGOs, academic institutions etc. to share their resources (and also risks) in order to work towards solutioning a challenge. Such partnerships often include a well-defined resource and implementation plan as well monitoring and evaluation structures for project partners.

An example of such a partnership is Gap Inc.'s P.A.C.E (Personal Advance and Career Enhancement) workplace program, which reached 400,000 women factory workers between 2007 and 2019 for training them on a variety of skills, working with Cooperative for Assistance and Relief Everywhere (CARE), International Centre for Research on Women (ICRW) and Swasti Health Resource Center.<sup>19</sup>

#### ***C. Industry level, precompetitive partnerships***

Such partnerships involve a group of companies working together and sharing their knowledge and expertise on precompetitive basis for the betterment of the industry. Such partnerships are often built for promoting sustainable industry practices by undertaking research initiatives, developing and scaling high-potential innovations.

Some of these alliances are steered by Industry/Trade associations. Although the main focus of these associations is promoting trade and business interests for their member companies, they have now also started focusing on tackling sustainability and climate change issues. An example<sup>20</sup> of the same is The Southern India Mills'

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<sup>17</sup> Private-Sector Collaboration for Sustainable Development, BSR and The Rockefeller Foundation, 2018

<sup>18</sup> Partnerships For Sustainable Development: Collective action by business, governments and civil society to achieve scale and transform markets, Jane Nelson, commissioned by the Business and Sustainable Development Commission, 2017

<sup>19</sup> <https://www.gapincustainability.com/people/pace-changing-one-million-lives>, Accessed on 29<sup>th</sup> January 2020

<sup>20</sup> <https://www.thehindu.com/news/cities/Coimbatore/sima-releases-employment-guidelines-for-textile-units/article25854643.ece>, Accessed on 28<sup>th</sup> January 2020

Association's (SIMA) set of employment guidelines for textile units. These guidelines cover employment of women, migrant, and contract workers and compliance under the Tamil Nadu Hostel and Homes for Women and Children (Regulation) Act, and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act. The units can adopt these and go in for audit and certification by British Standards Institute (BSI).

#### ***D. Multi-stakeholder initiatives***

Multi-stakeholder partnerships (sometimes known as public private partnerships for development, cross-sector collaboration, collective action/ multi-stakeholder initiatives) are a vehicle through which interested players can collaborate on specific challenges or exploit opportunities in ways that achieve greater impact than they could achieve alone. Multi-stakeholder partnerships involve organisations from different societal sectors working together, sharing risks and combining their unique resources and competencies in ways that can generate and maximise value towards shared partnership and individual partner objectives, often through more innovative, more sustainable, more efficient and / or more systemic approaches.<sup>21</sup> Such partnerships have their own funds, institutional arrangements, governing and accountability structures.

An example of this is the German Partnership for Sustainable Textiles, which is a Multi-stakeholder initiative with around 130 representatives from five different actor groups (German Federal Government, business, non-governmental organizations, unions, standards organizations) with the aim to achieve social, ecological and economic improvements across the entire textile supply chain.

#### ***E. Collaboration/Linkages between different partnerships***

In many cases, there are overlaps and mutually reinforcing linkages between different types of partnerships outlined above. Linkages between partnerships are often established as these companies are part of several sustainability programmes, initiated by different industry actors. It has been observed<sup>22</sup> that most large companies are participating in between five to 30 partnerships at the industry-level and in multi-stakeholder platforms and networks.

There are also collaborations between different partnership programmes, often aimed leveraging strengths to create greater impact and ensure sustainability of initiatives. An example of this is We Mean Business<sup>23</sup>, a global nonprofit coalition which brings together seven international nonprofit organizations to work towards tackling climate change. The coalition partners are –Business for Social Responsibility, Carbon Disclosure Project, CERES, the B Team, the Climate Group; the Prince of Wales Corporate Leaders Group and the World Business Council for Sustainable Development.

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<sup>21</sup> An introduction to multi-stakeholder partnerships, Briefing document for the GPEDC High Level Meeting, November 2016, The partnering Initiative

<sup>22</sup> Partnerships For Sustainable Development: Collective action by business, governments and civil society to achieve scale and transform markets, Jane Nelson, commissioned by the Business and Sustainable Development Commission, 2017

<sup>23</sup> <https://www.wemeanbusinesscoalition.org/about/>, Accessed on 28<sup>th</sup> January 2020

## 2.2. Partnership stakeholders

Partnerships often constitute a wide range of stakeholders, whose knowledge, expertise, resources and skill-sets are pooled to work towards achieving common objectives. Careful selection of partnership stakeholders is necessary to ensure effective working relationships and sustainability of partnership initiatives.

Key stakeholders involved in partnerships in the T&A industry are illustrated in the figure below:



Figure 2 Key stakeholders involved in T&A industry partnerships

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## 2.3. Roles of partnership stakeholders

To achieve sustainable growth, we need more industry partnerships having well-governed, accountable, and impactful working relationships between stakeholders. Successful partnerships are driven by a shared purpose and the active participation of all stakeholders is necessary to achieve the intended outcomes. Some broad roles and responsibilities of partnership stakeholders are listed below:

- Promoting the shared objective and vision of the partnership
- Embracing diversity of stakeholders and working inclusively towards the shared purpose
- Respecting and adhering to the partnership guidelines, regulations and Codes of Conduct
- Abiding by and endorsing the partnerships' standards, tools and methodologies
- Participating in partnership activities
- Encouraging network members to join partnership initiatives
- Encouraging knowledge sharing activities/peer-learning
- Sharing and adopting best practices with other stakeholders
- Following the governance and accountability mechanisms
- Actively and honestly participating in monitoring, review and evaluation processes

**Governments and policymakers** are two key players in the partnership eco-system. Apart from formulating regulatory practices, governments may also give tax incentives or direct financial support to motivate companies pioneering the social and environmental sustainability initiatives.

The pulse of the fashion industry 2017 report<sup>24</sup> suggests that governments and policymakers are keen to play a dominant role in the environmental and social practices of the fashion industry, for two reasons – First is that the call for sustainability comes from people, i.e. the electorate. Second is that the fashion industry's work towards better practices is not happening fast enough – and policy interventions may help accelerate it. The report gives examples of two governments that have already launched national initiatives: the multi-stakeholder initiatives in Germany and the Netherlands led by governing bodies to bring together numerous stakeholders

*“We all agree that we do not wish to have clothes touching our bodies that have been produced in places where human rights are being trampled underfoot and people are being exploited and poisoned. We need decent work worldwide. And we need binding minimum social and environmental standards worldwide.”*

*– Dr. Gerd Müller, Federal Minister for Economic Cooperation and Development*

**Industry players**, including manufacturers and suppliers, can proactively approach the government with a strong case to request for formulation or modification in legislation. They have a crucial role to play in the partnerships as most initiatives often involve improving compliance and sustainability in the manufacturing processes,

**NGOs** have an important role to play when it comes to making the consumers and other industry stakeholders aware about the pressing issues being faced by the industry – thereby motivating the businesses to embark on the sustainability journey and encouraging the consumers to exercise their power through their purchasing decisions. Many NGOs also carry our research and release reports to increase awareness among industry actors.

**International organisations and civil society organisations** can drive impactful partnerships in the right directions by prioritizing sustainability in their investment decisions.

Global **brands and retailers** have a lot of influence over their suppliers, and consequently, have an opportunity as well as the responsibility to act as drivers of change. Several big T&A brands have embarked on the sustainability journey by initiating and taking part in several partnership initiatives to improve transparency and sustainability in their supply chains.

**Trade Associations** can encourage their members to participate in the partnership. These associations can also create and steer pre-competitive partnerships to promote sustainable growth.

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<sup>24</sup> Pulse of the fashion Industry 2017

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T&A industry is labour intensive, and thus, **Trade Unions'** role to play in partnerships revolving around this industry is important. They can present the concerns, conditions and requirements of the workers, in front of an audience having stakeholders who have the authority to drive change.

The stages of the T&A value chain, especially wet processing and finishing, involve resource intensive processes. **Academia and research institutions** can add value to partnerships pursuing the sustainability agenda by developing new innovative solutions and standards.

## ***Role of steering committee in partnerships***

Synonymous to its name, the steering committee of a partnership initiative is responsible for steering the partnership till the achievement of set targets. Most commonly, the steering committee constitutes key representative members from project stakeholder groups. It is also advised<sup>25</sup> to include one representative from the target beneficiary group (customers/workers), as their views and opinions can be useful to ensure that the partnership is steered in the right direction. The criteria for composition, selection criteria, roles, responsibilities and functioning of the steering committee should be decided before hand, for better understanding of all stakeholders.

### **Responsibilities of the steering committee**

The responsibility of decision making and overseeing project activities falls upon the members of the steering committee. Thus, the members are expected to have an understanding of the aims, implementation plans, activities and the intended outcomes of the project. Some of the other responsibilities of the steering committee members are listed below:

- Formulating project strategies and policies
- Providing advice on project management, including the monitoring and evaluation strategy
- Providing advice and approving budget and resource allocation, business plan, work plan
- Ensure interests of each stakeholder groups are represented and factored in during decision making process
- Identifying project priority areas and developing roadmaps with timelines
- Monitoring project activities, milestones and timelines
- Monitoring quality aspects of the project
- Identifying and monitoring potential project risks
- Amicably resolving any conflicts that may arise

One member of the steering committee is elected as chair, who is responsible for overseeing the proceedings of the committee meetings. All minutes of the steering committee meetings must be shared with all members. If steering committee members are selected and briefed well, and actively engaged in the partnership activities, it can be a positive driving force for the achievement of intended outcomes.

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<sup>25</sup> Law and Justice Foundation of New South Wales, What is a Steering Committee? available at [http://www.lawfoundation.net.au/ljf/site/templates/resources/\\$file/SteeringCommittee.pdf](http://www.lawfoundation.net.au/ljf/site/templates/resources/$file/SteeringCommittee.pdf)

## 3. Regional Outlook: The case of Multi-Stakeholder Initiative Tamil Nadu

This section gives an overview of the activities of MSI-TN, which is a multi-stakeholder initiative active in the South-Indian state of Tamil Nadu.

### 3.1. Overview of MSI-TN

MSI-TN is a Tiruppur based initiative comprising of members from key industry stakeholder groups from Tamil Nadu. The initiative strives to capture improvements in the Tamil Nadu textile supply chain and demonstrate it in the global market. MSI-TN has been actively working to improve working conditions in the Tamil Nadu textile and apparel industry through two modules – Module A: Dialogue Promotion and Module B: In-Factory trainings in spinning mills located across the four target districts viz. Coimbatore, Dindigul, Erode and Tiruppur.

MSI-TN is supported by the Partnership for Sustainable Textiles<sup>26</sup>, a German multi-stakeholder initiative which aims to improve the social and environmental conditions in the global textile production.

MSI-TN brings key stakeholders from Tamil Nadu T&A industry such as government officials, trade unions, trade associations, NGOs, industry players and international organisations on a common platform. Together, the partners introduce change at two levels as elaborated below:



Figure 3 Focus Districts of MSI-TN

#### Module A: Dialogue

Regular dialogues with the government, industry (factories and associations), NGOs and trade unions both at the state level and at the district level to initiate measures for social improvements in the T&A sector. A dialogue between the main stakeholder groups in the local textile industry helps to raise awareness about workers' rights as well as to develop and act on action points for industry's improvement

#### Module B: In-Factory Trainings

Comprehensive training programmes are carried out in mainly spinning mills, where management and workers are informed about complaint mechanisms, labour rights and standards. In addition to that, statutory complaints committees (Internal Complaints Committee - ICC), Grievance Redressal Committee (GRC) and Works Committee are being established and staffed. Additional capacity building for the members who are elected by secret ballot is done as a part of the initiative in order to ensure the continuous functionality and effectivity of the newly formed committees.

Over the past 12 months, MSI-TN team members have successfully networked with the following stakeholders for dialogue promotion and in-factory training activities:

Stakeholder Group	Stakeholder Networks
Manufacturers	More than 65 leading manufacturers in 4 target districts
Government	Department of Social Welfare, Tamil Nadu Women Commission, Ministry of Labour, Directorate of industrial safety and health, Employee State insurance Corporation officials and Employee provident Fund organisation Office of the district collector of all 4 focus districts, etc.

<sup>26</sup> PST Website: <https://www.textilbuendnis.com/en/>

Stakeholder Group	Stakeholder Networks
<b>Trade Associations</b>	The Southern India Mills' Association (SIMA), Tamil Nadu Spinning Mills Association (TASMA), Tiruppur Exporters Association, Open End Spinning Mills Association (OSMA), South India Small Spinners Association (SISPA), Tiruppur Exporters and Manufacturers Association (TEAMA) and Indian Textpreneurs Federation (ITF)
<b>NGOs</b>	More than 25 NGOs across 4 target districts
<b>Trade Unions</b>	All India Trade union Congress (AITUC), Indian National Trade union Congress (INTUC), Centre of Indian Trade unions (CITU), Marumalarchi Liberation Front (MLF), Hind Mazdoor Sabha (HMS), Labour Progressive Front (LPF), Tamil Nadu Textile and common Labor Union (TTCU),
<b>Brands</b>	More than 5 International Brands
<b>International Organisations</b>	Freedom Fund, International Justice Mission, Childline India Foundation, Railway Children, Fair Labor Association, Fair Wear Foundation, Ethical Trading Initiative, C&A Foundation, International Labor Organisation, UNICEF, Social Accountability International

### MSI-TN Module A: Dialogue Promotion Activities

As of January 2020, MSI-TN has conducted 36 District Level Forum Meetings and 5 State Level meetings on four themes covering Labour laws, Working women hostels, Harassment of women at workplace, and Social security and other benefits for workers. The broad points discussed in the theme-based dialogue forum meetings are listed below:

- Data and information regarding the current scenario of Tamil Nadu T&A industry under all four themes
- Challenges faced by factory management, and other stakeholders to ensure compliance and the support required from government officials to resolve these challenges
- Roles and responsibilities of the government to ensure compliance under each of the four themes
- Clarifications regarding statutory processes laid down under different legislation such as the sexual harassment of women at workplace (Prevention, Prohibition, and Redressal) Act, 2013, The Employees Provident Funds and Misc. Provisions Act, 1952, Employees State Insurance Act, 1948, The Tamil Nadu Hostels and Homes for Women and Children (Regulation) Act, 2014 and The Factories Act, 1948
- Sharing of experiences and best practices adopted by T&A industry players, especially spinning mills to ensure better compliance
- MSI-TN's initiatives under each theme, the call for action and support by industry stakeholders
- Action points under each theme, roadmap and progress in achievement of the set action points
- Indian Legislation and mandatory compliance requirements as per the legislation

Some theme-wise key discussion points are listed below:

#### ***Theme 1: Prevention & redressal of harassment of women at workplace***

1. Harassment of women workers in spinning mills
2. Ensuring active and effective functioning of ICC committees in spinning mills
3. Addressing sexual harassment and creating an enabling environment for workers to report cases of abuse and exploitation

#### ***Theme 2: Better living conditions in working women hostels***

1. Registration process for Working Women's Hostels
2. Ensuring better living conditions in working women hostels located in spinning mills
3. Formation and functioning a of Internal Compliance Committees and Works Committee



### ***Theme 3: Social security and statutory benefits for workers***

1. Maintaining updated employee records
2. Enrolment of workers in Employees' State Insurance/Provident Fund/ Maternity benefits
3. Proper registration of migrant workers so that they can receive employee benefits
4. Issuing identity card to every worker for ensuring ESI, PF and insurance coverage
5. Periodic inspections by government authorities to ensure/monitor ESI and PF coverage for all workers
6. Awareness programmes for improving enrollment in ESI and PF schemes

### ***Theme 4: Ensuring Labour laws***

1. Elimination of forced overtime and increasing break time for workforce
2. Ensuring safe and healthy work environment, with doctor visits and recreational facilities
3. Provision of personal protective equipment; Awareness, motivation and training of workers regarding usage of PPEs
4. Ensuring availability of factory infrastructure such as toilets, crèche etc. as per government regulations
5. Periodic inspections by government officials
6. Ensuring minimum wages
7. Ensuring adherence to labor laws
8. Worker trainings, capacity building, skilling and career progression initiatives

Action points have been set for each theme in each of the four districts and social dialogue is being used effectively to realize their intended outcomes. Some of the broad areas covered as part of the action points are:

- Supporting spinning mills in registration of working women hostels
- Spreading awareness regarding formation of Internal Compliance Committees and Works Committees
- Conducting awareness programmes for workers on health and safety
- Increasing enrollment of workforce under ESI and EPF schemes
- Improving ESI facilities and services at district level
- Improving claims and settlement process under ESI scheme

### **MSI-TN Module B: In-factory Training Activities**

MSI-TN team is currently working in more than 180 spinning mills across the four districts to carry out in-factory trainings for formation of ICC and WC. These trainings have sensitized the women workers in the spinning mills as well as factory management about labour rights, standards and complaint mechanisms including ICC. Factory level training program is still going on and the factories of those four districts may still join this program and be benefited. The details about the training programme and partner spinning mills are available on MSI-TN website [www.msi-tn.com](http://www.msi-tn.com).

### **Future plan of MSI-TN**

The strategy for smooth functioning of social dialogue and training initiatives is to have steering committees set in place, which will be responsible for planning and implementation of the theme-based working group meetings. The objective of the steering committee will be to plan and ensure the effective implementation of dialogue process between relevant industry stakeholders.

The steering committees for each district and state level were formed in the last quarter of the project, in the months from October 2019 until December 2019. Action plans and roadmaps for year 2020 were also developed in consultation with the steering committee members. The steering committees constitute 8-9 members, having representation from all relevant industry stakeholders including government officials, industry players, NGOs, trade unions and trade associations. Some action plans cover initiation of registration process for Working Women Hostels located inside spinning mills, conducting awareness programmes and training sessions on ICC and WC, ensuring MSI-TN partner mills send ICC meeting proceedings to the District Social Welfare Office and ensuring all workers at MSI-TN partner mills have enrolment in EPFO scheme.

## Outcomes of MSI-TN Activities



To support health and safety practices in Spinning mills, pamphlets have been designed on Dengue awareness and provided to Directorate of Industrial Safety and Health (DISH) Officials in Erode. This initiative was done in partnership with DISH officials and funded by an MSI-TN partner spinning mill.

### Recommendation Letters from Department of Social Welfare

District Social Welfare Officers of Coimbatore, Tiruppur and Dindigul districts have given MSI-TN letters of recommendation, recommending MSI-TN's services to industry players for formation of ICC committees in spinning mills.

Commissioner of Social Welfare formally requested presentations from DSWOs of the four target districts on current status of hostel registration and Formation of ICC committee during a State Level Dialogue Promotion Meet.

### Awareness Programmes on Hostel Registration, ICC & WC

Awareness programmes on Hostel registration, ICC & WC were organised in November 2019 in Coimbatore and Tiruppur.

The DSWO officials conducted these awareness sessions and they sent letters to spinning mills for their participation in this session. Spinning mills without Hostel licenses were invited and sensitised on process of hostel registration and formation of Internal Compliance Committee. These programmes would provide access into mills for module B of Partnership Initiative. This programme is funded by SAVE (MSI-TN partner NGO).

## Outcomes of MSI-TN Activities



Posters have been designed with the funding support from industry players, to create awareness about 181 helpline launched by Government of India and One stop service centres (OSC) for women in distress. This initiative was taken on request of DSWO officials in Coimbatore and Tiruppur districts to create awareness among spinning mill workers about these services.

### Stakeholder initiatives

MSI-TN is active in more than 180 spinning mills. DSWO Tiruppur participated in the certification distribution ceremony for ICC committee and Works committee members organised by SAVE in October 2019.

Some of the concerns raised by the trade unions in Dialogue Promotions Meetings regarding claims have been resolved at EPFO Coimbatore office. This information was shared by a trade union member during the district level dialogue forum meeting.

### Knowledge and information transfer

The DISH officials have shared data regarding the number of spinning mills in Tiruppur, Coimbatore and Erode districts having working women hostels and the status of hostel registration.

MSI-TN team has shared this data with the District Social Welfare Offices for their perusal and necessary action.

## 4. Benefits for partnership stakeholders

The benefits for different stakeholders involved in partnerships in the T&A industry are elaborated in this section.

### Manufacturers

- Ensuring better compliance against statutory legislation as well as against buyer's Code of Conduct
- Mitigating risk of any potential of loss of orders, which may be a result of non-compliance
- Strengthening Corporate Social Responsibility initiatives
- Increasing goodwill in the market
- Creating market differentiation, which can be leveraged to strengthen relations with global brands and increase profitability by attracting orders
- Direct impact on business performance – through increased efficiency and productivity, improved quality, reduced manufacturing cost and reducing attrition

### Case in Point

Fair Wear Foundation's (FWF) violence prevention programme in export-oriented garment factories in India and Bangladesh supports the setting up of anti-harassment committees in the factories and help-lines. As a result of this initiative, FWF received 56 complaints in India from 2016-2018, and action was taken to resolve these complaints. Participation in the initiative has led to a shift in managers' attitudes towards sexual harassment in the factory. As a result of the success of the FWF violence prevention programme, some European clothing brand members have included participation in the programme as part of their business negotiations with factories.<sup>27</sup>

### Government

- Improving factory compliance as per legal mandates
- Aligning businesses with national development priorities and targets
- Ensuring law enforcement
- Promoting an "approachable and accessible" image among industry stakeholders
- Utilising industry expertise and experience for making policy level changes and amendments in existing legislation
- Capacity building and training of government officials

### Cases in Point

Under Promotion of Social and Environmental Standards in the Industry (PSES) commissioned by German Federal Ministry for Economic Cooperation and Development (BMZ) for the textile, garment and leather industries in Bangladesh, 300 labour inspectors of the Department of Inspection for Factories and Establishments (DIFE) under the Ministry of Labour and Employment (MoLE) have been trained in Labour Laws and Inspection Techniques in cooperation with the International Labour Organization (ILO)<sup>28</sup>.

"In our country, meeting with the representatives from employers, employees and government was not happening in the past. We met only when there were problems. Now, although there are different interests with different needs from all parties, we meet regularly, have more understanding towards each other, and can discuss issues. In addition to tripartite mechanism, bipartite process also needs understanding, trust and sympathy towards each other and needs to be supported." – Permanent Secretary of Ministry of Labour, Immigration and Populations on Workplace Social Dialogue in Myanmar by Fair Wear<sup>29</sup>.

<sup>27</sup> Setting up Anti-harassment committees and violence prevention systems, The experience of Fair Wear Foundation Available at: <https://factoryguide.fairwear.org/?control=getresource&id=4646&title=FWF+Policy+Anti-harassment+committees+and+violence+prevention+systems+2015>

<sup>28</sup> Promotion of Social and Environmental Standards in the Industry (PSES), Available at: <https://www.giz.de/en/worldwide/14900.html>

<sup>29</sup> Workplace social dialogue in Myanmar: experiences and lessons learned, 2018, Available at: <https://api.fairwear.org/wp-content/uploads/2019/12/Fair-Wear-Myanmar-Social-Dialogue-Report-WEB.pdf>

## Brands and Retailers

- Promoting compliant and sustainable manufacturing practices across their supply chains
- Expanding sourcing base
- Strengthening Corporate Social Responsibility initiatives
- Improving brand value, thereby increasing goodwill and brand loyalty among customers
- Have greater control over their supply chains by promoting transparency and accountability

### Case in Point:

In 2007, Gap Inc. launched its P.A.C.E. (Personal Advancement & Career Enhancement) program partnership with vendors and global and local NGOs. In 2017, GAP Inc. implemented a new strategy by forming new partnerships, improving the efficiency and effectiveness of their program management and developing a new learning management program. In India, we worked with the play and entertainment company Hasbro and India's Self Employed Women's Association (SEWA) union to pilot P.A.C.E. in the workplace (Hasbro) and in communities (SEWA). As of late 2019, over 400,000 women in 17 countries had participated in P.A.C.E. Women who participate in P.A.C.E. report increased knowledge, skills and productivity, as well as higher self-esteem and confidence.

In addition to the expansion of P.A.C.E., Gap elevated the program's profile through a marketing campaign, Raise Every Voice, led by their Gap, Banana Republic and Athleta brands. This campaign included a page on the brands' e-commerce sites to raise customer awareness and share inspiring stories about P.A.C.E. graduates, thereby increasing customer engagement.

## Trade Associations

- Increasing industry's competitiveness and business prospects
- Attracting investment from industry stakeholders for systematic improvements
- Initiating/participating in precompetitive partnerships to push the sustainability agenda among industry stakeholders
- Gathering industry insights to lobby government officials for policy level changes
- Promoting knowledge transfer and adoption of best practices among member factories

"We want to build trust with all parties concerned and build the capacity of member factories to sustain the business. This is not only for the sake of the members, but also the country. We are looking for training courses on the role of employers and unions." – Myanmar Garments Exporters Association (MGMA) on Workplace Social Dialogue in Myanmar<sup>30</sup>

## Trade Unions

- Putting concerns/demands/suggestions of workers before industry stakeholders, including factory management and government officials
- Improving compliance and promoting ethical manufacturing practices is in direct interest of workforce, and thereby the trade unions
- Using partnership resources to reach and impact wider group of workers
- Ensuring benefit of partnership activities reaches, impacts factory workers

"Workers have reported better respect at the factory With regular dialogue happening, the union and management can now start working proactively on issues that affect them both, rather than waiting for an issue or grievance to be raised. Social dialogue has allowed both groups to start raising important issues, such as productivity, working hours and safety with one another, to be discussed and negotiated on jointly." – Ms. Rathi K. G, Karnataka Garment Workers Union President, on Fair Wear's social dialogue programme under Strategic Partnership for Garment Supply Chain Transformation

<sup>30</sup> Workplace social dialogue in Myanmar: experiences and lessons learned, 2018, Available at: <https://api.fairwear.org/wp-content/uploads/2019/12/Fair-Wear-Myanmar-Social-Dialogue-Report-WEB.pdf>

## NGOs

- Using partnership resources to reach and impact wider audience
- Voicing industry concerns in front of empowered stakeholders
- Using partnership resources to reach and impact wider group of workers

## International/National Non-Profit Organisations

- Aligning their actions with global and regional priorities
- Combining, thereby strengthening their efforts to drive change
- Expanding their funding and donor base
- Increasing brand recognition
- Promoting Sustainability, transparency and accountability through partner initiatives

### ***Reginal Outlook: Benefits for MSI-TN stakeholders***

Stakeholders of the Tamil Nadu T&A industry, including have received the benefit of MSI-TN Dialogue Promotion and Training Activities. Some of the broad stakeholder benefits are listed below:

- MSI-TN activities have helped build mutual trust and accountability between industry stakeholders, thereby enabling collaborations for industry improvement initiatives
- Collaboration of MSI-TN with District Social Welfare Office, Directorate of Industrial Safety and Health, District Child Protection Unit, One Stop Center, Employee State Insurance, Employee Provident Fund and labour department officials for awareness, training and capacity building sessions have resulted in mutual benefit for government officials and industry players, by spreading awareness, addressing issues faced by factory management and workers
- Module B: In-Factory training activities have helped in formation of ICC and WC in spinning mills, increasing awareness among workers regarding sexual harassment and abuse, increasing enrollment of workers in ESI and EPF Schemes etc.
- MSI-TN partner NGOs have been able to create awareness, train and impact a larger group of workers
- MSI-TN activities and outcomes have helped in building a progressive image of the Tamil Nadu T&A industry among the German Government, Brands and Consumers.

*“We expect and request MSI-TN to continue to do the trainings in our factories because workers have begun to understand the different types of sexual harassment and the benefits of social security benefits. Enrollment of EPF beneficiaries has started to increase after the formation of Works Committee.”* – Production Manager of an MSI-TN member spinning mill

*“I had a vague understanding about the work of MSI-TN before, but now, I have built very good relationship with its team. Works committee awareness to all workers helped us to reduce attrition and make workers do effective work. The training activities have built fruitful bond between management and workers.”* – Factory Manager of an MSI-TN member spinning mill

*“This is an effective initiative to improve the labour conditions and we would like to give training on safety and health whenever required. We are also willing to take part in the social dialogue forum to discuss about the grievance redressal mechanisms especially health and safety committee.”* – Deputy Joint Director, Directorate of Industrial Safety and Health (DISH)

*“I am the presiding officer of ICC and I have gained confidence to receive complaints, inquire, redress and recommend preventive measures for protecting women from sexual harassment. This is the first time that I have taken up the responsibility of such a position and I would like to do it in an effective way.”* – Presiding officer, ICC of an MSI-TN member Spinning Mill

## 5. Recommendations for partnerships to achieve scale and transform markets

Building multi-stakeholder partnerships is a complex, time-consuming process due to various issues<sup>31</sup> such as poor governance mechanisms, unsustainable finance models, heterogeneous stakeholders with diverse agendas and rapid market-driven changes. Often, there also tends to be an inherent power hierarchy that places donor above grantee, and sometimes grantee over the people and communities they work with, so the efforts must be focused on creating a safe and encouraging environment for collaboration on an equal footing.<sup>32</sup>

Out of the many collaborations and partnerships that have emerged in the past two decades, some have grown and created significant impact, while others have failed to meet their objectives. It is important however, to realise that there are valuable lessons to be learnt from each case in order to build strong, sustainable partnerships in future.

Some of the challenges faced by MSI-TN Module A: Dialogue Promotion team, and the approach towards resolutions of these challenges has been elaborated below.

### ***Regional Outlook: Lessons from MSI-TN social dialogue activities in Tamil Nadu***

During the initial phase of MSI-TN dialogue promotion programme in Tamil Nadu, it was challenging to get the buy-in of key stakeholder groups and build trust for bringing them together on a common platform. This was majorly due to their earlier experiences, negative media coverages about the role of few stakeholders and feedback from peer groups. Continuous efforts were made by MSI-TN team members to promote the MSI-TN's objective among all stakeholders and steering dialogue in step-by-step manner to build trust. A Code of Conduct for Dialogue Promotion Meetings was also developed and shared with all stakeholders to ensure they stay focused towards the common objective.

Early on in the project, MSI-TN team understood that Government Officials exercise high influence among the industry stakeholders. Support of Government Officials is a major influencing factor while carrying out any dialogue promotion or training activities. Thus, the team made significant efforts to engage with different government officials to get their support for MSI-TN initiatives. The letter of recommendation of MSI-TN services received from District Social Welfare Office and Government Officials' participation in awareness & training sessions have been milestones for MSI-TN.

During the course of the project, there were national and local body elections, as well as festivals periods where migrant workforce went back to their native places. Since industry faces a shortage of labour during this time, it becomes challenges to ensure their participation in MSI-TN activities. During such circumstances, it became necessary to revise the schedule of activities, ensuring at the same time, that the project timeline and milestones do not suffer.

Moreover, having participation from all key stakeholder groups in Tamil Nadu sometimes resulted in conflicting views during dialogue promotion meetings. Such conflicts were resolved by focusing on the common agenda and steering the dialogue process towards this agenda.

<sup>31</sup> Approaches to SDG 17 Partnerships for the Sustainable Development Goals (SDGs), edited by the Global University Network for Innovation (GUNI), 2018

<sup>32</sup> C&A Foundation Annual Report 2018

The review of available literature<sup>33</sup> and experiences of MSI-TN suggest the following recommendations for partnerships to achieve scale and transform markets:



#### 1. A compelling common purpose

**A compelling, common purpose** –Partnerships need to be driven by a compelling shared purpose, which will act as the north star to guide stakeholders in case complexities arise. Joint commitments and strategic action plans should be created, in consultation with all stakeholder groups and relevant baseline information. All successful and sustainable partnerships involve establishment of achievable targets, realistic timelines, setting clear rules of engagement, defining roles and responsibilities and developing risk mitigation plans. To foster an enabling environment for the partnership, support is needed at all levels – Regional, national, state, district and local levels. The partnership should align itself to priorities at all levels in order to grow and achieve scale. It is recommended to spend considerable time and resources on these inception activities to ensure that a strong foundation for the partnership is built.

Partnerships are most effective when they are steered by people who are leaders in their own organisations, having the authority to make decisions, allocate resources, motivate and mobilize others and support a long-term commitment.



#### 2. Right partners in the right roles

**Right partners in the right roles** – For partnerships to be successful, it is important to access and leverage the expertise, resources, networks and market influence of the right partners at the right time. It is recommended to map and prioritise key stakeholders– who are in a position to contribute most and create maximum impact – during the initial phases of the project and involve these stakeholders in the early discussions on designing and planning the initiatives. The stakeholder’s roles, responsibilities, division of tasks, accountabilities, expectations and rights should be defined beforehand, and circulated. It is also crucial for all partners to recognise and relish diversity, build trust and value the contributions of each stakeholder.



#### 3. Capacity building of stakeholders

**Capacity building of stakeholders** – Different partnership stakeholders will have different skill sets and capabilities. It becomes crucial to incorporate a component of training and capacity building of stakeholder groups to align them with the common goals, appraise about what is expected from their participation and capacitate them for delivery of results. Peer-learning to exchange experiences, case studies, success and failure stories, best practices and so on, should be encouraged. Sharing and adoption of knowledge, expertise and best practices that would help the stakeholders create greater impact.

All stakeholders should be trained to reimagine the possibilities and change the ‘business as usual’ approach in order to harness the potential of new opportunities.



#### 4. Implementation capabilities

**Implementation capabilities** – During the initial stages of the project, it is important to co-create a partnership design with all involved stakeholders. Important considerations involving partnership structure, resource planning and implementation strategies, risks and mitigation plans should be taken into account while making implementation roadmaps. All partnership activities should be planned with an output and impact focused approach, keeping in mind the cultural and regional context of their focus regions.

<sup>33</sup> Private-Sector Collaboration for Sustainable Development by BSR and The Rockefeller Foundation, 2018, Multi-stakeholder initiatives - A strategic guide for civil society organizations by Mariëtte van Huijstee & SOMO, 2012, An introduction to multi-stakeholder partnerships Briefing document for the GPEDC High Level Meeting PEP, 2016, Approaches to SDG 17 Partnerships for the Sustainable Development Goals (SDGs), edited by the Global University Network for Innovation (GUNi), 2018, C&A Foundation, Annual Report 2018, Private-Sector Collaboration for Sustainable Development, BSR and The Rockefeller Foundation, 2018





#### 5. Clear, transparent communication

**Clear, transparent communication** – A collaborative approach to bring systematic change, involving multiple stakeholders can be challenging. It therefore becomes crucial to build trust among stakeholders through continuous, open dialogue. There should be a clear and transparent communication should be ensured to nurture relationships, accommodate and resolve differences of opinion and avoid conflict.

Reporting of goals, commitments, progress, results and impacts of initiatives is significant as it helps all internal and external stakeholders realize the effectiveness of the partnership. Apart from this, there should be transparency regarding membership, funding, functioning, governance structures and grievance redressal mechanisms.



#### 6. Effective Governance

**Effective Governance** – Well-functioning governance frameworks enable efficient, transparent and balanced decision-making. The fair representation of all partnership stakeholders in the decision making process pivotal. It is also recommended to have a Code of Conduct and clear decision making guidelines defined and circulated with all partnership stakeholders, from the very start.

With the growth of the partnership, it is possible that the size, scope, stakeholder engagement, activities, systems and processes may evolve. The governance structures and mechanisms should evolve accordingly. As the partnerships advance, they may establish a governing body such as a steering committee to make strategic decisions and steer the activities towards the intended outcomes. Moreover, it is important to have a culture of reflection to learn from past mistakes and to increase the efficiency of operations.



#### 7. Accountability Mechanism

**Accountability Mechanism** – Accountability is widely reported at one of the critical success factors for partnerships. It is important to have mutually agreed upon metrics and performance indicators for all internal and external stakeholders – including target beneficiaries. Monitoring and evaluation (internal and third-party) procedures facilitate shared learning outcomes and facilitate effective decision making.



#### 8. Building new alliances

**Building new alliances:** At times, to bring transformative change, it becomes necessary for partnerships to break free from the comfortable pattern of working with the ‘usual players’ in order to forge new and unique alliances. Such alliances often lead to new, innovative and transformational interventions. However, working together unusual partners is not always easy as they may share different views and may not always agree on the same points. In such cases, it becomes necessary to work on the commonalities rather than dwelling on the differences, so that at the end, all stakeholders have one unified voice.