



Members Fortnight Call – Opening Statements

The Food Network for Ethical Trade – Every fortnight 10 – 11 hrs



Competition Law and Safe Space Statements

Participant Identity:

*Please display your **name** and the **business name***

Competition Law Statement

“We are meeting to discuss issues raised in the forum of the Food Network for Ethical Trade.

We take competition compliance seriously. Whilst discussions can cover matters of interest to our industry, we cannot discuss or exchange sensitive commercial information.

If at any time during this meeting, you think our discussions may be in breach of competition rules, please inform the Chair. The Chair may close the meeting at any time if the chair believes that discussions are in breach of competition law”

Safe Space Statement

The fortnightly members call is a safe space for members to discuss and exchange ideas on human rights risks and improvement actions and all are reminded to please always respect this principle.

Agenda 10th January 2024

Timing	Item
10.00 – 10.05	Introduction & competition law statement
10.05 - 10.20	IHRB Top Ten Issues for Business and Human Rights 2024 – Neill Wilkins, Head of Migrant Workers Programme
10.20 – 10.25	Insights into “Top 10 Business & Human Rights Risks for 2024” from Jonathan Drimmer & Paul Hastings – Lou Nicholls FNET
10.25 - 10.30	FNET Business Reminder : Members of the RR WG to complete the survey on EPP Commitment New Members Forthcoming Meeting Schedule AOB
10.30 - 11.30	Sedex/FNET call

Neill Wilkins

Head of Migrant Workers Programme
Institute for Human Rights and Business





The 75th Anniversary of The Universal Declaration of Human Rights

- Devised after the horrors of WW2
- Launched 10th Dec 1948
- Part of the newly founded United Nations
- 30 Articles to protect a range of rights

The rights and freedoms outlined in the UDHR belong to everyone and no-one can take them away from you. They form the basis of international human rights laws.

IHRB Top Ten Issues for Business and Human Rights 2024



FARM

Protecting agricultural workers and smallholders amidst rapid changes in food production and distribution.



FACTORY

Developing collective empowerment and new partnerships between workers and employers as technology reshapes the factory floor.



OFFICE

Responding to employee desires for greater flexibility and wellbeing in the workplace.



ONLINE

Balancing free expression with the urgent need to combat hate speech and disinformation.



MINES

Learning from past mistakes and maximising social benefits of the green rush for transition minerals.



OCEANS

Ensuring that rights protections and shared prosperity are at the heart of a sustainable blue economy.



SPACE

Establishing standards and accountability for emerging industries working beyond Earth's atmosphere.



CITIES

Encouraging smart, green, inclusive, and equitable infrastructure.



BORDERS

Building on the benefits of migration for all countries by protecting migrant worker rights.



NATURAL WORLD

Creating business strategies to halt and reverse nature loss and associated human rights impacts.



FARM

Protecting agricultural workers and smallholders amidst rapid changes in food production and distribution.

Climate crisis

- Where crops are grown
- Nature of crops
- Crop failure
- Pests and diseases
- Heat stress for agricultural workers

Technology

- Automation
- Genetic modification
- Seed patents
- Cost of chemicals / fertiliser

Horticulture / Agriculture / Factory Farming

- Hydroponics
- Vertical growing
- Regenerative agriculture

Alternatives to meat

- Plant based
- Insect based
- Lab grown



FACTORY

Developing collective empowerment and new partnerships between workers and employers as technology reshapes the factory floor.

Automation / Robotics

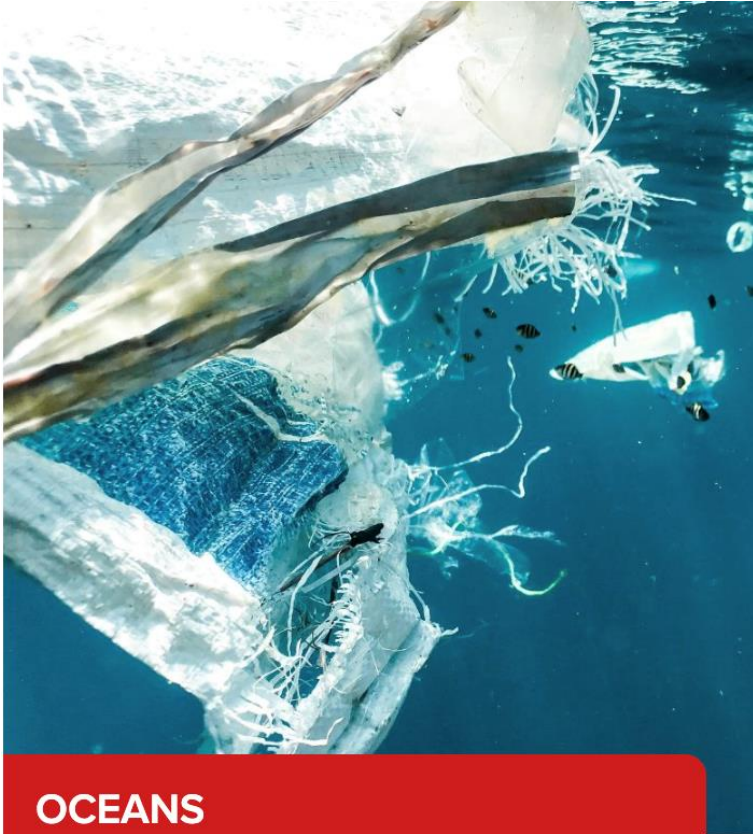
- Less workers
- More skilled workforces required/ Training
- Less manual labour
- 24 hour operations

More Conglomerates

- Financial / political leverage
- Changed stakeholder relations
- Local diversity

Labour Relations

- Online first
- Agency working
- Zero hour contracts
- Challenge to trade unions
- Retrenchment / Near-shoring
- Due diligence requirements
- Focus on preventing forced labour



OCEANS

Ensuring that rights protections and shared prosperity are at the heart of a sustainable blue economy.

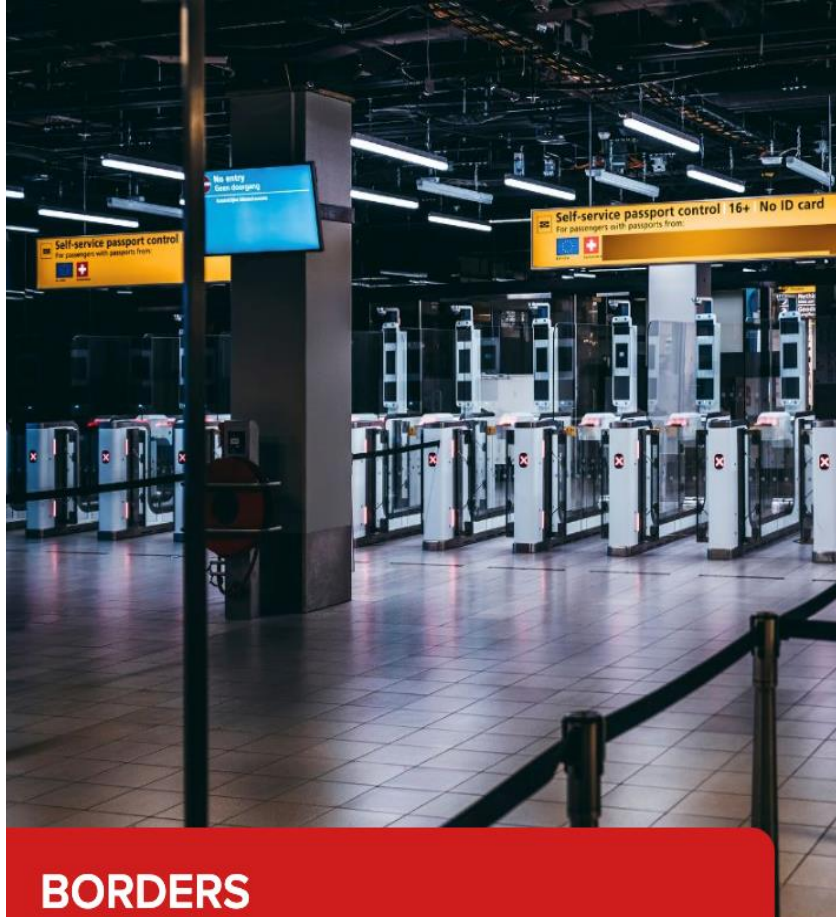
Healthy oceans and human rights

- The oceans power the planet's freshwater and breathable air systems
- Climate crisis -The oceans store 90% of world's heat and 33 % of world's carbon
- The Blue Economy - Livelihoods, food and power – 7th largest economic sector
- Biodiversity – 80% of world's oceans remain unexplored 91% of marine species remain undescribed
- Culture – One third of all the people in the world live within 60 miles of the sea. Oceans are uniquely bound up in the culture and leisure activities of many people

The Ocean and Human Rights Platform (IHRB and Rafto)

Looking in particular at Shipping, Ports, Coastal Renewables, Aquaculture and Fishing, Tourism, Coastal Communities etc

<https://www.ihrb.org/focus-areas/oceans/ocean-platform/strategy/>



BORDERS

Building on the benefits of migration for all countries by protecting migrant worker rights.

People on the move

- Environmental and economic shocks of climate crisis
- Conflict
- Economic migrants / Rights Refugees

Demographic changes

- Aging populations in the Global North
- Young (restless) populations in the South

Politics of migration

- Political hot potato for governments and business
 - Control / Lack of control
 - Cultural identity
 - Prejudice and discrimination
 - Social cohesion – role for business
 - 169 million migrant workers including 70 million women migrant workers
 - Migrant worker rights
-
- Global Forum for Responsible Recruitment 2024 London – Last 2 weeks of June

TOP 10 + 1 PREDICTED BUSINESS AND HUMAN RIGHTS ISSUES FOR 2024

DEC 21, 2023

Jonathan Drimmer
Paul Hastings LLP
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PAUL
HASTINGS



1. Global Elections

- 2024 is the **biggest election year in history**. [Voters in 40+countries representing 41% of the world's population and 42% of its GDP go to the polls in 2024](#)
- 2023 saw 37 U.S. states consider 165 **anti-ESG bills** and a raft of politically motivated lawsuits and regulatory actions. This will increase exponentially in an election environment.
- Expect violent election social unrest and increased use of technology to interfere with communication to voters

2. CSRD & the Future of Human Rights Reporting

- **Applies from 2024**, covers EU and non-EU companies meeting certain thresholds. Reporting obligations occur in phases, with reports for the first tranche due in 2025
- **Obligations are substantial**, with 12 sector-agnostic standards encompassing a uniform set of disclosure areas. Within the four “S” standards, there are 374 reporting data points alone, out of 1,178 in total
- **Concerns CSRD will usurp resources being applied & level of disclosure for human rights reporting.**

3. HREDDD & The Future of Human Rights Due Diligence

- The Corporate Sustainability Due Diligence Directive (CSDDD), mandating human rights and environmental due diligence for a wide range of EU and non-EU based companies, is **nearing finalization**
- **Requires covered companies to identify human rights and environmental risks and impacts in their operations and supply chains, take steps to mitigate those impacts, monitor effectiveness, and report on their diligence efforts and risks.**
- **Should accelerate Human rights programmes But might drive compliance mentality!**

4. UN Human Rights Council Treaty

- [4th draft international treaty](#) focusing on human rights and transnational corporations has been slowly progressing
- Has broad obligations for states regarding the regulation and oversight of transnational companies, including **mandatory due diligence, protecting victims, conducting investigations**, and providing **broad access to remedy**.
- As the CSDDD progresses toward finalization, expect 2024 to include efforts to align the draft Treaty to create global consistency.

5. Globalization of TCFD and TNFD

- As part of their duties to protect human rights, **numerous governments are on the cusp of adopting mandatory disclosures regarding climate, and nature**.
- **Climate**: most regulatory proposals to date align with the Task Force on Climate-Related Financial Disclosures (TCFD), requiring companies to make disclosures across four areas - **governance, strategy, risk management** and **metrics & targets**.
- **Nature**: TNFD aims to halt and reverse biodiversity loss by 2030 with implementation to follow “a **human rights-based approach respecting, protecting, promoting and fulfilling human rights**”.

6. Net Zero, Carbon Offsets and Human Rights Impacts

- Growing **trend of 100's of litigations on corporate greenwashing on inaccurate social and environmental claims** and growing requirement for environmental certification/net zero claims to be required to demonstrate Human rights risks and impacts have been adequately considered e.g. Carbon credits with links to forced labour in Xinjiang or killing of Human Rights defenders in Amazon
- **Expect more legislation** such as [EU Green Claims directorate](#), [Californian Anti-greenwashing disclosure](#) and **more public reporting linking carbon offsets & renewables to human rights violations**,

7. Return of the MSAs

- As the CSDDD takes final shape, **we can expect continued debate in 2024 over the (in)adequacy of California, UK, Australia, Canada, and New Zealand modern slavery reporting requirements** that companies simply report on the steps they are taking rather than mandating the measures necessary.

8. US & Child Labour

- [U.S. Department of Labor reports that violations of child labour laws have increased 88% from four years ago](#) for a variety of reasons: labour shortages especially in lower-paying service-sector jobs; inflationary impacts on households pushing children into the workforce; thousands of unaccompanied minors that have come to or find themselves in the U.S.; and criminal exploitation.
- Led to a polarized debate. [11 states have responded by making it easier for children to work](#), including relaxing some standards contrary to federal law. [Four states have done the opposite, enacting laws to strengthen child labour protections](#).
- Positions will further entrench in 2024 with federal and state elections

9. Corporate Accountability

- **Expect more litigation by investors, civil society and shareholders against companies that face a reduction in value or stock price because of human rights allegations.** There will be more cases involving transnational torts in home and host countries. More activity by regulators and consumers regarding allegedly false marketing claims is a near certainty. More suits that name boards of directors, to emphasize the importance of exercising careful oversight, is likely. Just as France has seen a sharp uptick in cases under its Duty of Vigilance Law, we will see the same in Germany under its Supply Chain Due Diligence Act.

10. Human Rights and the Energy Transition

- Throughout 2023, there were reports around the world of **human rights issues associated with mining and processing minerals critical for the energy transition, including land grabs, deforestation, water pollution, and carbon emissions from nickel mining in Indonesia, of child/forced labour related to extracting cobalt in DRC, of water quality/quantity impacts, and harms to indigenous peoples, from lithium mining in South America, and of food insecurity in Tunisia.** They included concerns of water pollution from aluminium processing in Brazil, and protests in Bolivia connected to allegations that its mined lithium is linked to forced labour abuses in Xinjiang. The disposal of batteries, turbines, and other components of the energy transition are also causing human rights and environmental unease.
- **As the green energy transition progresses, these reports, and the underlying human rights concerns, will increase.**

11. DEI/Anti-DEI

- [In June 2023 , the U.S. Supreme Court ruled that race-conscious admissions programs at Harvard and the University of North Carolina violate the U.S. Constitution.](#) The Court concluded assigning students to racial categories and making admissions decisions based on them was imprecise and overbroad.
- **While the case does not address private employer hiring policies, it has changed the overall environment in the U.S., and companies can expect more scrutiny of their DEI programs in 2024.** Shortly after the decision, 13 state attorneys general sent a letter to 100 of the biggest U.S. companies arguing that the ruling could apply to private entities. Since then, legal challenges to employers' DEI programs, including internships, fellowships, and incubator programs or policies tying employment decisions to diversity goals, have been increasing. We expect in 2024, more companies face reverse discrimination lawsuits, and positions will further entrench with federal and state elections

Responsible Recruitment WG Survey

The Employer Pays Principle

No worker should pay for a job - the costs of recruitment should be borne not by the worker but by the employer.

- Last week a survey was sent out to all members of the Responsible Recruitment Working Group
- The survey is to collect baseline data on FNET Member business' commitment to EPP
- Please complete the survey by the deadline of 24th January 2024 to capture the information to provide accurate data.
- It should take less than 10minutes.
- Any queries to FNET Team or WG leads

FNET - New Member Growth



- Following the outreach in December to all retailers, please follow up on any supplier leads and inform FNET team so we can add to the member pipeline action log.
- We welcome our recent New members who are:
 - Yeo Valley – October 2023
 - Westfalia Fruit – November 2023
 - Premier Foods – April 2024
- Information to support the outreach is available on request.

FNET - Member Queries



1) Factory Overtime Working Advice

“We have a reoccurring problem at a factory whereby workers are agreeing to overtime in the morning but at the end of their core working hours change their minds and instead go home. Overtime is of course voluntary, but it disrupts production when overtime commitments change last minute. Does anyone have any guidance on how best to manage this issue“

2) SIZA and SEDEX SAQ (tbd in Sedex meeting at 10.30)

An FNET member has some concerns around retailer's stances on the completion of the SEDEX New SAQ regarding SIZA sites specifically.

New co-lead for Raw Materials and Services working group



Quarterly newsletter - advisors



Upcoming FNET meetings



- **Developing common due diligence tools working group** – 17th January 2024 10-4pm Melton Mowbray
- **Climate Change & Human Rights group workshop** – Thursday 18th January 1-3pm
- **Raw Materials and Services WG** – Wednesday 24th January 1-3pm
- **Empowering Work working group** – Thursday 25th January 2-4pm
- **Responsible Recruitment working group** – Tuesday 30th January 2-3.30pm
- **Save the date** – **All Members Meeting** – Tuesday 18th June – 9-4pm – Tesco Heart Building Welwyn Garden City

Agenda 10th January 2024: Sedex/FNET

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10.30 – 10.35	Sedex weekly call
10.35 – 10.50	FNET Member Sedex questions/concerns
10.50 – 11.00	Update on SAQ roll-out
11.00 – 11.15	SMETAx update
11.15-11.30	AOB & close

Some FNET member questions: SIZA (part 1)

1. Are SIZA certificates going to be available on the new platform? We understand that currently you have to look in Sedex Advance and can't locate them in the new platform.
2. Have some of the old reports been removed as they don't seem to be available in analytics. Is this the case?
3. Have the risk rating reports been changed since last year? Are they considered to be up to date if a supplier has completed the new SAQ
4. We understand SIZA incorporated the new SEDEX SAQ questions into their own SAQ back in June 2023. So, all sites that have had SIZA membership renewal dates since June have completed the new version of the SAQ and these have been transferred over to SEDEX?

Some FNET member questions: SIZA (part 2)

SIZA sites update their SAQ every year within no more than 90 days of their membership renewal date.

Issue 1: For sites that have not yet needed to renew their yearly SIZA membership (renewal dates January-May 2024), they will not have completed the new SAQ yet and will not meet some retailer's deadlines of having this done by the end of January 2024.

Issue 2: When it gets to March 2024 which is when SEDEX plans to archive the old SAQ, sites with SIZA membership renewal dates of March-May 2024 run the risk of having no SAQ visible on the SEDEX platform unless there is a way to access/share the archived version.

The only way growers can get the New SAQ completed for the retailer deadline (January 2024) or the SEDEX archive deadline (March 2024) would be to renew their SIZA memberships months early which would incur further costs for growers and further admin for SIZA.



Additional member questions



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