

FWF Guidance for Affiliates:

Risks related to Turkish garment factories employing Syrian refugees February 2015

This guidance document is published in line with FWF's Brand Performance Check system's 'High Risk' policy as outlined in indicator 2.6. Please see Section III for more details.

I. Background

Since the start of fighting in Syria in 2011, it is estimated that 1.6 million refugees have escaped to Turkey. There is currently only space for 220,000 people in formal refugee camps in Turkey, and while the Turkish government has been widely acknowledged for their support of refugees, international aid has not kept up with the growing needs¹. As the number of refugees increases, and the length of their stay in Turkey grows into months and years, refugees are understandably looking for ways to earn an income.

Risk assessment - human rights due diligence

FWF's own investigations, consultations with stakeholders, and news reports all indicate that there is currently a high risk in the Turkish garment sector of the following issues:

- Employment of Syrian refugee children
- Discrimination against undocumented Syrian refugees, for example, widespread failure to pay legal minimum wages (payment of as little as 50% of legal minimum has been reported), social security, and other legally-mandated benefits.
- First-tier suppliers subcontracting work to 'hidden' factories employing large numbers of refugees, often working in unhealthy and dangerous conditions.

These issues constitute violations of the following elements of the FWF Code of Labour Practices:

No exploitation of child labour

In Turkey, employment of children younger than 15 years of age is prohibited². Workers aged 15 to 18 can be employed only under special conditions, and work must not interfere with school for

¹ http://data.unhcr.org/syrianrefugees/country.php?id=224

² Children who are fourteen years old and have completed their primary education may be employed in 'light work' that will not 'hinder their physical, mental and moral development' According to Turkish law, the textile and garment industries DO NOT meet this requirement; therefore all textile and garment workers should be at least 15 years of age.

those pursuing a secondary education (e.g. high school). In any case, juvenile workers may not work more than 40 hours per week. A copy of the personal identification card, showing a worker's age, is among the documents which must be kept in all employees' personnel files.

A legally-binding employment relationship

Workers without the legal right to work cannot enter into a legally binding employment relationship. The lack of a legal employment contract puts workers at high risk for abuse and exploitation, because they have no recourse to the law if their rights are violated and have no access to related provisions such as social security, healthcare etc.

There is no discrimination in employment

A number of international treaties (including International Labour Organization (ILO) Conventions 100 and 111 on discrimination and equal remuneration) state that no discrimination may take place in employment on the basis of race, colour, sex, religion, political opinion, national extraction or social origin and remuneration must be equal. The ILO convention on Migrant Workers (ILO C143) also states that migrant workers, regardless of legal employment status, should have the same human rights as any other workers. This means that it is never acceptable to offer undocumented refugee workers lower pay, unsafe conditions or to otherwise discriminate against them.

Payment of a living wage

While FWF focuses on working towards a *living* wage over time, FWF expects immediate compliance with *legal minimum* wages for all employees, in all situations.

Safe and Healthy Working Conditions

FWF has received numerous reports on the increasing use of unauthorised subcontracting to unregistered factories which employ refugees in dangerous conditions, for example neglecting fire safety.

A difficult situation

The percentage of factories at risk for the issues outlined here is difficult to estimate, however reports indicate that refugees have moved to many areas across Turkey, so factories far from the Syrian border can still be at risk.

The issues in this situation are complex and difficult to resolve, given the scale of the humanitarian crisis, and the lack of adequate resources to support the 1.6 million refugees who are trying to find ways to fulfil basic needs. FWF is in discussions with a range of stakeholders to develop prevention and remediation strategies, and is monitoring possible changes to Turkish law. FWF will be providing guidance to affiliates as those discussions continue.

At this time two points are very clear. 1) Under no circumstances should the vulnerability of refugees be used to deny them their basic human rights. FWF considers arguments like "paying refugees half the minimum wage is better than them having no income" to be unacceptable and no justification for exploitation. 2) Child labour is never acceptable. Efforts must be made to prevent it, and appropriate steps must be taken to remediate child labour when it is found.

II. What should affiliates do now?

Prevention

As a preventive step, FWF affiliates sourcing in Turkey should consult with their current or prospective suppliers to emphasize that employment of underage workers is in violation of the FWF Code of Labour Practices, as is discrimination against migrant workers. FWF affiliates should also ensure that all subcontractors are identified and are included in their monitoring systems. All standard FWF procedures (e.g. posting of Code of Labour Practices, option to participate in the Workplace Education Programme, etc.) also apply to subcontractors. Suppliers should clearly understand that use of unauthorized subcontractors is not acceptable, due to the high risk of rights violations.

Normally, FWF recommends that all suppliers should be visited at least once per year by affiliate staff to assess risks. FWF strongly encourages affiliates to schedule visits to Turkish suppliers in the first few months of 2015, and to allocate resources for follow-up visits later in the year. As an affiliate, you should ensure that suppliers understand your perspective on these issues and your expectations for treatment of workers according to the Code of Labour Practices. For suppliers where risks of violations related to refugee workers appear high, affiliates should investigate whether other customers have recently conducted high-quality audits, or consider commissioning audits themselves with special emphasis on investigating the risk of unauthorised subcontracting (and mistreatment of Syrian refugee workers).

Affiliates should also ensure that any agents or intermediates working on their behalf are aware of the risks outlined here.

Remediation

Remediation of Code violations related to undocumented refugees is likely to be complex. Best practice recommendations are evolving, and affiliates are encouraged to contact FWF staff for advice on the latest developments should they need to begin a remediation process.

Remediation efforts should keep the following points in mind:

- Affiliates have the responsibility to remediate unfair treatment of Syrian workers, whether found at their suppliers, or authorised subcontractors or unauthorised subcontractors
- FWF policy does not allow affiliates to immediately terminate business relationships when problems are found. Affiliates are expected to remain engaged with suppliers and to work to fix problems. Business relationships may be terminated only after consultation with FWF.
- The <u>FWF Child Labour Policy</u> should be implemented if child labour is found. This includes ensuring that children are removed from the workplace, enrolled in school, and that financial support be provided to the child's family until the child reaches legal working age. Please refer to the policy for details. Steps should be taken to ensure that any Syrian children involved in a remediation process are enrolled in education appropriate to their needs. Local, specialist advice should be sought in such cases.
- The Turkish government has announced plans for new legislation which would provide options
 for Syrian refugee workers to obtain work permits. This legislation is reported to also contain
 provisions for basic healthcare and formal education of Syrian refugees living in Turkey.
 Should such legislation come into force, affiliates should actively encourage suppliers to secure
 work permits for any Syrian workers employed at first-tier or subcontractor facilities.
- All workers should receive at least the full legal minimum wage for regular hours they have worked and the legal overtime premium for overtime hours. Under Turkish law, a normal workweek for adult employees is 45 hours; adults may work a maximum of 270 hours overtime per year.
- Violations of the FWF Code of Labour Practices which are found at subcontractors must be remediated to the standards as direct suppliers. Responsibility for the remediation should be shared between the affiliate, the supplier, and the subcontractor.
- Given the complexity and sensitivity of the situation, any remediation efforts, with suppliers or subcontractors, should involve consultation with FWF and with legitimate local stakeholder organisations.

III. Relevant Brand Performance Check system indicators

During the round of Brand Performance Checks that will be conducted starting in January 2016 (for affiliate actions in financial year 2015), FWF will pay particular attention to affiliate human rights risk mitigation efforts in Turkey related to the following indicators:

- 1.4 Company conducts human rights due diligence at all new suppliers before placing orders
- 1.5 Supplier compliance with the Code of Labour Practices is evaluated in a systematic manner
- 1.9 Affiliate actively responds if suppliers fail to pay legal minimum wages
- 2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year

- 4.3 All sourcing contractor / agents are informed about FWF's Code of Labour Practices
- 5.1 Level of effort to identify all production locations

Remediation of issues found through audits or reported to the FWF Worker Complaint Helpline will be assessed via the relevant Brand Performance Check system indicators, e.g.:

2.2 Degree of progress towards resolution of existing corrective action plans3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure.

Affiliates' adherence to this guidance document, and overall prevention, risk-management and remediation efforts in Turkey related to Syrian refugees will be evaluated as part of indicator:

2.6 High risk issues specific to the affiliate's supply chain are addressed by the monitoring system.

IV Additional Resources

For more background on the situation and relevant international treaties, FWF recommends the Fair Labour Association's related <u>issue brief</u>.