Questions for garment brands re Syrian refugees in Turkey

Policy:

1. Does your company have a policy specifically prohibiting discrimination & exploitative practices against Syrian refugees? (If so please provide a link to this policy or provide it as an attachment). How is this policy communicated to suppliers in Turkey?

A: The Otto Group’s (OG) social program is based on our company’s Code of Conduct as well as the BSCI CoC which both have clear provisions regarding the prohibition of discrimination and exploitative practices. These provisions are global and very comprehensive and thus do not only cover all countries but also all forms of discrimination (pls refer to BSCI CoC chapter ‘no discrimination’). The acknowledgement of the CoC as well as the Terms of Implementation is one of the preconditions for a business relation. The OG does not have anti-discrimination policies for specific cases. However, we closely communicate with our vendors via our buying office regarding issues and challenges associated with the Syrian refugees in Turkey. All suppliers have been advised in 2014 and 2015 that the employment of Syrian refugees under Turkish law is illegal and that special focus should be put on their employment practice.

Audits/risk assessment:

2. How many first tier Turkish suppliers does your company have? 76

3. How many have been audited since 1 Jan 2015? What percentage of audits have been unannounced?

A: 37 have been audited in 2015, all audits have been announced. We are in the process of changing audits from unannounced to semi-announced.

4. Does your company carry out audits beyond the first tier? If so what percentage of second & third tier Turkish suppliers have been audited since 1 Jan 2015 and what percentage of these audits have been unannounced?

Our focus lies on the first tier audits.

5. Do the audit & monitoring teams have Arabic-speakers who have received special training tailored to the situation of Syrian refugees, and do they speak with the workers confidentially?

Again – until Jan 2016 it was illegal to employ Syrian refugees in Turkey so we focused on this policy. As for the audits: We are using internal auditors as well as external auditors. Internally, we do not have Arabic speaking auditors who have received special trainings, but the auditors do speak confidentially with workers. As for the external auditors, some of them speak Arabic and confidential worker’s interviews are an integral part of the audits.

6. How does your company address the possibility of undeclared subcontracting in its supply chain?

Undeclared subcontracting is a major challenge in international supply chains. The Otto Group has a very strict policy regarding “Illegal subcontracting”. All factories that a supplier wants to use for OG production must be audited and approved prior to a first order placement and are subject to regular monitoring. We have systems in place to monitor strict adherence to this policy. Our strong focus however lies on training and qualification programmes for vendors and factories.

7. Has your company identified supplier factories employing Syrian refugees in 2015? If the answer is yes please state how many factories, if possible
We have so far identified 3 factories employing Syrian refugees, only one case – back in 2014 - was ‘officially’ identified through an audit. In one case we drew conclusions from other findings in an audit report, one case was disclosed through the OG qualification program.

8. Has your company identified supplier factories employing Syrian child refugees in 2015? If the answer is yes please state how many factories, if possible
   No, we did not identify any Syrian children in the factories.

Remediation:

9. When Syrian refugees are identified at a supply factory, what process does your company expect the supplier to follow? In particular please state whether they remain in employment.
   In order to secure the welfare of the Syrian workers and to avoid that they are pushed further down into illegality, we chose a remediation approach. The worker should temporarily stay in employment but a remediation plan must be set up together with the factory. Since the Turkish Government has just recently published new regulations that (under certain conditions) will allow Syrian refugees to apply for work permits, the process will be adjusted accordingly.

10. Does your company have a remediation plan that addresses instances of discrimination/abuse against Syrian refugees in its supply chain? If yes please provide details of the plan, how it is communicated to refugees, and examples of outcomes if available.
   We do not have one specific remediation plan in place but dealt individually with the few cases that we identified.

11. Does your company work with any local NGOs or trade unions to provide remediation services to refugees?
   No, not yet. But we are in contact with unions and NGO’s.

12. As Syrian refugees cannot receive social security benefits at this time, is your company taking steps to ameliorate the impact of this?
   As mentioned above, until January 2016 the Turkish authorities did not allow for Syrian refugees to apply for working permits and no social security benefits were granted. Placing orders in Turkey, it is therefore important for the OG to cooperate with partners that abide by the Turkish laws and regulations and we could not allow our vendors to employ Syrian refugees. However, we engaged ourselves in Round Tables and bilateral talks to promote better rights for Syrian refugees.

Capacity building

13. Has your company undertaken any specific training with its first tier suppliers on this issue?
   Yes. All suppliers have received comprehensive information and all of our strategic and important suppliers in Turkey have taken part in our 10 month qualification programme. One part of this programme is dedicated to this issue.

14. What steps has your company taken to ensure that your policies/approach are being implemented by suppliers beyond the first tier?
   We are striving for a cascade effect in our supply chain; first tier suppliers are being trained so that they can and will train their suppliers along the chain.

Stakeholder engagement
15. Does your company engage with local civil society groups and trade unions on this issue, for instance, in negotiating a policy position & carrying out risk mapping?
   We cooperate with trade unions and NGO’s via Round Tables and bilateral contacts.

16. Does your company work with trade unions on identifying health & safety risks for Syrian refugees (where communication may be difficult)?
   No, the number of cases identified in our supply chain so far was very small.

17. Does your company work with trade unions or other partners to offer training and education programmes for refugees?
   No.

18. Has your company engaged the Turkish Government regarding the legal framework for Syrian refugees?
   Yes

Other information

Please provide any further information regarding your company’s activities on this issue which you think are relevant.

On a general note: The Otto Group is aware that as a neighbouring country, Turkey is a first point of contact for many Syrian refugees and we are monitoring the situation closely – not only in Turkey.