



Findings from the OECD Alignment Assessment Pilot

13 February 2019, 17:00-16:00

Objective of the session

This session will launch the pilot Alignment Assessment report and look at the findings and learnings from the pilot as well as explore the next steps of the OECD Alignment Assessment process.

Background

Industry-led and multi-stakeholder initiatives that incorporate due diligence expectations can represent a strong inducement for companies to carry out due diligence and provide valuable opportunities for shared learning. However, a proliferation of expectations at a domestic level or across initiatives can create challenges for businesses operating globally who may be subject to various expectations. The OECD Garment Guidance is the negotiated and government-backed benchmark for due diligence by industry, multi-stakeholder and government backed initiatives. In order to support a common understanding of due diligence while also enabling cross-recognition between programmes, the OECD carries out evaluations to assess the alignment of multi-stakeholder and industry initiatives with the OECD Garment Guidance. This process, called the OECD Alignment Assessment process is voluntary and was piloted with the Sustainable Apparel Coalition in 2018.

The OECD Pilot Alignment Assessment of the SAC Brand & Retail Module

The Sustainable Apparel Coalition (SAC) is a membership-based organisation that comprises of over 200 brands, retailers, manufacturers, academic institutions, governments and non-governmental organisations. SAC corporate members represent over \$500 billion annual revenues combined in the apparel and footwear sector.¹ The SAC Higg Brand & Retail Module (Higg BRM) is a self-assessment tool that seeks to assess the environmental and social performance of SAC brand and retail members. In 2018, the OECD carried out a Pilot Alignment Assessment of the SAC Higg BRM (Beta version) and corresponding guidance, the “How to Higg”. The following provides a brief overview of the scope of the assessment and its findings.

Scope of the assessment

For the purposes of this pilot, the OECD focused its evaluation on the sections of the Higg BRM that relate to the due diligence of brands and retailers on their supply chains and not on their due diligence of their own operations and the downstream effects of their products.²

¹ SAC Website, <https://apparelcoalition.org/members/>

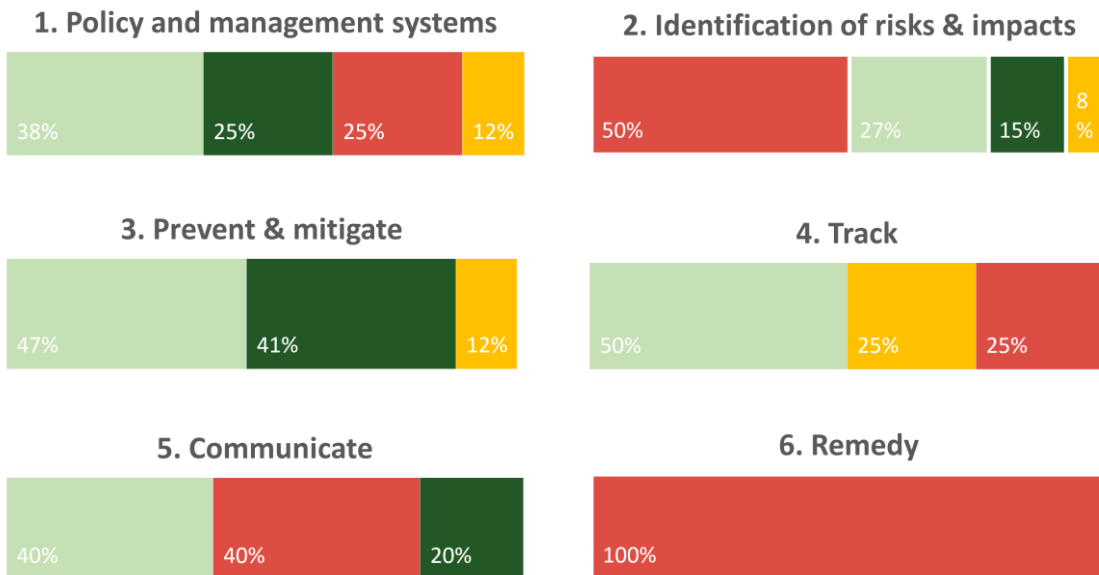
² While the pilot included a narrow scope of the Higg BRM for the evaluation to test the OECD methodology, the OECD Garment Guidance calls on companies to carry out due diligence on their own operations as well as on their supply chains. In practice, this means that brands and retailers should identify and address risks and impacts linked to their retail, procurement, employment, warehouses, the transportation of their products, and the use and end of life of their products in addition to risks and impacts that may be linked to the

Snapshot

This snapshot shows the alignment of the Higg Brand & Retail Module (Higg BRM) with the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector.



Overall alignment with the 6 steps of the OECD due diligence process



Collaboration



For more information

- The Pilot Alignment Assessment Tool and findings can be found online, <http://mneguidelines.oecd.org/alignment-assessment-due-diligence-garment-footwear.html>