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# **Message from** the board

2022 was the year in which the Covid pandemic and related restrictions ended. This made it possible for partners to meet with workers and for Arisa staff to visit partners in South Asia and vice versa. The face-to-face contact brought back the energy, projects were quickly resumed and delays were caught up. The global pandemic has caused serious impacts in the countries where we work, such as increased child labour, a learning gap and increased pressure on workers. This makes the work of Arisa even more urgent.

We are concerned about the shrinking space in South Asia for organisations to express their views and the lack of pressure from European countries to change this. Arisa is tackling this with other civil society organisations. Human rights due diligence is a hot topic in Europe. All of the above is followed closely by Arisa, and we work to ensure that the voices of South Asian workers are heard in the process.

A few years ago, Arisa expanded its scope to other South Asian countries. Now we also have a foothold in Bangladesh and Pakistan. Another positive development is that we have managed to diversify our funding base. The new funds will be used to expand our work on caste-based discrimination. Last but not least, in this annual report you will read about the positive results Arisa has achieved, improving working conditions and the lives of large groups of workers and their families. We are grateful to the management, staff, financiers, partners and all others who work tirelessly for fair and decent working conditions. Happy reading!

# ons on 2

In 2022, the world continued to recover from the COVID-19 pandemic. Everyone began to find their footing again while also trying to take advantage of the opportunities presented by this year of recovery, transition and adaptation. At Arisa, we broadened our focus to Pakistan and Bangladesh, travelled to India to assess the impact of the pandemic on partners and projects, and made due diligence on human rights and shrinking civic space - in South Asia as well as in Europe and the Netherlands - even more central to our work. Our activities in 2022 contributed to our commitment to eliminate and prevent human rights violations from international supply chains.

The global pandemic made it impossible to visit partners and projects in South Asia for two years, but in 2022 we were able to travel to India again. The visits confirmed to us how **important** it is for projects and partnerships to meet face-to-face to discuss with partners how we can mutually reinforce each other's work. The partners of Work: No Child's Business (WNCB) in India met for the first time in two years and were able to discuss the programmes' progress and set an advocacy agenda for the forthcoming period. In Rajasthan, Tamil Nadu and Andhra Pradesh, Arisa reviewed the situation of the partners and projects and discussed how to strengthen our partnerships.

2022 showed a clear trend of the Dutch government withdrawing from sector initiatives. Early this year, the Dutch government withdrew from (new) International Responsible Business Conduct (IRBC) agreements. We regret this decision and are troubled by it. We in fact believe that the government has several roles to play in promoting responsible business conduct through its procurement policy, due diligence legislation, trade agreements, diplomatic relations and by using its presence to reinforce the message that companies should exercise due diligence and adhere to the OECD guidelines and the UN Guiding Principles on Business and Human Rights (UNGPs).

Space for civil society is rapidly shrinking in South Asia and elsewhere in the world, as highlighted by the CIVICUS 2022 report. The shrinking civic space in South Asia, in particular in India and Pakistan, impacts the possibility of meaningful dialogue and affects human rights due diligence for responsible business conduct. In June of 2022, two Indian organisations visited the Netherlands. We could not communicate externally about their visit and organise meetings with the **Dutch government** because of their legitimate fear of consequences like losing their registration in the framework of the Foreign Contribution Regulation Act (FCRA) or worse. The Dutch government, however, has a

blind spot for the shrinking civic space in areas such as South Asia, confirmed in the policy note it shared in June of 2022. It focuses on trade while in many countries democracy is under pressure, civil society organisations are targeted and have less and less space to operate. We know that trade comes with major human rights challenges. That is why, during 2022, we expanded our engagement with fellow organisations, companies and governments to raise awareness of human rights risks and issues in supply chains in South Asia and advocate for the Dutch and European governments to take responsibility.

Furthermore, we continued to expand our work to Bangladesh and Pakistan to investigate the issues in supply chains in these countries too and put them on the map with European and Dutch companies and governments. We connected with organisations in Bangladesh and Pakistan through the Together for Decent Leather programme and the Clean Clothes Campaign network and will strengthen collaboration in these countries in 2023.

In 2022, we continued to advocate for due diligence legislation in the Netherlands and EU by strengthening and supporting lobbying efforts of the different alliances we participate in, providing input on government policy papers and advocating the importance of due diligence legislation in all our communications. We also increased our focus on caste-based discrimination in supply chains, an issue we discuss in the report Hides & Hardship, among others. Looking ahead to 2023, the topics of caste-based discrimination, due diligence legislation and the shrinking civic space will remain high on our agenda. We will continuously push them higher up the agenda within our collaborations and networks to call for real change.

Sandra Claassen

Arisa Director

# Stories from South Asia

# 'Mutual trust is key'

Varun Sharma is a board member of Manjari Sansthan, an organisation that aims to improve the lives of women and children of natural stone communities in Rajasthan, India. He shares his experience with the long-standing collaboration between Manjari and Arisa and the value of working together internationally to improve the situation for workers in supply chains.

The foundations of the partnership between Manjari and Arisa

'Manjari is a grassroots organisation for stone quarry workers and their children in Bundi District in Rajasthan. Arisa has been involved with Manjari and has supported the organisation since its establishment. The partnership took off because Arisa saw the capacity of Manjari to strengthen teams doing important work on the ground. Arisa is a potentially interesting partner for Manjari because of its long-standing work and expertise in India.'

'It is essential to our relationships and partnerships with other organisations that both parties communicate openly and direct. Mutual trust is key. Moreover, it helps when we can establish good relationships with the staff of partner organisations. From the very beginning, there was open communication between Arisa and Manjari. During our partnership, we built smooth communication and good relationships with the project staff of Arisa. This ensures that our partnership and collaboration continue to run smoothly.

Working together with Arisa has contributed to the growth and development of Manjari and our work.

"It is essential to our relationships and partnerships with other organisations that both parties communicate openly and direct."

# Collaboration can improve the lives of workers in supply chains

When organisations, companies and other stakeholders collaborate and join forces, we can create more impact in our work. Together, we can help improve the situation of workers and protect the human rights of workers in supply chains. Companies need to understand the risks related to sustainability and human rights violations in their supply chain. We can facilitate dialogue between buyers and suppliers so that companies learn more about the issues and risks in their supply chains. Communication between all stakeholders is essential to address, tackle and prevent abuses throughout the supply chain - from quarries to homeworkers making cobbles.



# Arisa – Advocating Rights in South Asia – works to improve working conditions in supply chains in South Asia. Working with partners in India, Bangladesh and Pakistan, among others, Arisa monitors conditions for workers in the production of garments and textile, leather, natural stone and vegetable seeds. In many supply chains of Dutch and European companies, malpractices and violations of workers' rights occur. Arisa prioritises the position of the most vulnerable in those supply chains and works to eliminate child labour, forced labour and caste-based discrimination. Other key issues we focus on in all our work are supply chain transparency, due diligence and shrinking civic space. 5 ANNUAL REPORT 2022 ARISA



# About Arisa

#### **How does Arisa work?**

Arisa combines several activities and mobilises multiple stakeholders to help solve abuses in complex international supply chains.

#### Research

Arisa investigates the supply chains of Dutch and European companies in South Asia. Research is conducted in close collaboration with partner organisations in India, Bangladesh and Pakistan. In research reports, Arisa provides recommendations for the (the involved) companies, governments and politicians to address the abuses and malpractices found.

#### Companies

Companies have the responsibility to respect human rights. In their business operations, they must identify (risks of) violations, prevent them and provide redress if violations have occurred. This applies to their own company and direct business relations but also to the entire supply chain in which they operate. Arisa appeals to companies' responsibility to respect human rights in various ways. For companies, Arisa is a resource for information, a watchdog, a discussion partner, and a participant in initiatives on responsible business conduct (RBC).

#### Government

Arisa believes governments of countries in the global North must play a pivotal role in stopping human rights violations and abuses in international supply chains in South Asia. Governments, through legislation and monitoring, must hold companies that operate in international supply chains accountable to international agreements to address human rights violations in their supply chains. In addressing governments, Arisa often works together in networks and coalitions.

#### Collaboration

In all its activities, Arisa works intensively with partners, in coalitions and (international) networks. Arisa encourages dialogue on abuses and risks in supply chains between companies and civil society organisations and trade unions.

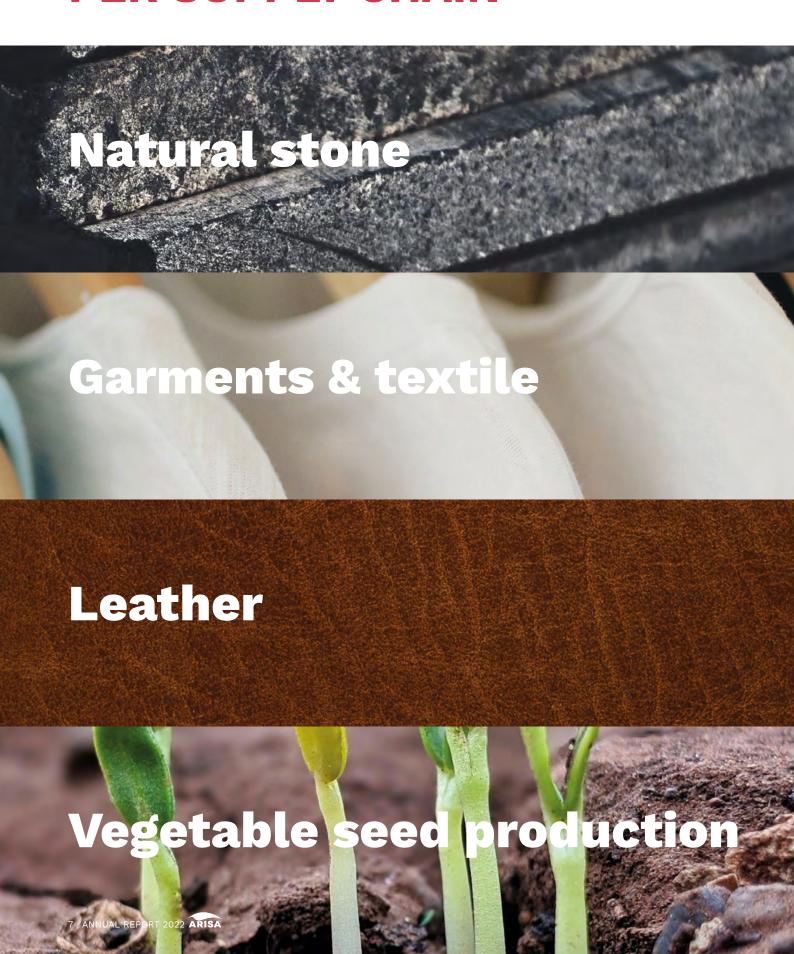
#### South Asia

Arisa works in South Asia where many Western companies source raw materials or outsource production. These are densely populated countries with abundant availability of cheap labour and deeply rooted discrimination against Dalits and other marginalised groups embedded in society. Trade unions are few, and union freedom is under pressure. All this, combined with weak government supervision, makes labour rights violations frequent in this region.

#### The results

Arisa identifies abuses and malpractices and works on structural improvements in supply chains. Arisa contributes to better living and working conditions in South Asia: children go to school instead of working, exploitation is tackled, wages are improved and dismissed union members are allowed to return to work.

# ACTIVITIES & ACHIEVEMENTS PER SUPPLY CHAIN



ACTIVITIES & ACHIEVEMENTS PER SUPPLY CHAIN

# Ratural stone

## **NATURAL STONE**

#### Case example: TruStone

In 2022, Arisa actively engaged in performing risk assessments in several production countries where TruStone member companies source their natural stone. Working with other civil society organisations, Arisa conducted risk assessments in Egypt, Vietnam, China, Turkey and Brazil. These assessments provide specific information on the human rights risks existing in the supply chain of natural stone companies and make recommendations to address them. The results of the assessments are being shared and discussed with the companies, and follow-up activities are to be developed in 2023.

Given the South Asian focus of Arisa, our organisation is involved in activities in India, particularly in Rajasthan. Since 2020 a series of stakeholder dialogues took place between the Trustone Secretariat, Dutch and Flemish companies that participate in the Initiative, Indian suppliers of sandstone, and civil society organisations in Rajasthan and Arisa. The dialogue sessions continued into 2022. The aim of the dialogue is to create an impact for the workers in the supply chain by sharing challenges and good practices, and jointly formulating practical solutions to achieve a responsible and sustainable sandstone sector in Rajasthan. The dialogue will carry on in 2023.

Together with the other TruStone civil society organisations, Arisa analysed the progress of TruStone member companies by reviewing their plans of action. It is clear

that TruStone companies are making progress in mapping their supply chain and understanding the risks. How to address the negative impact of their operations often remains unclear and cannot be assessed from the plans of action. The analysis was discussed at a self-evaluation event in June 2022 in Antwerp by all parties of the TruStone initiative. A similar analysis will be conducted in 2023.

The role of Arisa within the TruStone Initiative is to continue to raise awareness of human rights violations and risks in the natural stone sector. Throughout the year, Arisa has engaged in discussions on the responsible procurement of natural stone by companies and responsible procurement by government institutions and municipalities. Arisa will continue to do so in 2023.

# NATURAL STONE

#### More on our work in natural stone supply chains in 2022

## Natural stone sustainability programme

In 2022, one of the participating companies in this project, Michel Oprey & Beisterveld (MO-B), decided to withdraw from the project. Arisa was very disappointed by this decision, as the project aims to improve the conditions of workers in the natural stone supply chain in India. Participating companies commit to improving their policies and practices and support their suppliers to do the same. MO-B's withdrawal gives the impression that it is not committed to corporate responsibility. The other two companies, Jetstone and Stone, did continue with the project. Under the guidance of Arisa, risk assessments have been carried out at their suppliers in India. In 2023, the project moves forward with implementing the recommendations from the risk assessments, bringing in the companies, suppliers and workers.

## Zero tolerance against child labour in the granite sector

Arisa is collaborating on a project with Arte Group, its supplier, the Indian organisation MVF and a team on the ground to eliminate child labour in the granite sector. By 2022, many activities were carried out in this project related to eliminating child labour in Arte Group's granite supply chain.

Due to the pandemic, the number of children dropping out of school in the project area has increased over the past year. MVF has been working hard to counter this. Evidence shows that the number of children dropping out of school is decreasing again; the number of children attending school is back to the level before the situation was

disrupted by Covid-19. The team on the ground has made a lot of progress in establishing relationships with the various stakeholders - workers, contractors, management staff, business owners and industry associations. These stakeholders have been made aware of child labour and fundamental labour rights.

At the beginning of the project, local business owners were unwilling to engage in the conversation about child labour. Thanks to MVF and the field team's engagement with the business community, we are now seeing a change in attitude. The issue of child labour is now talked about as well, on top of which the Factories Association has taken the concrete step of asking their members to ensure that their factories are free of child labour. Other labour rights issues - such as occupational health and safety, social security and working hours - are now discussed with entrepreneurs, as are the living conditions of the many migrants working in the area's quarries and processing factories. These are important outcomes that we will build on in 2023.

#### Work: No Child's Business -Rajasthan

Under the Work: No Child's Business programme, Arisa works with ARAVALI and Manjari Sansthan in Rajasthan. Besides community efforts to raise awareness about child labour and support children in their education. significant work is also being done by the private sector and natural stone workers. In several districts in Rajasthan, workers are being educated about labour rights and organised into labour interest groups. In parallel, owners of quarries and boulder factories are made aware of responsible entrepreneurship. In 2022, preparations started for a court case on silicosis, a serious health hazard for natural stone workers.



# Garments & textile

# **GARMENTS & TEXTILE**

#### Case example: Meaningful stakeholder engagement

Arisa believes dialogue with civil society organisations and trade unions in South Asia, for example on risks of forced labour and how to address these, is an important part of responsible business conduct. Experience learns that companies currently fall short in this regard. In May 2022 the Social and Economic Council of the Netherlands (SER) launched the project 'Meaningful stakeholder dialogue in international supply chains'. With this project, the SER aims to support companies to put meaningful dialogue with trade unions, civil society organisations and other stakeholders affected by business activities in practice. Arisa is actively involved in this project, contributing specific case studies on stakeholder dialogue, e.g. in the garment sector in South Asia. Analysing the specificities of the dialogue between Dutch companies, Arisa and South Asian NGOs and trade unions led to a concept paper on meaningful dialogue, that will be further discussed in 2023. Arisa also promoted the dialogue with South Asian organisations. In June 2022, during a visit of the Garment Labour Union, a meeting was organised with the SER project team to share experiences on dialogue with companies and on how stakeholder dialogue can be further improved. A core subject the organisations raised is the importance of civic space as a precondition for meaningful stakeholder engagement.

Arisa believes that dialogue with civil society organisations and trade unions in South Asia, for example, on risks of forced labour and how to address them, is an important part of responsible business conduct. Experience shows that companies currently fall short in this regard.

In May 2022, the Social and Economic Council (SER) launched the project 'Meaningful stakeholder dialogue in international supply chains'. With this project, the SER aims to support companies to put meaningful dialogue with trade unions, civil society organisations and other stakeholders affected by business activities into practice. Arisa is actively involved in this project, contributing specific case studies on stakeholder dialogue, such as on the

garment sector in South Asia. The analysis of the dialogues between Dutch companies, Arisa and South Asian NGOs and trade unions led to a concept paper on meaningful dialogue. This will be the subject of further discussion in 2023. Arisa also promoted dialogue with South Asian organisations.

In June 2022, during a visit by the Garment Labour Union in the Netherlands, Arisa organised a meeting with the SER project team to exchange experiences on dialogue with companies and how to further improve stakeholder dialogue. A key issue raised by the organisations was the importance of civic space as a prerequisite for meaningful stakeholder engagement.

### **GARMENTS & TEXTILE**

#### More on our work in garments and textile supply chains in 2022

#### **Pakistan**

2022 was a turbulent year in Pakistan. There were severe floods that killed more than 1,500 people and affected the lives of more than 30 million. As a result of the floods, international supply chains of garments and leather were also hit hard.

A small bright spot in this dark year for Pakistan, specifically for workers in the garment and textile sector, was the establishment of the International Agreement on Health and Safety in this sector. The International Accord is a positive development (using the Bangladesh Accord as an example) aimed at improving the health and safety situation for workers in the garment and textile industry. International garment companies that sign the accord commit to taking health and safety measures in their supply chain.

Arisa is committed to expanding its work to other South Asian countries besides India. In 2022, we worked to strengthen our network in Pakistan and made preparations for research on its garments and textiles sector in 2023. In December, Arisa staff met with several representatives of workers' organisations from Pakistan to hear about the problems they face and discuss the need and opportunities for research on working conditions in the garments and textiles sector. Initial ideas for research have been drafted and will be further developed in 2023.

#### Factory Support Programme - Tamil Nadu

In March 2022, Arisa staff travelled to Tamil Nadu to discuss the Factory Support Programme with project partner SAVE and with the suppliers of the companies participating in this project. The main component of the project is a comprehensive training programme in factories and spinning mills that are part of the supply chain of the garment companies participating. After a difficult period for project implementation due to Covid-19, the training programme restarted in late 2021, with the aim of setting up and strengthening workers' committees. Several factories were visited to discuss the training programme. At the end of Arisa's visit to Tamil Nadu, Arisa received some complaints from SAVE project employees about their working conditions at SAVE. These were discussed with SAVE's management and an organisational assessment and financial audit

was conducted following these complaints. In the meantime, project activities were paused.

Although the assessment led to improvements within SAVE's organisation, the process also caused a lot of distrust between Arisa and SAVE. Despite efforts on both sides, it was difficult to restore that trust. In early 2023, after extensive discussions with the other project partners, it was decided not to continue with SAVE as a project partner of the Factory Support Programme. A new organisation was found to implement the training programme in factories and spinning mills.

Arisa will evaluate the process to learn from this experience. Meanwhile, we aim to stay in touch with SAVE to work on restoring confidence in the future.

#### **Urgent appeal work - Clean Clothes** Campaign

In 2022, Arisa joined Clean Clothes Campaign's Case Coordinators Group (CCC) and learned about the particular methodology used by the CCC network to work on urgent requests. In this, we actively contributed to a specific complaint from a trade union in the garment sector in India about a supplier. The issue was brought to the attention of international companies sourcing from this supplier and, as a result, an investigation was carried out. The outcome is still pending and will be closely monitored by Arisa in 2023.

#### Work: No Child's Business - Delhi

The WNCB programme in Delhi focuses on the garment and textile sector. In 2021, Save the Children India and Arisa commissioned two studies on child labour in the garment and textile supply chain. Child labour is still common in east and southeast Delhi, especially in the lower tiers of the garment supply chain. Children help their home-working mothers cut threads, sort cuttings and other tasks. The research commissioned by Arisa tried to establish links between home work and the international garment supply chain. It was not a straightforward task because home work gets outsourced through contractors making it difficult to establish links with exporting companies. Using the information gathered in the study and a survey conducted by Arisa to map the supply chain, we made recommendations to international garment companies on how to identify and address child labour in their supply chain. Follow-up activities, including a stakeholder meeting, will take place in 2023.

# Stories from South Asia

# **Collaboration helps to make** positive changes for workers

Ashraf Uddin Mukut is the Executive Director of the Bangladesh Labour Foundation (BLF), a nongovernmental organisation representing the interests of working people in Bangladesh. He shares his experience with the Together for Decent Leather Programme and discusses the importance of stakeholder engagement in improving working conditions.

#### **The Together for Decent Leather** programme in Bangladesh

'BLF and Arisa collaborated in the Together for Decent Leather programme. The three-year programme (which ended in March 2023) had two components: work in Europe and work in manufacturing countries in South Asia. In Bangladesh, BLF negotiates with the government, employers and other local stakeholders. In Bangladesh's leather sector, however, there is little transparency. It is practically impossible to get information about buyers. The Together for Decent Leather programme has helped us get this kind of information to further our efforts and create more transparency. Together with all partners involved, we contributed to a more sustainable and compliant leather sector.

Together for Decent Leather also provided a global platform. Through the programme, several organisations disseminated our joint reports and the realities of the leather industry in Bangladesh. This information can help producers comply with workers' rights. When conditions in the industry improve, workers benefit.'

#### The need for companies to be involved in labour conditions in their supply chain

'The situation in the leather industry in Bangladesh has seen some change after the collapse of the Rana Plaza building in Dhaka in April 2013, but issues remain. What has remained the same is that employers and buyers always think first, or only, of their own business. That was the case in 2013 and it is still the case today. Workers' rights are still ignored, wages are still low, and workers are still under enormous pressure due to targets.

"International organisations and companies can help make the supply chain more transparent.

In Bangladesh, we have seen time and again that if companies do not address working conditions in their production facilities, these facilities will remain unchanged. Real improvements and changes will not happen. We know that governments and companies often do not go to production sites to see the real problems workers face. Motivating stakeholders and government officials to improve the situation for workers is one of BLF's biggest challenges. We need to motivate people and show them clearly what problems exist in the sector. Day after day, week after week, month after month.'

#### **Collaboration with organisation in buying countries**

'We hope to make more positive changes for workers in

global supply chains in the coming years. Working with NGOs in purchasing countries helps us put pressure on buyers, suppliers and governments to make positive changes for workers. If organisations like Arisa use their expertise and network in buying countries to advocate for workers' rights, the effects will trickle down to producing countries, such as Bangladesh. International organisations and companies can help make the supply chain more transparent. International companies also have the power to force producers to comply with workers' rights and address problems. This benefits workers and helps create a healthy working environment. And, at the bottom line, it will

improve workers' livelihoods.'

**ACTIVITIES & ACHIEVEMENTS PER SUPPLY CHAIN** 

# Leather

#### LEATHER

#### Case example: Putting caste-based discrimination on the agenda

Caste-based discrimination is an under-reported human rights issue. While equal rights for all citizens are guaranteed in the constitutions of India, Bangladesh, and Pakistan, discrimination based on caste is a common phenomenon in all three countries due to beliefs deeply embedded in society. Because such practices are so deeply embedded in these societies, the risk of their seeping through to working environments cannot be ignored. Historical links between caste, religion, and the leather industry in South Asia mean a high risk of related discrimination in international leather supply chains. In 2022 Arisa called for more attention to caste-based discrimination in international supply chains.

During the OECD Forum on Due Diligence in the Garment and Footwear Sector in February, Arisa, the International Dalit Solidarity Network (IDSN), Ethical Trading Initiative (ETI), Rights Education and Development Centre (READ) and the Together for Decent Leather consortium organised a side session on caste-based discrimination in the garment and leather supply chains in South Asia. More than 75 participants from companies, governments and civil society organisations listened to explicit examples of discrimination and discussed possible strategies to address the issue.

Furthermore, under the umbrella of the Together for Decent Leather programme, Arisa produced a paper that shows that caste and related discriminatory practices, at times specifically interlinking with religion, are high risk factors for businesses that source leather or leather products from India, Bangladesh, or Pakistan. The paper explains how caste-based discrimination presents itself in these countries and how this connects to the leather industry. It further exposes the vulnerability to exploitation of people who occupy marginalised places in society and work in the leather industry in South Asia. The paper also includes recommendations for businesses, governments of buying ucuccountries and governments of South Asian countries. Read the paper Hides and Hardship here.

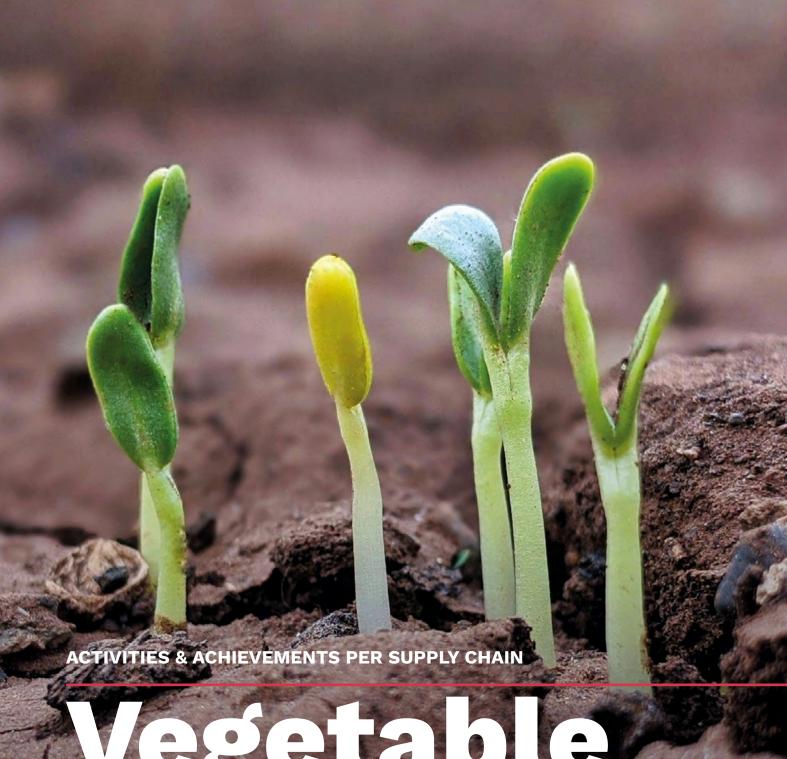
International recognition is needed of the salient risk of caste-based and religion-based discrimination in international supply chains in industries such as leather. Businesses, governments, and international organisations need to take up this issue in their human rights due diligence, trade agreements, legislation, and standards and guidelines on business and human rights. The under-reported human rights issue of caste-based discrimination is high on Arisa's agenda, including beyond 2022.

# LEATHER

# More about our work in leather supply chains in 2022

During this year, the Together for Decent Leather partners published multiple reports on the leather industry in Bangladesh, Pakistan and India, that can be found on the Together for Decent Leather website. In 2022 Arisa wrote a summary report named Labour abuses in supply chains uncovered - Leather and leather shoes from India, based on a field study report on the on the working conditions in the leather and leather goods industry in India. This summary report addresses the lack of transparency in the leather industry and identifies which international companies have links with the leather industry in Tamil Nadu and therefore face

potential risks in their supply chains. The identified companies were given the opportunity to review a draft version of this report and the responses received have been included in the paper. Recommendations have been included for international sourcing companies and for the governments of countries where global apparel, footwear and accessories companies are head-quartered. They all have a responsibility to ensure that workers in their supply chains have decent working conditions, according to applicable local laws and international business and human rights standards.



# Vegetable seed production

# VEGETABLE SEED PRODUCTION

#### Case example: WISH baseline report

In 2021, Arisa joined hands with BASF and Syngenta in a multistakeholder collaboration called Wage Improvements in Seed Hybrids (WISH). WISH was established to address child labour issues and strive for minimum wage compliance in the vegetable seed sector in India. In the first phase of the project, a baseline survey was conducted to better understand the current status of child labour and minimum wage issues in 28 villages in the Indian states of Maharashtra and Karnataka where BASF and Syngenta have operations. Field and production cost data were independently analysed by Glocal Research and MV Foundation, two India-based organisations, with support from Arisa. Data examined also included information on companies operating at the research sites other than BASF and Syngenta.

A survey of households in the project area found that although numbers have declined in recent years, child labour is still prevalent and directly linked to minimum wage compliance. The main causes of child labour in vegetable seed production include:

- Socio-economic background of families.
- Link to low market wages: the availability of child labour helps employers keep wages low for adult workers.
- · Market demand encourages child labour, which is favoured for certain labour-intensive activities such as cross-pollination in hybrid seed production and harvesting operations.
- · Challenging education infrastructure, leading some children to leave school and go to work.

Another important finding is the non-compliance with the minimum wage in Karnataka and Maharashtra. The baseline survey found that minimum wages are higher in Karnataka than in Maharashtra,

while market wages are almost equal. This means that the gap between prevailing market wages and minimum wages is larger in Karnataka; an issue the project plans to address more thoroughly in the next phase. Primary root causes for non-compliance with minimum wages include:

- · Lack of awareness about minimum wage legislation among farmers and workers.
- · Lack of organisation of workers.
- · Price estimates for company procurement lack minimum wage calculations.
- Lack of or inadequate enforcement by regulatory authorities regarding payment of legal wages.

Essential to addressing both findings is the need for broader collaboration in addressing systemic labour inequality issues. This means that the participation of all community stakeholders, including local officials, farmers and all types of businesses, is crucial to improving working conditions. During 2023, the WISH project aims to continue working on this.

# A SPOTLIGHT ON...

## Work: No Child's Business

Since 2019, Arisa has participated in the Work: No Child's Business programme (WNCB) as part of the Stop Child Labour coalition. Together with UNICEF and Save the Children, the programme aims to eliminate child labour in India, Côte d'Ivoire, Jordan, Mali, Uganda and Vietnam. Arisa has several roles in the programme: it is the Dutch country lead for India, leads the Research Working Group and is a member of the Lobby & Advocacy Working Group and the Alliance Coordination Team.

#### 5th Global Conference on Child Labour

In 2022, the 5th World Conference on Child Labour took place in Durban, South Africa. The WNCB developed a position paper calling on governments, trade unions, businesses and civil society organisations to support an integrated approach to combating child labour. The position paper calls for investments in accessible, safe and quality education, an area-based approach involving all stakeholders, and sustainable supply chains to eliminate child labour globally. The position paper was endorsed by several other networks, NGOs, trade unions and companies and presented at the Durban conference. The Durban Call to Action incorporated several aspects of our position paper. In the coming years, WNCB will actively monitor the implementation of the Call to Action. During the World Conference, WNCB representatives from all six countries also participated in numerous sessions, sharing their experiences on child labour and expressing the urgent nature of the problem.



#### National meetings WNCB India in Delhi and Goa

In 2022, all partners of the Work: No Child's Business (WNCB) programme in India gathered three times at the national level: twice in Delhi and once in Goa. In March, all partners were able to meet again for the first time in two years and discuss the progress of the WNCB programme in Bihar, Rajasthan and Delhi. Arisa director Sandra Claassen was also present. Here we developed an advocacy agenda for the remaining programme period. The partners decided on the following three priorities:

- The 'learning loss' suffered especially by primary school children after nearly two years of school closures.
- · Amendments to India's Child and Adolescent Labour Prohibition and Regulation Act (CALPRA) allowing children to work in family businesses.
- Responsible business conduct where the government can play a role in regulating businesses.

All WNCB partners have examples from their work that can support advocacy on these issues.

A national meeting was organised in August 2022 as part of a mid-term review of the WNCB programme. Partners shared their insights and suggestions for improvement of the programme in India. Recommendations were formulated on matters such as coordination, advocacy and private sector engagement. At a third national meeting in Goa in November, these issues were further discussed, and concrete actions were planned by the participants to address them.

# Stories from South Asia

# 'The story told during an audit is not the truth'

Three worker representatives from Pakistan share their experiences in the Pakistani garment and textile industry, the issues they encounter in doing their jobs and their ideas on what is needed from Europe and the Netherlands to improve workers' working conditions. Seemi Mustafa is a former garment worker with first-hand experience. Nasir Mansoor is the secretarygeneral of the National Trade Union Federation Pakistan (NTUF). Zehra Khan is secretary-general of the Home-based Women Workers Federation (HBWWF)

#### Failing implementation of laws that protect workers' rights

According to trade unionists Nasir Mansoor and Zehra Kahn, Pakistan has many progressive laws that protect workers' rights, only their implementation is weak and substandard. Seemi Mustafa confirms this. Seemi: 'Workers in garment factories are forced to work



overtime. There is also no time to go to the bathroom, as you quickly fall behind on your target. As a result, you have to work longer hours at the end of the day.' Legally, a working day lasts eight hours, but for most workers, it is normal to work from seven to seven. Those overtime hours are never paid, according to Seemi, Nasir and Zehra.

Zehra: 'Brands tell consumers they respect labour rights and human rights and promise to be transparent, but in practice, they do the opposite. Their promises are only on paper. Workers have no basic rights, work in harsh conditions, and the differences between men and women are huge; working conditions for women are many times harsher, and women earn less for the same work'.

#### **Vulnerability of factory workers**

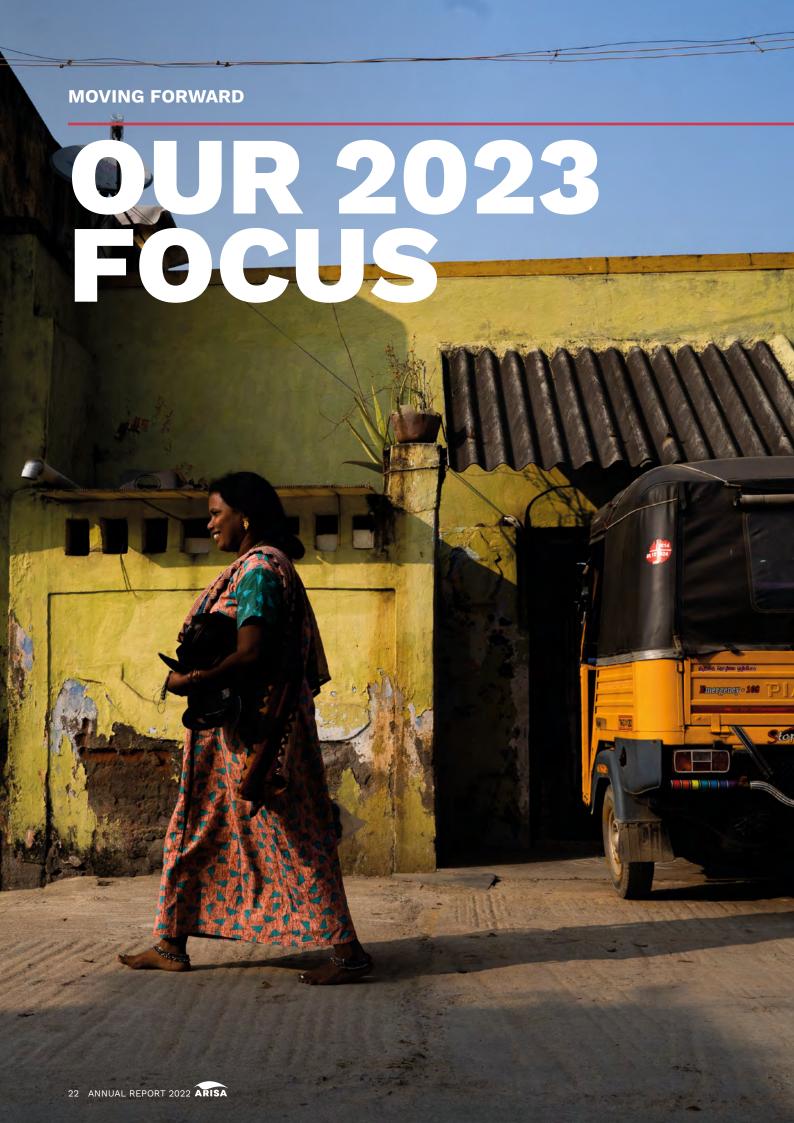
The position of garment workers in Pakistan is very difficult. Nasir and Zehra note that around 95 percent do not have any paper contracts. Many of them are paid by a third-party contractor. 'Work through third-party contractors is a problem. It makes the position of workers more vulnerable'.

'In the cotton and garment industry, factory owners are very influential,' Nasir and Zehra recount. 'Factory owners are tycoons in the industry and have a huge network. If, as a worker, you do something they don't like and are fired, you can be blacklisted. As a result, you won't be able to find work anywhere. These so-called 'forced disappearances' are a big problem'.

#### The oppression of workers and a lack of freedom of association

Nasir argues that factory owners do not want unrest in their factories. They do everything in their power to silence workers who stand up for their rights. 'There is a new rule stipulating that workers over 30 years old cannot get jobs in factories. In addition, only one person per family is allowed to work in a factory. Both rules were created to make unity among workers impossible'.

Workers are also suppressed when audits are carried out in the factories. 'When audits take place, managers force certain workers to say what they want. So, the story told during an audit is not the truth. When workers do not want to cooperate or resist this, they are dismissed and so their chances of finding work elsewhere are also lost.' According to Nasir and Zerah, auditors and brands know the real situation in factories but never contact trade unions or NGOs for help.



## **Moving forward:** the 2023 focus

Moving into 2023 and beyond, we will strengthen our unique position in the field of human rights in international supply chains. There is not one single approach that leads to solving abuses in the often-complex international supply chains. For this reason, Arisa combines several activities and mobilises multiple stakeholders. Through our continuous engagement with civil society, research, stakeholder dialogues and ongoing optimisation of external communication, we will continue to work on structural improvements in supply chains. There are a number of specific focus areas for the coming year:

#### → ENHANCING OUR FOCUS ON DUE DILIGENCE AND RESPONSIBLE **BUSINESS CONDUCT FOR SYSTEMIC CHANGE**

Arisa believes all companies with international supply chains must perform due guidance. Through our research, collaborations, and long-standing experience aspects of the due diligence process are that have proven to be essential to participate in 2023, the input we will provide on Dutch and EU policy, the

#### **→** EXPANDING OUR WORK ON THREE SPECIFICALLY PRESSING HUMAN **RIGHTS ISSUES IN SUPPLY CHAINS**

Arisa strives for the elimination and prevention of child labour, forced labour and caste-based discrimination. Proper due diligence can identify and prevent these problems. Arisa will expand its projects into the nexus of Responsible Business Conduct and caste-based discrimination in a new project funded by the German organisation Brot für die Welt. We will pursue projects and collaborations that drive systemic change in the natural stone, garments and textiles, leather, and seed sectors where human rights abuses are widespread.

#### → BUILDING CLOSE RELATIONSHIPS WITH OUR STAKEHOLDERS TO **ENSURE THE EXISTENCE OF CIVIC SPACE**

Democratic freedoms and civic space are under serious pressure in South Asia, especially India. To ensure that partner organisations in South Asia can keep performing their important work, that Arisa doesn't have to self-censor, and to make sure that organisations in South Asia can and want to continue in meaningful stakeholder engagement, Arisa will apply additional pressure within partnerships and networks to put shrinking civic space on the agenda.



# FINANCIAL SUMMARY

In 2022, Arisa received funding for 10 different projects and programmes, mainly in collaboration with other partners in the Netherlands and South Asia. Most are multi-year projects with a duration of three to five years. More than 97% of the funding comes from the Dutch government and the European Commission, and only 3% comes from donations and other sources. This means that almost all of the organisation's income is earmarked for specific project activities. To increase the impact of our activities, a sustainable financial strategy is important. Therefore, Arisa wants to diversify its funding in the coming years and focus on organisational funding in addition to project funding.

#### Statement of expenditure and income

Arisa's total income in 2022 was €761,991, while its total expenditure in 2022 was €746,066. The positive balance of € 15,925 was added to the organisational assets.

	Realisation 2022 €	Budget 2022 €
Government subsidies	695.434	668.232
Grant European Commission	48.248	30.000
Giften en donaties	6.416	5.000
Interest and investments	-2.578	0
Other income	14.471	70.000
Total income	761.991	773.232
	,	
Personnel costs	573.577	616.500
Activity costs	111.972	80.000
Office expenses and general costs	60.517	73.500
Total expenditure	746.066	770.000
Addition to organisations' assets	15.925	3.232

# **OUR ORGANISATION IN NUMBERS**

#### **PAID STAFF**

9

Number of paid staff in 2022

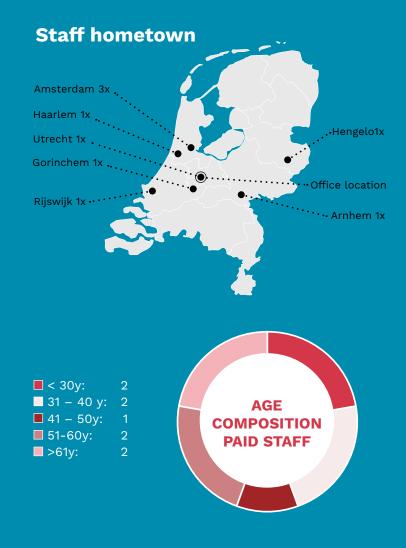
5.7

Number of FTE (see annual financial summary)

Fulltime:
Parttime:
Entered in 2022:
Left in 2022:
2

3.6

% sick leave in 2022



#### **VOLUNTEERS**

3



Number of volunteers in 2022





# THE YEAR IN NUMBERS

10
PROJECTS



Projects in the natural stone sector



4 Projects in the garment and textile sector

00000

Project in the vegetable seed production sector



Project in the leather secor

\* One project focuses on both natural stone as garments and textile



#### PAPERS:



<u>Labour abuses in supply chains</u> <u>uncovered - Leather and leather</u> <u>shoes from India</u>



Hides and Hardship - Castebased discrimination in the leather industry in India, Bangladesh, and Pakistan



**4,564**Subscribers



#### **COLLABORATED**

with **48** organisations and companies: **16**Dutch and European organisations, **12** Dutch and European companies, **20** South Asian collaborations

#### **PARTY**

**of 1 sector agreement:** TruStone Iniative on natural stone



#### **MEMBER**

of **7 alliances and networks:** 

- Clean Clothes Campaign the Netherlands
- Human Rights Consultation the Netherlands
- International Dalit Solidarity Network
- OECD Watch
- RBC Platform
- Stop Child Labour
- Work: No Child's Business



