



The Garment Industries Transparency Initiative (GITI)

June 2016

THE NEED FOR TRANSPARENCY AND PARTICIPATION

Garment industries are critical for the economic and social development of many countries. These industries provide jobs for millions of people. However, recent tragic accidents in garment factories have contributed to the realization that workers' rights in garment exporting countries need to be improved. They have also refuelled an on-going debate about the responsibilities of all participating actors in industries, which are characterized by strong competition and complex supply chains. Given the lack of implementation of existing labour standards at the national level, limited legal enforcement at the international level and visible limits of voluntary business sector codes of conducts the need for workers' empowerment and for better buyer-supplier relationships has not been adequately addressed to date.

In meeting this challenge, poor governance at the national and international level must be improved. This includes a chronic lack of transparency in the garment industries. In many countries information about suppliers' base, buyer-supplier relationships or even economic sectoral data is often not publically available – or is not perceived as credible.

At the same time, there is increasing agreement on the need for closer cooperation among all participating actors. This does not only include governments and business owners in the producing countries, but also international buyers, trade unions and civil society. An inclusive, participatory process for enhancing the credibility of information is needed.

ABOUT THE GARMENT INDUSTRIES TRANSPARENCY INITIATIVE

The Garment Industries Transparency Initiative (GITI) is a multi-stakeholder initiative which aims to advance the implementation of labour standards in the garment sector through increased transparency and participation.

Transparency: The GITI will produce reliable, publicly accessible and generally accepted information in form of regular country reports as a product of a consultative-process. The provision of such country reports will be based on a coherent framework, which is currently being developed by the GITI Secretariat, supported by an International Advisory Group.

Participation: The GITI will enhance credibility of the information through a deliberative process, which involves all major stakeholder groups (i.e. government, companies, civil society and trade unions).

Increased transparency and multi-stakeholder participation provide an enabling environment and a credible basis for debate. Through its disclosure process the GITI aims to ensure active demand for accountability, resulting – in the long term – enhanced labour standards implementation, improved buyer-supplier relationships and strengthened competitiveness of countries' garment industries.

Over time, this approach will help establish a trust-based, consensus-oriented multi-stakeholder environment for collective action.

KEY CHARACTERISTICS

- **Deliberative Multi-Stakeholder participation:** Based on the equal representation from all groups, National Multi-Stakeholder Groups will be established in participating countries. This “antagonistic cooperation” is at the heart of the GITI. It includes gathering, reviewing and approving evidence-based information. This increases the credibility of the published information.
- **A balanced transparency approach:** Today’s garment industries face tremendous social, ecological and economic challenges. The desire to shed light on all of these issues is evident. However, the GITI has to be realistic and follow a balanced approach, focusing on information that is relevant and practical to share.
- **Global initiative:** The initiative does not focus on a single country or region, but seeks to establish a global level playing field among garment producing countries. The more participating countries, the more power this initiative will get!
- **Country-centred initiative:** The intention to join the GITI must come from a country’s government. This includes – inter alia – the commitment to an enabling environment, the establishment of a National Multi-Stakeholder Group and the publication of timely information.
- **Voluntary initiative with mandatory requirements:** The implementation of the GITI is voluntary. However, once a country has decided to participate, mandatory requirements must be followed.
- **GITI Country Report:** The GITI will provide clear procedural guidelines for gathering, verifying and disclosing relevant information on the garment sector. A key deliverable of this process is the timely publication of the GITI Country Report.
- **Support of existing initiatives:** The GITI will built on and support existing efforts that seek to strengthen transparency and participation in the garment sector.

BENEFITS OF THE GITI

By promoting transparency and participation, the GITI yields **benefits** for all participating actors:

Governments are able to demonstrate their commitment to implement safe working conditions and social standards. This will directly strengthen their locational advantage in the global supply chain, leading to an improved trade and investment environment, and ultimately to social stability.

Local suppliers/producers can attract new buyers and investors by showing adherence to sustainable business practices. In addition to such competitive advantages, the improvement of working conditions will contribute to productivity over time.

International brands/buyers benefit from mitigation of operational and reputational risks. The selection of suppliers/producers based on credible information is also facilitated. Furthermore, brands/buyers benefit from an economic and socially stable environment.

Trade unions and civil society benefit from an increasing amount of credible information in the public arena, thereby enhancing the ability to hold governments and companies accountable. Furthermore, they are recognized as equal stakeholder in the country’s National Multi-Stakeholder Group.

CALL FOR PILOT COUNTRIES

Based on its comprehensive conceptual groundwork, the GITI is now seeking to engage with pilot countries to establish National Multi-Stakeholder Groups, as well as further specifying the global GITI Standard (including to define (1) **What information** is relevant and should be made public; (2) **How transparency** could be achieved; and (3) **How** the initiative will be **governed**.)

In order to continue its work on advancing the implementation of labour standards, the GITI is currently exploring various funding opportunities.