



Exploring success stories and challenges BSCI - ICS Merger

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Who is BSCI?

Business Social Compliance Initiative (BSCI)

- International initiative founded in 2003
- Uniting 1700+ companies
- 12,486 audits conducted in 2014
- Representing 770 billion euro turnover
- 69% SMEs

The Business Social Compliance Initiative (BSCI) is a leading business-driven initiative supporting retailers, importers and brands to improve working conditions in supplying factories and farms worldwide.



BSCI's Values



Cooperation

Continuous
Improvement

Empowerment

By working together and taking a **common approach**, BSCI Participants will have greater impact.

BSCI Participants implement the BSCI Code of Conduct in a **step-by-step** and **continuous** approach, as **management system**.

A key goal of BSCI is to **empower** participants and their business partners to develop their supply chain.

Who is ICS?

Member retailers work together to sustainably improve conditions for people at work, and responsibly support suppliers to empower them to become independent agents in pursuit of progress.



Initiative Clause Sociale (ICS)

- French initiative founded in 1998
- Uniting 20 member companies
- Representing 17 groups of members
- 2740 audits conducted in 2015
- Representing 243 billion euro turnover

Merger Process Update

- **April 2015:** MoU signed and Press Release communicated
- **Early March 2016:** BSCI and ICS confirmed their common agreement to proceed with the merger
- **31 March 2016:** Joint Press Release issued to press and external stakeholders. 2 phases:
 - March – May: Preparatory phase
 - June – December: Integration phase
- **1 January 2017:** The merger and full integration becomes effective.

What Benefits Result From the Merger?

Members

- Reduced audit fatigue: an estimate of 50% of producers overlap between members of both initiatives
- Increased leverage on producers to improve social compliance

Initiatives

- Common vision of sustainable sourcing
- Shared value of transparency and responsibility
- Enhanced capabilities to develop 'special projects'

Producers

- Capacity building services extended to shared producers

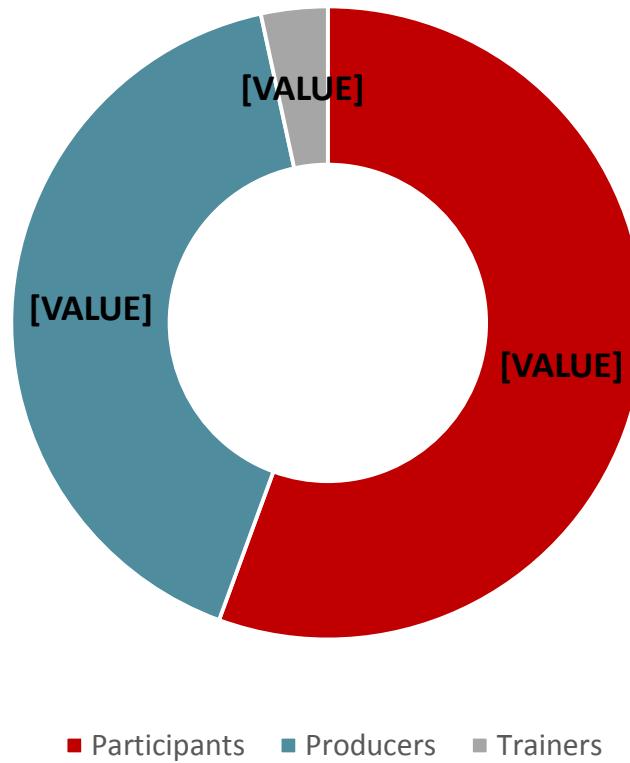
Main Changes and Challenges

- Until 1 January 2017, the initiatives will work in close collaboration but the audit campaigns remain separate
- Among major topics, the integration phase will tackle:
 - **Semi-announced audits** implementation
 - **Integration of ICS questionnaire** into BSCI system (to assess small companies or as part of a supplier qualification process)
 - First steps taken towards **voluntary disclosure**
- **Main challenge** : defining exact conditions for implementation prior to integration

Capacity Building: 2015-2016 Achievements

- **340** CB events conducted in 2015
- **61** Workshops since January 2016, including:
 - **16** Participants Workshops, involving **265** participants
 - **28** Producer Workshops involving **491** participants
 - **17** webinars involving **549** participants
 - **6** Trainers' workshops involving **46** participants.
- Learning Management System - FTA Academy launched

Training Attendees
(Q1 2016)



Environmental Performance Areas

The Business Environmental Performance Initiative (BEPI) is a business-driven initiative supporting retailers, importers and brands to *improve environmental performance* in supplying factories worldwide.

11 Environmental Performance Areas



ENVIRONMENTAL MANAGEMENT SYSTEM



POLLUTION PREVENTION AND CHEMICALS



ENERGY USE, TRANSPORT AND GREENHOUSE GASES (GHG)



MAJOR INCIDENT PREVENTION AND MANAGEMENT



WATER USE



CONTAMINATED LAND / SOIL AND GROUNDWATER POLLUTION PREVENTION



WASTEWATER / EFFLUENT



LAND USE AND BIODIVERSITY



EMISSIONS TO AIR



ENVIRONMENTAL NUISANCES



WASTE MANAGEMENT

BSCI ongoing collaboration

BSCI Recognition



GLOBALG.A.P.



BSCI Partial Recognition



Thanks for
your attention !
www.bsci-intl.org