

Attendees:

Alice Tepper Marlin (SAI)
Anita Househam (Secretariat)
Anna Walker (Levi Strauss & Co.) - by phone from agenda item Americas
Fiona Sadler (Marks & Spencer)
Joyce Kortlandt (Oxfam International)
Judith Hoyles (ILO) - on behalf of Johanna Walgrave
Neil Kearney (ITGWLF)
Paul Dearman (Tesco) - Working Group Chair
Sasha Radovich (Secretariat)
Simon Zadek (Chair)

Apologies:

Lynda Yanz (MSN)
Meriel Hoban (Next) - Working Group Chair

SUMMARY OF DECISIONS

1. Working Groups

a) Bangladesh

- There needs to be a monthly call with the Bangladesh group, in order to raise issues
- International working group meetings will be set up on a regular basis to remobilize the international voice
- The Forum will convene a round-table in Bangladesh in May to revisit critical issues and activities with the local stakeholders

b) Lesotho

- Neil Kearney offers to chair the group for an interim period of 6 months, with engagement in the EU policy agenda
- There will be a 3 city tour organized in collaboration with the High Commission in March
- Last Lesotho meeting's action points need to be reviewed and discussed at the next teleconference
- The Group will need to gain BSR engagement

c) Morocco

- The Secretariat will arrange for Simon Zadek and Neil Kearney to meet with Javier Chércoles Blázquez from Inditex during the ETI Board meeting in the beginning of February
- Chair protocol: The working group chair should be a participant, but where this is difficult the Secretariat should act as chair
- The Secretariat will approach the Levi Strauss Foundation for further funding, but will move forward with secured funds
- ToR on chairing will be circulated to ExCo
- The Morocco Buyers visit is agreed with the ILO to take place in March

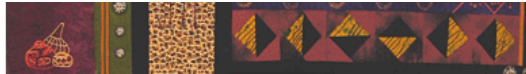
d) Americas

- The Secretariat/ExCo will assist in establishing a new chair

e) Romania

- A clear agenda will be identified for the April visit

The MFA Forum



f) Responsible Transitions

- Develop a clear communication strategy of the document to 3rd parties
- Address pilot potential to each of the country working groups and explore how it could be integrated into working group process
- Identify individuals already engaging in this work who could support this (financially)

g) Purchasing Practices

- find 5-6 pieces of research/initiatives (not mapping)
- Reach out to participants by email requesting what they wish to do in this field
- Secretariat responds on feedback, and brings this to ExCo

2. International Convening

- The next international Convening will be postponed until the beginning of September
- The Secretariat will circulate exact dates of the event as soon as possible
- ExCo leaves location to be decided by the Secretariat. Decision: New York
- The Secretariat will talk to SAI on collaborating on the event planning/organising

3. Fundraising

- We are in discussion with CIDA about a further round of funding following their support to our international Convening.

4. Budget

- ExCo signs off the budget, but it will be circulated again for comments prior to formal sign off by the AA Board in March

5. AOB

- ExCo agrees to assist the Senior Manager recruitment process by distributing the job specification within their networks

1. Welcome / Confirmation of Agenda (Paper #1)

ExCo signs off the Agenda for today's meeting

2. Confirmation of Minutes from December Meeting (Paper #2)

Subject to minor changes, ExCo agrees to sign off the December minutes of meeting, which will be posted on the MFA Forum website.

3. Secretariat Report

Introduction and review of 2007 by the Chair Simon Zadek

Progress: In 2007 the Secretariat was faced with increased challenges and lack of resources to fully deliver on participants' expectations. There has however been progress in some fields, including cross-cutting issues and the Americas Working Group.

Scale: This year we are challenged to broaden and deepen the level of activities and increasing areas of engagement. We are still short of protocols in dealing with the increased diversity and complexity of issues.

Performance: This is particularly raised with funders, and we have yet to assess what success looks like for each Working Group.

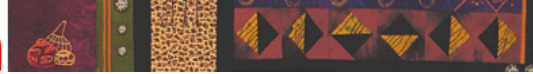
Resourcing: Resources were scarce in early 2007, with no strategy, creating a risk on relationship building. There has been significant progress since, reaching out strategically to funders. We have recently received verbal confirmation from a donor agency to sponsor GBP 350,000 over 3 years, leading the way for other funders who have been waiting to follow this decision. The Secretariat agreed with participating companies on a more formalized funding process which was signed off by ExCo. In effect, 60% of our budget for 2008 has been confirmed.

AccountAbility, 250-252 Goswell Road, London, UK, EC1V 7EB

T: +44 (0)207 549 0400 F: +44 (0)207 253 7440

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Institution: This has been an ongoing issue within the Forum, and the Secretariat feels the set up is appropriate, but is keen to find out at this meeting whether there are institutional elements to work on.

Bigger Picture: this concerns 2 extensions from the Forum

- 1) Should the Forum only address labour standards going forward, or is there room to integrate other issues?
- 2) The Forum as an example for other sectors. Should the Forum engage with telling the MFA Forum story, or is this for AccountAbility to pursue on, leveraging from their experience from the Forum?

Discussion:

From the corporate perspective, companies have different teams dealing with different issues. The representatives in the Forum come from the labour standards teams. Additionally, it is argued that the Forum still has yet to deliver on labour standards, and should for this reason concentrate on this and allow AccountAbility to leverage from the Forum's experience. The Forum will however risk having to walk away from resources.

On institutional issues, guidelines for participation should be made more accessible. The Secretariat suggests that ExCo should be given more fiduciary decisions.

Decisions/Actions:

- 1) The Forum will allow AccountAbility to work on the broader issues, building from the experiences of the Forum
- 2) The participation guidelines will be posted on the website

4. Work Stream Reports

Bangladesh

- There has been little activity in the Buyers group. The group is not decided on which areas it can work on. It does act to encourage the Multistakeholder Forum Bangladesh (MFB) in its continuing work, but it senses that the Secretariat has little resources to work on this and other issues.
- The MFB has completed the 3 year project proposal which has been submitted to donors. The proposal is only compliant with national law, running the risk that it will not be accepted by donors. The MFB has declined on the offer of support from the Buyer group.
- The Buyers group is still waiting for the MFB to produce verification of the MoU data presented at the September meeting in London.
- On Purchasing Practices, there is expectation from the local stakeholders on further work.
- Critical issue: Minimum wage; there needs to be an ongoing process in reviewing wages. This will be discussed in the next Buyers meeting. There is discussion to work with the ETI led initiative on wages to extend the issue to other brands.
- The situation in Bangladesh has become worse, with daily unrest due to poor labour standards and wages, but there is a scope for the Forum to address the issue with the Government. ExCo is reminded that it was an initial condition from the Buyers that they would commit only if standards were improved. The ban on Trade Union participation will also need to be addressed by the international working group.

Decisions/Actions:

- 1) There needs to be a monthly call with the Bangladesh group, in order to raise issues
- 2) International working group meetings will be set up on a regular basis to remobilize the international voice
- 3) The Forum will convene a round-table in Bangladesh in May to revisit critical issues and activities with the local stakeholders

Lesotho

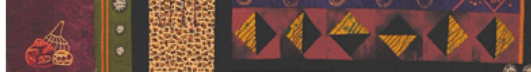
- The Secretariat met with the Lesotho High Commission last week to discuss urgent actions

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required to increase investment into the country. The meeting was encouraging and led to agreement of deeper collaboration. The Counsellor agreed to put together a strategy on contact points for the Secretariat, to enable its communication with the Government and local stakeholders.

- The High Commission is to arrange a trade-related presentation in Wales this spring, which opened the window of opportunity to extend this to London and Brussels, as a first step to engage Buyers before a country visit is made.
- During the Secretariat's meeting with the Better Work team at the ILO, the possibility of making a country visit in correspondence with the expected April launch of the programme was discussed.
- Critical issues; Is there a role for the MFA Forum once the ILO move in? There is the possibility of working on improving EU market access.
- The underlying issue is lack of leadership, as the Group has in effect not had a chair in the past months.

Decisions/Actions:

- 1) Neil Kearney offers to chair the group for an interim period of 6 months, with engagement in the EU policy agenda
- 2) There will be a 3 city tour organized in collaboration with the High Commission in March
- 3) Last Lesotho meeting's action points need to be reviewed and discussed at the next teleconference
- 4) The Group will need to gain BSR engagement

Morocco

- The Group's work has stagnated in the past months due to inter alia lack of leadership.
- One of the tasks due is the implementation of the AMITH code (Fibre Citoyenne) impact assessment. This requires funds which might have to be taken from the Forum.
- On leadership, it is favorable that Inditex takes on the role as they are the biggest buying power.
- The Forum will need to review its role in the country. There is substantial Buyer interest in the country, and the requirement to secure NGO involvement. The industry is growing, but due to lack of management systems factory conditions are deteriorating.

Decisions/Actions:

- 1) The Secretariat will arrange for Simon Zadek and Neil Kearney to meet with Javier Chércoles Blázquez from Inditex during the ETI Board meeting in the beginning of February
- 2) Chair protocol: The working group chair should be a participant, but where this is difficult the Secretariat should act as chair
- 3) The Secretariat will approach the Levi Strauss Foundation for further funding, but will move forward with secured funds
- 4) ToR on chairing will be circulated to ExCo
- 5) The Morocco Buyers visit is agreed with the ILO to take place in March

Americas

- The work in the Americas group has been very active and the participants engaged. Unlike the other country working groups, the Americas is not finding it difficult to get participant involvement. Companies and NGOs are using the group as a network for other projects.
- Decisions from the last in-person meeting in October:

Mexico: Will not follow the standard Forum model for engagement due to its unique economic and political situation (mid-income economy, both sourcing destination and market for brands, large geography/states). Mexico has significant buyer engagement from across several brands and is ripe for some level of international/local partnership.

Nicaragua: Scoping visit scheduled to take place in early March.

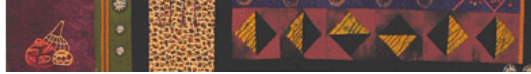
Dominican Republic: A tripartite meeting is scheduled for February 28-29. Critical issues: the group

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needs to get a discretionary budget. There are talks with inter alia CIDA on this.

- Leadership: Current Chair Anna Walker (Levi Strauss) would like to step down as chair

Decision/Actions:

- 1) The Secretariat/ExCo will assist in establishing a new chair

Romania

- Similarly to Morocco, the progress has stagnated. The Forum was approached by the Romanian government, there is already a tripartite group in place, but uncertainty of what the Forum can do.
- The December visit to Bucharest did not take place, but it was agreed during the Secretariat's meeting with the ILO that it will occur in April.
- Critical issues: Lack of Buyer interest of engagement and lack of leadership.

Decisions/Actions:

- 1) A clear agenda will be identified for the April visit

Responsible Transitions

- The RT Guidelines: The group will take on the comments from the ILO to discuss in its February meeting. It will remain a living document, and once there is agreement on the final draft (due in February) it can be piloted. The document will also be made public at this point.

Discussion:

Should the guidelines be piloted, or is there more to be gained in strengthening the communication of the guidelines? If it is to be piloted, it should be integrated into already present work in Forum countries.

Decisions/Actions:

- 1) Develop a clear communication strategy of the document to 3rd parties
- 2) Address pilot potential to each of the country working groups and explore how it could be integrated into working group process
- 3) Identify individuals already engaging in this work who could support this

Purchasing Practices

- The Secretariat has agreed with the chair to follow up on its commitment to map what is happening in the field. Once this is done and presented at the next international convening, the Forum can decide on potential next steps. The chair agreed to follow up with Buyers consultation on companies' strategies

There are 3 value adds with this mapping exercise;

1. Coordinate more effectively what is already going on there.
2. More importantly, the Forum is unique in that it has southern participants, whilst other Purchasing Practices groups only involve northern participants.
3. The exercise could help expand the scope of the work

Discussion:

It is suggested that a mapping exercise is not done, but rather a mapping initiative; To identify the most important pieces to this, collate them and make participants aware of them. Then pull out a couple of questions to participants on whether this deals with what the Forum is interested in.

Decisions/Actions:

- 1) find 5-6 pieces of research/initiatives (not mapping)
- 2) Reach out to participants by email requesting what they wish to do
- 3) Secretariat responds on feedback, and brings this to ExCo

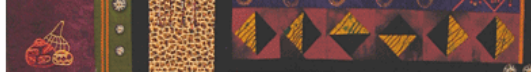
5. International Convening - 2008

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- Following from the last ExCo call in December there was a discussion as to whether an international convening was appropriate until there had been significant progress in some of the working groups.

Discussion:

The meeting should not be a top priority. However, the convenings are expected by funders, and are effective tools to drive work forward.

Decisions:

- 1) The next international Convening will be postponed until the beginning of September
- 2) The Secretariat will circulate exact dates of the event as soon as possible
- 3) ExCo leaves location to be decided by the Secretariat. Decision: New York
- 4) The Secretariat will talk to SAI on collaborating on the event planning/organising

6. Financial Report Financial Update (Paper #3)

A narrative report and estimate figures is presented to ExCo.

7. Fundraising

- The minimum sum p.a. for the Forum to progress with some activities is \$800,000, although we are targeting \$1 Mill in order to move forward and develop in the various fields of engagement.
- The Secretariat has secured \$400,000 corporate funds, based on the contribution strategy agreed in September. There will be disclosure of the companies contributing \$50,000 (supporting participants) and \$75,000 or over (prime contributors)

Decisions/Actions:

- 1) We are in discussion with CIDA about a further round of funding following their support to our international Convening.

8. Budget 08/09

- A draft budget is presented to ExCo for discussion, with the possibility of providing a re-drafted version. Legally, the AccountAbility Board signs off the budget. The next AA Board meeting will occur on the 5th February, who will sign off the 08/09 budget mid-March.
- In the past year there has been a negative cashflow, which has been covered by AA.
- If we secure more funds, we have the option of increasing activities, or bringing it over to next year for more financial security.

Discussion:

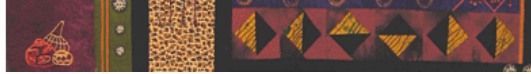
Restrictions of funds: the budget lines with current funders allow flexibility, but this may change with other funders with more restricted conditions.

None of the secured money aimed for future years is included in the 08/09 budget.

There is a risk incurred on including money not yet secured. This is for the AA Board to decide on, but Simon Zadek will recommend a high probability of securing the budgeted income. This will be assessed and reviewed after the first annual quarter.

Decisions/Actions:

- 1) ExCo signs off the budget, but it will be circulated again for comments prior to formal sign off by the AA Board in March



9. ExCo Dates for 2008

Action:

- 1) The Secretariat will send out a revised list of dates for in-person meetings and teleconferences for 2008. The in-person meetings will take place back to back with the Bangladesh meeting in May and the international convening in New York in September.

10. AOB

- Recruitment of Senior Manager

Due to not landing a Senior Manager, the process will have to start again.

Decisions:

- 1) ExCo agrees to assist the Senior Manager recruitment process by distributing the job specification within their networks