



MFA Forum - Responsible Transitions & the Global Crisis Stakeholder Consultations

Conducted on behalf of the MFA Forum in New York City and Washington D.C. in March 2009 by Sasha Radovich and Caitlin Morris

International Labour Office, Washington, D.C.

Consultation with: Armond Pereira - Representative to the United States

Mr. Pereira was interested in the work and agreed that it was a necessary and important step in the response. He would communicate and liaise with colleagues within the ILO and would follow up on any recommendations for individuals he would suggest be involved.

International Labor Rights Forum (ILRF)

Consultation with: Bama Athreya (Executive Director) and Trina Tocco (Deputy Director)

Bama and Trina were concerned with the growing numbers of workers unemployed throughout the supply chain and echoed the concerns that there are reports coming from their colleagues on the ground that countries are turning a blind eye to the legal requirements during closures or redundancies. They both agreed that key union leaders should participate in the May meeting to advise on effective social net programs and to gain buy-in from the labor union community more broadly. They both expressed concern with the numbers coming back from India and the Philippines and suggested that those two countries should be in consideration for response.

Global Fairness Initiative (GFI)

Consultation with: Caleb Schreve (Executive Director) and Whitney Simon (Program Manager)

Caleb and Whitney gave advice on reaching out to the US Government either through Congress or other influential means. They advised that Senate may be a better route and that many in the foreign assistance departments are interested in issues around restructuring. It is currently unclear how the G department and USAID will shape the foreign assistance work with the new administration. The focus on vulnerable women in the supply chains would be of higher priority now the State Dept due to a heightened focus on women in development. Caleb gave several suggestions of individuals to reach out to. He also advised that it would be important to identify different stipulations around the structural issues around support about programme roll-out during the planning meeting. Identify where there are limits to types of funding arrangements (i.e. government to government), what types of social protection would be most effective in this environment and learning from humanitarian assistance examples rather than traditional development due to the necessary response time, the destabilizing nature and the potential for failure of the state

United States Agency for International Development (USAID)

Consultation with: Ken Beasley (Senior Trade Advisor) and Kimberly Ludwig (Senior Civil Society and Labor Advisor), Margo Ellis (Chief, Asia Division), Michael Blackman (Chief

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Economist, Asia and Middle East), Michael Silberman (Regional Alliance Builder, RDM Asia) and Jeff Levine (EGAT)

After briefing Ken and Kimberly on the RT group and the guidelines they were both very supportive of the efforts and Kimberly was especially interested in the data coming in, how the response would include social net programs and how countries would be selected. Both Ken and Kimberly advised that both financial and technical support for implementation could come from field offices which hold most of the money coming from budgets. With the administrator still being decided much HQ focus will wait but country-level engagement could be very beneficial for this program.

USAID has put in request to appropriations committee, but not yet approved, for 450MM in the 2010 budget to respond to global economic crisis that would focus on 1) social safety nets, 2) technical assistance, and 3) development credit authority - to keep credit flowing, provide a 50% guarantee on loss of principal. GDA team will follow up with country offices, particularly in Asia, to see if field teams agree that job loss in apparel sector is an issue. Their ability to do a public-private partnership in this area will be driven by field team interest.

United States State Department

Consultation with: Kohl Gill - International Labor Affairs and Corporate Social Responsibility Officer

Kohl suggested that both Paula Church with DoL and Todd Stern who is part of the special envoy to climate change were key people to get involved in this work. Kohl suggested that we may consider reaching out to the treasury department which is the department specifically taking a lead on the International financial institutions which may be useful in dealing with the injections of capital and finance into markets. It may be worth understanding risks around perception regarding a response and benefits to global companies. In addition, he suggested we look at how the millennium challenge fund is structured in its criteria for funding and the minimum standards to access the fund as examples. Finally, Kohl briefed me on discussions with labor unions interested in climate change. They are looking at the issue around climate legislation and how it is applied, specifically with regard to US Labor competitiveness.

Gap, Inc.

Consultation with: Dan Henkle (Senior Vice President, Social Responsibility) and Darryl Knudsen (Global Partnerships Manager)

Dan was interested in all of the responses and proposal and the discussion around possibilities of credit and access to credit with favorable terms for suppliers and creating rewards or incentives for good factories/employers. He was interested in the possibilities of building a response that builds incentives in this crisis toward better, decent work. He suggested several people internally that he will follow up with regarding the proposals and Gap's participation at the highest levels.

International Textile, Garment & Leather Workers' Federation (ITGLWF)

Consultation with: Neil Kearney - General Secretary

Neil briefed us on what he was seeing and hearing in his own meetings and expressed that the predictions of 2 million jobs lost would be conservative. He echoed the concerns around wages and working conditions and the need to promote living wage as a key stimulus. Strengthening

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the role of government, having better targeted stimulus packages. In addition, up-skilling the industry and having a recovery strategy were key. Finally access to credit would also be key. We agreed that approaching the ILO at the highest levels would be key and Neil agreed to go with Hannah and/or Simon when they secured the meeting with Somovia.

UN Global Compact

Consultation with: Ursula Wynhoven (Special Assistant to the Executive Director) and Carrie Hall (Communications Bulletin Editor)

Carrie is working on key statements to GC members on the economic crisis. We spoke at length about the MFAF response and what the GC would be promoting and the possible partnering on information to GC's companies about the May meeting. We agreed to stay in contact and that I would provide Carrie with the information and the agenda for May when it was finalized. She handed me "An Action for Business" communication from January 2009 around what business can do, and "The Global Economic Downturn: Why the UNGC and CS are needed more than ever" release 17 October 2008.

Brookings Institute

Consultation with: Noam Unger (Policy Director, Foreign Assistance Reform Project) and Anne Smith (Director of Strategic Development and External Relations)

Congressman Howard Berman, chairman of the House Committee on Foreign Affairs, focused on making reform of US Foreign Aid a top priority, including rewriting of the 1961 Foreign Assistance Act. Focal points of aid should include gender equity, universal education, and climate change adaptation. USG should seek higher level of cooperation with other multilaterals in development of foreign countries' national development policies.

Mercy Corps

Consultation with: Nancy Lindborg - President

Based on the current statistics around job loss, the impacts to the global industry represent a humanitarian crisis. Given the scale of the problem, a suite of immediate responses would be needed, from micro-credit to large public works programs. There may be opportunities to link to existing initiatives focused on adaptation strategies, such as some programs being funded by Rockefeller Foundation. Nancy recommended that we focus on 1) clear call to action and 2) advocacy around a framework for responding.

Center for American Progress

Consultation with: Emily Berman (Corporate Relations & Annual Event Manager), Sabina Dewan (Associate Director for International Economic Policy) and Andrew Light (Senior Fellow, Climate, Energy and Science Policy)

CAP does not have any existing work in this area, but commended us for raising the issue. It was suggested that there was perhaps a combined response of poverty reduction strategies and trade adjustment assistance. They recommended we look at the model of the Global Climate Network and its Secretariat, Institute for Public Policy Research. Other stakeholder recommendations included Achim Steiner, Andrew Pendleton, Kit Batton, Michaela Craytor, Tom Kruse (Rockefeller Fund).



Center for Global Development

Consultation with: Ambassador John A. Simon (Visiting Fellow), Kimberly Elliott (Senior Fellow), Todd Moss (Senior Fellow and Director, The Emerging Africa Project) and Randall Soderquist (Senior Trade Program Associate)

CGD has been focused on larger macro issues related to the crisis, but was interested to hear specific impacts to a single sector. There were extensive questions about the opportunity for the private sector to intervene through social venture investments. There were also some questions about how exactly a relatively low-energy sector like apparel/footwear would best intersect with the development plans around low carbon.

Oxfam America

Consultation with: Gawain Kripke (Director of Policy and Research) and Jonathan Jacoby (Senior Policy Advisor, Private Sector Department)

Their observation, based on trying to get current, deep field data about the food crisis, is that econometric models with close to real-time feedback loops, was very useful and incredibly difficult to do. Their focus in this crisis will probably be the “re-ruralization” of working poor. They suggested World Bank might have monitoring stations that could be leveraged.

Suggested Peter Cowhey, who has been selected as Senior Counselor for USTR on strategy and negotiations as a potentially interesting stakeholder to engage.

World Bank, Export Competitiveness

Consultation with: Mallika Shakya

Mallika is passionate about apparel sector, and this is one of a handful of sectors that the Bank is looking at more broadly in terms of cluster analysis and competitiveness. She will work with us to provide any data the Bank has that may be useful in research.

Panjiva

Consultation with: Josh Green (Chief Executive Officer)

Panjiva’s current niche is their ability to better analyze and clean data from U.S. Customs than anyone else, including U.S. Customs. They currently have approximately 700,000 vendors in their database across multiple sectors, with a pretty deep base of apparel suppliers. Based on quarter over quarter shipments, they are drawing conclusions about which suppliers may be in financial jeopardy. They are now working with Chinese authorities to expand their information set through export data.

United Nations Development Programme (UNDP)

Consultation with: Jonathan Brooks (Policy Team Leader, Private Sector Division), Karolina Myzk (Program Analyst, Private Sector Division), Mette Soetmann (Program Analyst, Private Sector Division), Lucas Black (Finance Adviser, MDG Carbon Facility, Environment and Energy Group) Arun Kashyap, Ph.D. (Chief Commodity Economist) and Andrew Bovarnick (Biodiversity Economist and Global Technical Advisor)

There was extensive discussion about UNDP’s capacity to work at country level and coordinate action on pro-poor growth strategies. We also discussed the idea of breaking down the vulnerability fund into sectoral teams that would work across countries to evaluate the global strategy. Given the range of representation in the room, we heard both some skepticism about corporate interest in this issue, e.g., are we looking for cover? But we also got strong support

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from the Policy Team Leader that the issue requires inter-agency cooperation and new modalities of execution.