

2026 OECD FORUM ON DUE DILIGENCE IN THE GARMENT & FOOTWEAR SECTOR

SIDE SESSION

Putting HREDD into practice in leather supply chains – Lessons from Bangladesh

Tuesday 10 February 2026 | 11:45–13:15 (CET)



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**Bangladesh
Labour
Foundation**



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Putting HREDD into practice in leather supply chains - building on lessons from Bangladesh

Side Session at the OECD Forum on
Due Diligence in the Garment &
Footwear Sector, 2026



Side session 'Putting HREDD into practice in leather supply chains – building on lessons from Bangladesh' at the OECD Forum on Due Diligence in the Garment and Footwear Sector

Webinar agenda

1. Welcome and introduction
2. Bangladesh leather & footwear industry context
3. Overview of Sustainable Manufacturing & Environmental Pollution (SMEP) Programme
4. Findings on social and environmental compliances
5. Human rights & environmental due diligence for leather sector: a guideline
6. Panel discussion and reflections from sector specialists
7. Q&A
8. Closing remarks



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Vision | A world of work where everyone's human rights are protected and respected.

Mission | To advance human rights in global supply chains through collaboration between businesses, trade unions, and NGOs. We work to address systemic barriers, strengthen respect for human rights, and drive lasting change.

History

Pioneering brands, NGOs and trade unions established ETI in 1998 to promote fundamental human rights in global supply chains.

Based on the ILO core conventions, the **ETI Base Code** was developed, turning international labour standards into a practical framework for business.



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Ethical Trading Initiative

ETI is a leading alliance of trade unions, NGOs and companies, working together to advance human rights in global supply chains.

Who we are



NGOs

Our NGOs bring global presence, specialist insights, tools and resources to ETI's membership.



Businesses

Our company members' supply chains span many sectors and include retailers, brands, suppliers and manufacturers.



Trade unions

Our trade union members represent over 200m workers globally, in all countries where free trade unions can operate.

Our focus areas

- Climate & just transitions
- Crisis response
- Gender equality
- Worker representation
- Forced labour & modern slavery
- Responsible purchasing practices
- HRDD & mHREDD

What we do



We **convene** and collaborate with key stakeholders to address impacts for workers, respond to crises and share expertise and guidance



We support individual companies to develop and implement effective **human rights due diligence**



We work to **influence** the policy and regulatory environment for responsible business



Context Overview – Bangladesh

Scale & contribution

- 2nd-largest export sector after RMG and a government priority
- FY 2024–25 exports: ~\$1.14B (~2.36% of total)
- ~850,000 employed; ~3% global market share
- Strong raw-material base; export potential under-realized due to compliance gaps

Relocation & infrastructure

- Major relocation in 2017 from Hazaribagh to Savar Tannery Industrial Estate
- From 220 tanneries in Hazaribagh → 142 operating in Savar (June 2025)
- Goal to reduce pollution & boost competitiveness via shared CETP and upgraded infrastructure
- Initially no individual ETPs allowed; recently 6 tanneries permitted to pilot ETPs; policy issues still unresolved



Context Overview – Bangladesh

Persistent challenges

- CETP ineffective (design flaws, incomplete construction) → ongoing contamination of nearby rivers/canals
- Difficulty accessing high-value markets where LWG certification is required
- Continued political uncertainty - national election scheduled for 12th Feb 2026.
- Outside a few private banks, most financial institutions remain under stress (~400 RMG factories have paused production due to banking disruptions).
- Without meaningful reforms, risk of further marginalisation in global value chains.
- 8 – 10% of workers are females in Savar Estate.





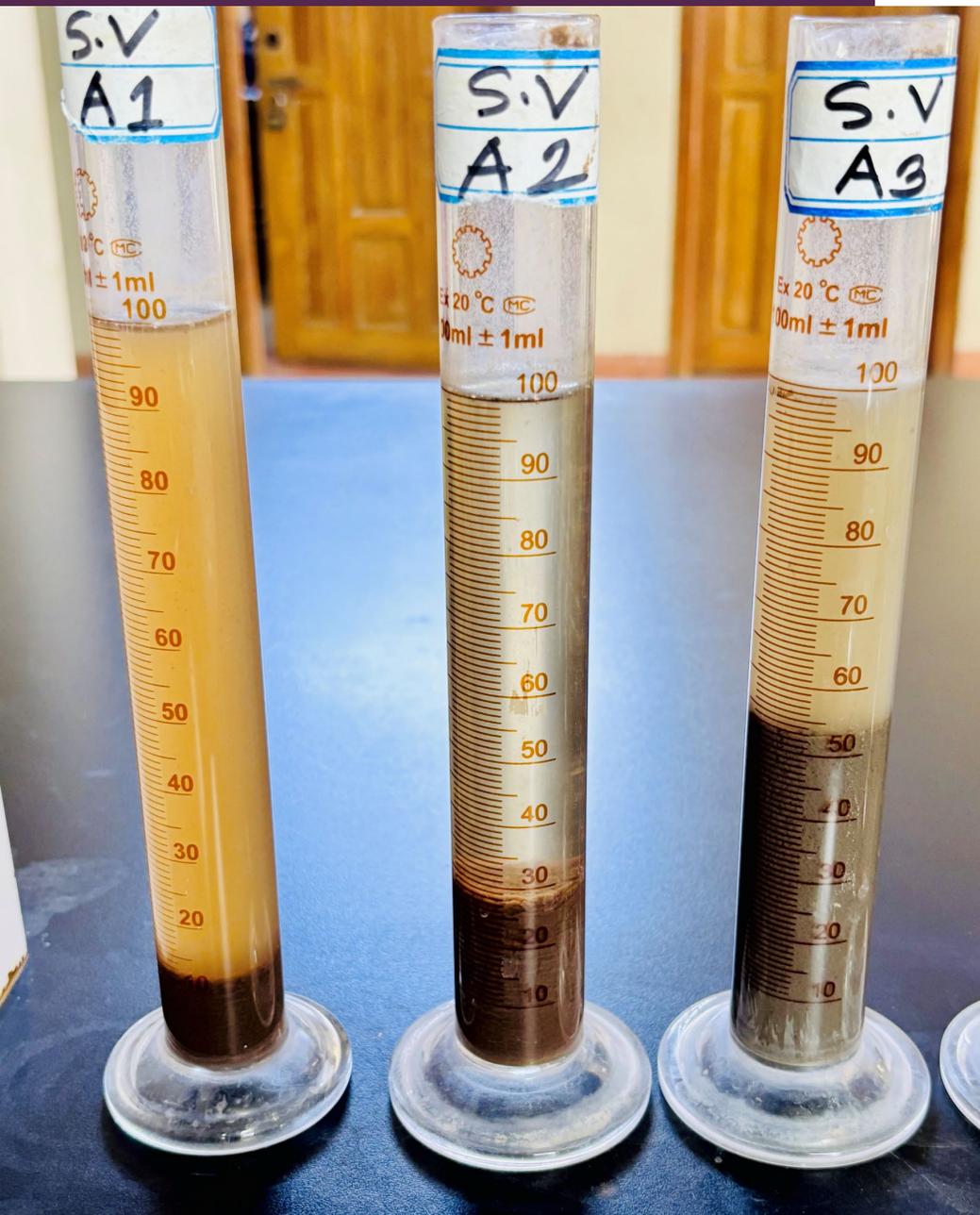
Improving Environmental and Social Conditions in the Savar Tannery Estate

- **Consortium:** ETI, ETI Bangladesh, Bangladesh Labour Foundation (BLF), Mondiaal FNV
- **Scope:** 40 tanneries in Tannery Industrial Estate, Savar
- **Goal:** Reduce environmental & social impacts; build systems and skills for responsible, efficient production
- **Activities:** Set up of ESMS systems and individual action plans in tanneries, training in OHS and environmental practices, support to establishment of safety and anti-harassment committees with worker representatives, lobbying & advocacy, and promote a HREDD framework.



Sustainable Manufacturing and
Environmental Pollution Programme





Project design – Three pillar approach

1) ESMS in 40 tanneries

- Co-develop & implement Environmental & Social Management Systems
- Training for workers & management including peer-to-peer support
- Improve efficiency; mitigate E&S risks

2) Incentivised risk reduction & market readiness

- Share high-value market requirements
- Network with potential partners/buyers
- Develop leather-specific HREDD frameworks; align stakeholders with standards

3) Advocacy & network alignment

- Coordinate local/international advocacy for infrastructure investment
- Improve HREDD application for sector-wide risk reduction
- Engage supply chain partners in collaborative harm-reduction initiatives



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Findings & learnings



Employment practices

- **Contract Type:** 56% of workers (70% of women) rely on verbal agreements, stripping them of legal protections and job security. Men are over twice as likely to hold permanent roles (70%) compared to their female colleagues (32.6%).
- **Tenure Disparity:** While the average workforce tenure is 14.1 years, male workers average 15.3 years, nearly doubling the 8.6 years average for women.
- **No Child labor:** The industry is now officially declared child labor-free, with no surveyed workers entering the sector under age 14 in the past decade, a major milestone following the location to Savar. Only 5% had entered the sector between ages 15–17



Occupational health and safety

- **Knowledge on OHS:** Nearly 40% of workers are unfamiliar with Occupational Health and Safety (OHS) due to a critical lack of training.
- **Accidental Risks:** Machinery malfunctions are the leading hazard (35.3%), with men reporting more accidents (37.4%) as they are more frequently assigned to heavy equipment. Only 10.9% of respondents reporting an accident-free environment.
- **Common Health Issues:** Nearly 74% of workers suffer from skin issues (rashes/irritation) due to chemical exposure, while roughly 20% report bronchial asthma linked to poor air quality. Nearly half of the workforce (48.7%) experienced work-related health issues this past year
- **Knowledge on chemical:** 37.4% of workers cannot identify the hazardous materials they handle, a figure that surges to 65.1% among female workers. Common hazards include tanning chemicals and acids, which are often stored unsafely—sometimes even in water bottles.



Use of personal protective equipment (PPE)

- While 88% of workers have access to Personal Protective Equipment (PPE), only 40% use it regularly, and 23% never use it at all.
- Discomfort is the primary reason for non-use (64%), followed by a lack of management enforcement (32%) and inadequate supply (22%).



Gender sensitivity

- Over 63% of workers do not understand "gender sensitivity," and 74% are unable to identify types of gender-based violence or sexual harassment.
- Prior to project intervention, only 2 out of 40 factories (5%) had established Anti-Harassment Committees.



Workers' perception on environmental pollution and mitigation measures

- **High awareness of pollution:** 63% of workers identify tanneries as major sources of air, water, and soil pollution and many raise concerns with management
- **Strong recognition of conservation:** Over 75% understand the importance of waste, water, and energy conservation
- **Energy knowledge gap:** While most workers know the benefits of energy conservation, 42% are unaware of how to conserve energy in practice
- **Limited action on resource use:**
 - 36% take no action to reduce waste
 - 45% take no action to reduce energy use

Insights from community

- Waste disposal from tanneries remains a major community concern
- Residents report worsening air and water quality, including strong river odours
- Water pollution affects livestock and agricultural productivity
- Drinking water from tube wells remains available





Environmental assessment: Good practices

- **Limited LWG alignment:** Few factories proactively align with Leather Working Group standards through strong institutional commitment
- **Efficiency improvements underway:** Some facilities have adopted leak-free water lines, metering, and energy-saving measures such as solar panels and steam insulation
- **Waste management systems in place:** Most factories operate functional pre-treatment systems; only a small number use advanced chrome recovery
- **Energy-saving design:** 40% of factories use natural lighting to reduce energy consumption





Critical operational & environmental gaps

- **No chemical tracking:** All assessed factories lack data on chemical use, undermining LWG compliance and substance control
- **Weak management systems:** Over 90% lack environmental SOPs and formal risk assessments
- **High resource inefficiency:** Heavy reliance on fossil fuels, limited solar use, and widespread water wastage
- **Poor controls and monitoring:** Most sites lack restricted substance lists, effective housekeeping, and air/noise monitoring capacity
- **Severe safety risks:** Widespread issues with electrical safety, machine guarding, stairs, and chemical storage

Project Interventions



Capacity Building: Social and environmental training for workers, representatives, and management.

Social Dialogue: Activating safety and anti-harassment committees.

Compliance & Advisory: Providing regulatory support and technical guidance.

Due Diligence: Developing and implementing HREDD tools.

ESMS Strengthening: Creating factory-specific environmental and social action plans.

Market & Finance: Facilitating market linkages and access to financing.

Brand Alignment: Addressing brand-specific due diligence requirements.

Knowledge Sharing: Consolidating and disseminating sector learning.



Project Learning

- **Digital Transition:** Weak, manual data systems must shift to standardized digital templates to accurately track efficiency and impact.
- **Leadership Commitment:** While mid-management is enthusiastic, success requires owner commitment for all financial approvals.
- **Innovative Training:** Production pressure hinders formal sessions; peer-to-peer floor training is a more effective, space-saving alternative.
- **Gender Inclusion:** Limited participation from women in training and leadership requires targeted engagement strategies.
- **Financial Barriers:** Small factories face major hurdles securing capital for sustainable upgrades and growth.
- **Mandatory Compliance:** Strict adherence to international standards is now a mandatory prerequisite for securing global buyers.
- **Action Plan:** Environmental assessments and ESMS action plans provide factories with clear paths for improvement.
- **Policy Integration:** HREDD must be embedded in core policies through rigorous risk assessments and functional grievance mechanisms.
- **Collaborative Roadmap:** Achieving a cleaner industry requires a unified strategy shared by factories, associations, and government.



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A good practice guide for brands and retailers



Why we have outlined this guidance

Key gaps we're addressing

- Human rights risks remain less developed than environmental efforts
- Emerging regulations (e.g., EU CSDDD) require stronger due diligence
- Many brands lack clear starting points for leather-specific HREDD
- Certification alone is not enough—demand for credible, risk-based action



Getting Started on Leather Due Diligence: A good practice guide for brands and retailers

The aim of the guidance

- To provide a starting point for brands of all sizes—whether new to leather or looking to deepen existing work—to progressively improve conditions for people, animals, and the environment.
- Build brand awareness of salient risks and good practice approaches to due diligence.
- To help companies understand the unique risks associated with leather manufacturing, animal slaughter, and livestock production.
- Direct brands to additional research and resources to strengthen due diligence.
- Encourage brands to take meaningful steps to advance human rights and environmental due diligence in their leather supply chains
- Support brands to implement integrated HREDD across the leather value chain.

Consultations & methodology

Methodology

1. Consultations with 18 subject matter experts worldwide
2. Comprehensive literature review
3. Assessed public disclosures of 20 leather-retailing brands
4. OECD Responsible Business Conduct six-step due diligence framework

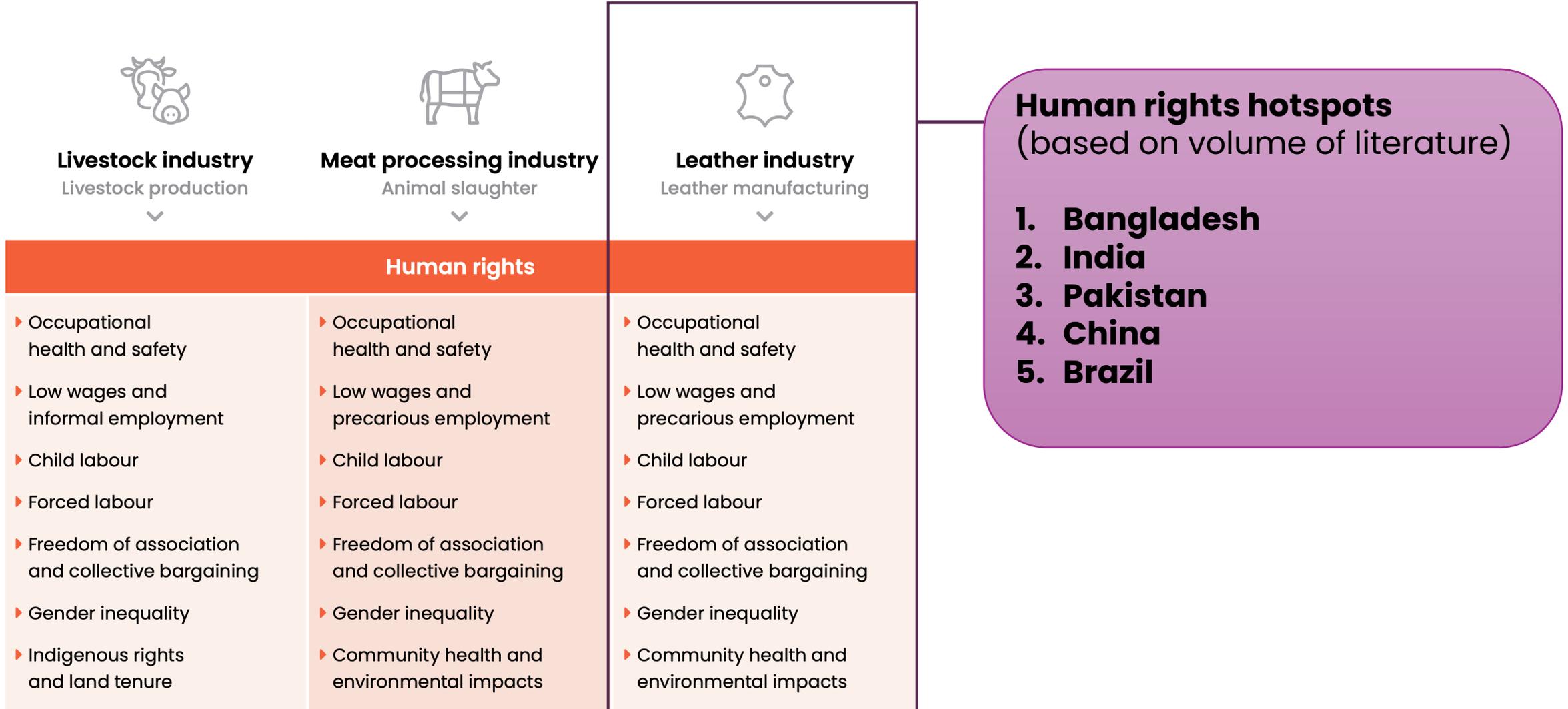
Brands

- adidas
- Tapestry
- Longchamp
- VF Corp
- Mulberry
- John Lewis Partnership
- Dr Martens
- Ralph Lauren

Sector stakeholders

- Leather Working Group
- Textile Exchange
- Confederation of National Associations of Tanners and Dressers of the European Community (COTANCE)
- International Labour Organisation
- IndustriALL Global Union
- Sustainable Leather Foundation
- World Wildlife Fund
- International Council of Tanneries
- JBS
- Prime Asia

Leather supply chain – Salient human rights risks





Getting Started on Leather Due Diligence: A good practice guide for brands and retailers

Access the guidance here:

- [Getting Started on Leather Due Diligence: A good practice guide for brands and retailers](#)





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Panel discussion



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Q&A

- Please type your questions in the Q&A function.



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Connect with ETI



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**Thanks to our panellists
&
Thank you all for joining the
Side session 'Putting HREDD
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