

**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 & Footwear Sector, 2026**

**February 10, 2026**

**Findings**

**Baseline Findings**

Baseline findings were shared from the KAP study and environmental assessment.

In terms of employment practice, more than half of the workers are working with verbal contacts. Men are two times more likely to get permanent positions compared to women. Men are also two times more likely to work in the sector compared to women.

Regarding occupational health and safety, almost 40 per cent of workers are unaware about OHS due to lack of awareness.

Learning points were mentioned and are to be collected from the slide.

**HREDD Guidance**

It was highlighted that there has not been a guide for the brands, especially the new ones, for conducting HREDD throughout their supply chain. Human rights risks are given much less focus compared to environmental regulations. It was also important to ensure that emerging regulations such as CSDDD are embedded. The aim of the guidance is to be collected from the slide.

**Leather Supply Chain and Salient Human Rights Risks**

The leather supply chain was discussed with a focus on salient human rights risks. Bangladesh is one of the major hotspots for human rights risk. The livestock industry and animal slaughtering are also part of the package. More focus is on the leather manufacturing industry.

**Questions from the Presentation**

A question was raised on worker representation during the project. It was shared that factories are being supported to develop climate champions. Support is being provided to 40 factories for better ESMS management, where both management and worker representatives are working together. Different committees such as SC and AHC also see strong worker representation. The impact of the project so far has been seen in OHS and environmental management and more will be shared once the endline assessment is conducted.

**Response from Abil Bin Amin**

Apart from all the project information, a question was raised on how workers have participated in the design and delivery of the project, and what has changed for the workforce.

It was shared that worker representatives were consulted during the phase of training module design. A big part of the focus is to ensure worker voice across all sectors. All factories have supported climate champions. Forty tanneries have sustainable committees with worker representatives and management working together to develop action plans. Through the project so far, there are 23 AHCs and 29 safety initiatives to ensure both management and worker engagement. There have been positive changes regarding women empowerment, but these are yet to be measured as the endline assessment has not taken place.

## **Panel Discussion**

### **Samm Mahboobuddin**

Samm shared that the tannery sector is struggling but remains optimistic despite the hindrances, and they are trying to push forward. Previously in Europe there were no rules and regulations, but progress happened when consideration for the next generation provoked development for a better future.

More than 150 tanneries struggled to come together to decide on the move and later realised that CETP is not as functional. Then COVID came. Due to the absence of a functional CETP, the estate lost many buyers. It was declared a red zone and loans were blocked. Owners needed to learn how to modernise themselves. NGOs are trying to help the tanneries to educate the workers. The factories are still stuck in the past and cannot access funds to fix the CETP. The absence of the CETP is affecting LWG certification. Some tanneries have their own ETPs, but this is not practical for all factories. Funds from the World Bank or ADB would be greatly appreciated. Samm further reflected that they are big at heart but struggling by all means yet remain optimistic. Bangladesh, as an LDC, has some gaps. The industry was in a strong position previously. In the 1950s, there was an MoU with the government stating that the CETP would be built and the sector would be shifted, but due to political and economic reasons this did not happen.

When relocation finally happened in 2017, the sector was not ready and was forced to move overnight while the country's economy was not in good shape. Most factories tried to comply with the government's decision. There was not enough time to educate the workforce on compliance, workplace safety, and other issues, as funds had to be invested to facilitate the shift from Hazaribagh to Savar within 72 hours' notice. It took two years to settle, after which it became clear that the CETP was not working properly. Then COVID hit and many international buyers were lost. The government also imposed an embargo on loans by declaring the area a red category. NGOs tried to educate workers and ensure their rights, but the sector still lacks funds to fix the CETP. Without fixing it, modernisation and LWG certification are not possible. Unless the ADB, World Bank, or the government fixes the CETP, the sector cannot move forward.

Samm stated that the gap between policymakers and entrepreneurs must be reduced. The workforce is not very skilled, so standards need to be slightly relaxed. The sector is already competing with other countries producing cheaper artificial leather. Expertise, support, and joint action are needed to

develop the sector. Reform of the CETP is essential for survival and sustainability. The government, CSOs, brands, and all stakeholders have a role to play in modernising the leather sector.

### **Mehrana Islam Chowdhury**

#### **On Policy Gaps**

Mehrana discussed policy gaps and noted that with LDC graduation approaching, dependency on the RMG sector alone is dangerous. The government is taking initiatives, and CSOs such as ETI are also working in the sector, but gaps remain. The biggest challenge is coordination.

When speaking to women entrepreneurs in the industry, they reported challenges in getting land. They also lack access to funds because the DoE categorises the sector as a red category industry. Questions were raised on how much information is being disseminated to policymakers. A roadmap is needed, but first an assessment must be conducted to identify risks within the supply chain.

There is also a need to align the regulatory framework with international regulations. Some large tanneries have good management systems, and if they support smaller owners through better coordination, the industry can move forward. Buyers also need to be included, as many small and medium-scale suppliers are not aware of upcoming regulations from the EU and other international bodies.

### **Rehana Akter Ruma**

#### **On Challenges for Entrepreneurs**

Rehana Ruma discussed the challenges faced by entrepreneurs and how they might overcome them. From 2017–18 onwards, there has been no major development. Labour law is treated as the bare minimum, and implementation started only after relocation. The number of factories maintaining social and environmental compliance remains very low.

One of the main challenges is traceability. Most raw hides collected cannot be traced back to the source or slaughterhouse, raising social and environmental compliance concerns. CETP is also a major issue. Waste management is another challenge. There is some hope regarding solid waste, as collection has started and one large factory is producing by-products. However, liquid waste remains more threatening.

Chemical management is very poor across the leather industry in Bangladesh. This is closely linked to OHS. Chemical storage is not fixed, and MSDS is not installed, which is a barrier to creating a decent workplace.

### **Ashraf Uddin – Scaling Up the Industry**

Ashraf Uddin spoke on how to scale up and bring change to the overall industry and the barriers to doing so. He noted that the issue is not unawareness but practice. There is a lack of SOPs, and most

supervisory roles do not have fixed job descriptions. Tanneries are run in a legacy mode and lack formalisation.

There is poor coordination between worker voice mechanisms and management. There is no proper grievance handling mechanism, and workers suffer from insecurity due to the absence of formal contracts. Housekeeping inside factories and social compliance are missing. Procedural approaches are needed to modernise the sector and compete internationally.

Mid-level management struggles to maintain activities. Tanneries face difficulties maintaining quality. Workers suffer from insecurity and mental stress due to lack of formal mechanisms. The process started but is currently missing. In-house factory housekeeping is not up to the mark, and chemical management remains poor.

### **Shahinur Rahman – Role of Trade Unions and Brands**

Shahinur Rahman discussed the role international trade unions and brands can play. He noted that HREDD and compliance will become major global topics. There is often a question whether CSDDD, HREDD, or OECD guidelines are just another audit tool, but they can support positive industrial transition if applied properly.

HREDD can only be implemented effectively through a rights-based and power-balanced approach, and by making it worker-centric rather than audit-focused. Risk identification, implementation, and monitoring must be embedded in systems. Brands should integrate HREDD into their policies, supplier selection, and buying decisions.

Freedom of Association and Collective Bargaining must be enabled. Factory-based committees and trade unions should be supported and endorsed by brands to ensure meaningful social dialogue. Brand commitment should not be voluntary but accountable, with actionable commitments that are implemented. HREDD should be integrated into purchasing practices rather than pushed solely onto suppliers. Social and environmental compliance should be integrated into one standardised system.