

## Terms of Reference

### **ETI's report on a practical application of mandatory human rights and environmental due diligence (mHREDD) in Indonesia**

The Ethical Trading Initiative (ETI) seeks an expert consultant to deliver a report document detailing the practical application of ETI's mHREDD guidance in Indonesia through businesses, trade union and NGOs engagement. The consultant must have strong experience in data collection, research and analysis in the context of international corporate due diligence, as well as a good network of relevant stakeholders on the ground.

**Reports to:** ETI Legal Advisor

**Contract duration:** 21<sup>st</sup> July – 30<sup>th</sup> September 2025 (see timeline in deliverables)

**Remuneration:** Agreed fee against invoice submitted (50% at start of contract, and 50% at submission of final report).

**Location:** Indonesia -based.

**Main purpose:** The project aims to help businesses in Indonesia to understand and apply the principles of emerging due diligence laws (with a focus on EU law) through clear internal processes, meaningful stakeholder engagement, and collaborative risk mapping and mitigation.

#### **About ETI:**

The **Ethical Trading Initiative (ETI)** is a ground-breaking alliance of companies, trade unions and voluntary organisations working together to improve the lives of workers in international supply chains. ETI's vision is of a world of work that protects human rights, ensures dignity for all, provides opportunity and is free of exploitation and abuse.

More information can be found on our website at: <http://www.ethicaltrade.org/>.

#### **Background to assignment**

Increasing numbers of governments worldwide have been introducing mHREDD requirements for companies and this trend is continuing at pace. Some of this legislation is also becoming more prescriptive, with requirements that cover the full extent of the value chain and increasing the number of companies in scope. With growing momentum in this area, no responsible company can choose to ignore the importance of human rights due diligence.

In February 2024, ETI launched its [mHREDD Initiative](#) to build knowledge and understanding among our company members on mandatory human rights and environmental due diligence, highlighting existing and upcoming relevant legislation. Under the [Sustainable Textile Initiative: Together for Change \(STITCH\) programme](#), ETI developed a guidance (“the Guidance”) document focusing on the effective implementation of mHREDD legislation. In particular, the Guidance provides:

- A summary in plain language the requirements of key mHREDD laws ( EU CSDDD, CSRD, EUFLR)
- Advice on how to coordinate internal discussions at company level
- Step-by-step instructions to align with the above legislations including: Stakeholder engagement, Salient risk analysis, Mitigation action, Remediation work and Sharing lessons learned.

This assignment focuses on a practical application of the Guidance in Indonesia as a production country. Our aim is to apply global legislation in the specific local context of Indonesia, taking into account local context and legislation. This is an opportunity to engage with the local community and stakeholders in-country to ensure that the voices of those most effected by legislative impacts, namely workers themselves, are raised and taken into account. By taking this approach, led by the local context and guided by the principles of meaningful stakeholder engagement, we work to avoid top-down approaches where expectations are prescribed on production-countries, and instead focus on the applicability of both global and local legislation.

#### Key deliverables:

|   | Activity  | Deliverable   |
|---|---|---|
| 1 | <b>Exercise</b> to set the scene and provide framing for the overall report, including: <ul style="list-style-type: none"> <li>(i) Reviewing ETI Guidance</li> <li>(ii) Mapping out engagement with businesses, trade unions and NGOs to understand the impact of CSRD, CSDDD and EUFLR on Indonesian supply chains.</li> </ul> | Report pre-amble/appendix by Friday 1 <sup>st</sup> August.   |
| 2 | Develop a draft report on the application of ETI’s mHREDD guidance including: <ul style="list-style-type: none"> <li>• A comparative table of EU mHREDD legislation with Indonesian laws to identify gaps and alignment.</li> <li>• A case study to:</li> </ul>   | Draft report document to be sent to Legal Advisor by Tuesday 26 <sup>th</sup> August.<br><br>Attend a review call with Legal Advisor w/c 25 <sup>th</sup> August. |

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|---|---|--|
|   | <ul style="list-style-type: none"> <li>• Capture practical examples of applying the guidance</li> <li>• Reflect on trade union involvement and worker voice</li> <li>• Highlight implications of EU law for sourcing practices</li> <li>• Providing recommendations on risk assessment, prevention, remediation and grievance mechanisms in the context of Indonesia.</li> <li>• Analysing and providing recommendations on purchasing practices shifts in light of emerging EU law.</li> </ul> |  |
| 3 | <b>In-person consultation</b> on draft report: With support from the ETI secretariat, lead and organise 1 consultation workshop with ETI's partners and members in Indonesia.   | Organise and deliver session in September 2025 (date to be agreed with Legal Advisor).<br><br>Collect feedback from session. |
| 4 | <b>Editing and delivery of final document and dissemination</b> of report through a final presentation of guidance to brands.   | Edited final document<br><br>Final presentation of guidance to ETI member company members by end of October.                 |
| 5 | <b>Regular check-ins</b> with Legal Advisor   | N/A  |

ETI will provide the consultant with all background documentation and resources needed, as well as a presentation of the work already conducted both through the STITCH programme and by the ETI Collective Action Team. The consultant will be responsible for all other aspects of the deliverables as described above including practical logistics.

### Skills and experience

- Experience of working with companies on HREDD.
- Demonstrable strong relevant networks in Indonesia (including NGOs, trade unions and suppliers).

- Knowledge and experience in the areas of Indonesian business and human rights trends and labour laws.
- Demonstrated knowledge and experience in conducting research in the context of business and human rights.
- Demonstrated experience in producing reports and documents for a business audience.
- Strong analytical and writing skills.
- Strong project management skills, including timely and clear communication and managing project expectations, and working under tight timelines.
- Strong experience in stakeholder management and event organisation and delivery.
- Fluency in written and spoken English and Bahasa Indonesia.

Desirable skills include an understanding of international business and human rights law with a focus on EU CSDDD, CSRD and EUFLR.

### **Application process**

Please email applications for this consultancy to [margherita.parodi@eti.org.uk](mailto:margherita.parodi@eti.org.uk) **as soon as possible**, with the subject line **‘STITCH practical application of mHREDD in Indonesia’**.

Applications should include:

- A cover letter of no more than 2 pages outlining how you meet the qualifications, skills and experience required for this consultancy
- Copy of latest CV
- Examples of previous work/assignments that demonstrate required skillset (e.g. links to publicly available documents).
- Overview timeline, including daily fee, number of days required for each deliverable and proposed total fee.