



Due Diligence in the Public Procurement of Garment & Textiles

The 2020 OECD report [Integrating Responsible Business Conduct in Public Procurement](#) finds that many public buyers face challenges in integrating RBC objectives and risk-based due diligence in public procurement. As part of the OECD Programme on Responsible Business Conduct and Public Procurement started in 2019, the OECD launches a pilot to support public buyers in integrating OECD risk-based due diligence in garment and textiles. Lessons from the OECD Garment sector work with the private sector, unions and civil society will help shape the pilot project.

Objectives of the session

- Identify priorities and challenges in the implementation of due diligence in the public procurement of garments and textiles
- Gather feedback on key issues to promote responsible public procurement
- Solicit ideas on the role non-governmental stakeholders can play to support public buyers in integrating risk-based due diligence in public procurement

Background

Accounting for an average of 12% of gross domestic product (GDP) in OECD countries, the impact of public procurement is vast. However, if public procurement is not managed properly, it may have negative impacts on the environment and society. Increasingly, governments view public procurement as a strategic policy tool to promote sustainability, inclusiveness, and resilience.

However, as highlighted by the 2020 OECD Report [Integrating Responsible Business Conduct in Public Procurement](#), uptake of RBC objectives in public procurement is incomplete and uneven. Transparency of the entire public supply chain is not ensured. Limited systematic risk-based supply chain due diligence is incorporated in the frameworks and practices of central purchasing bodies (CPBs). Challenges also remain on the implementation of a number of RBC objectives and follow-up to monitor the uptake of RBC objectives is weak.

In the EU, work wear procurement alone is estimated to account for EUR 8.6 billion, a significant volume of public spending¹. The garment and textile sector often provides the “test case” for expanding policies into other sectors, given the global attention to the RBC risks (human rights, labour, environmental and corruption impacts) prevalent in the supply chain from fibre to finished good. Building on these insights, a pilot could help public buyers in implementing due diligence in public procurement to mitigate the negative impacts of their purchasing decisions, providing an opportunity to tackle challenges and identify opportunities supported by peers. The pilot is part of the OECD’s [broader programme to integrate RBC considerations into public procurement policies and processes](#).

Discussion questions

- What would be the most important outcome or change you would like to see as a result of the OECD Garment pilot with public buyers?
- What are main challenges preventing public buyers from implementing risk-based due diligence in the sector?
- How can public buyers best utilise the collective expertise and insights of non-governmental stakeholders including business, worker representatives and civil society, to promote risk-based due diligence?
- What are the key risks facing public buyers in the garment and footwear sector? How is this similar or different to sector risks facing buyers in the private sector?
- What examples of good public-private collaboration to address sector risks exist in the garment sector or beyond? What market / business tools on due diligence can public buyers use?
- How can different parts of government (beyond public procurement) contribute towards promoting the responsible buying of garment and footwear?

For more information

- OECD, Public Procurement and Responsible Business Conduct (2020), <http://www.oecd.org/governance/public-procurement/procurement-and-rbc/>
- OECD, Integrating Responsible Business Conduct in Public Procurement (2020), <http://www.oecd.org/gov/integrating-responsible-business-conduct-in-public-procurement-02682b01-en.htm>

¹ <http://www.ecap.eu.com/wp-content/uploads/2018/10/ECAP-Workwear-Report.pdf>