

The COVID-19 Vulnerable Supply Chains Facility



Panda Flower Farm, Kenya. © Fairtrade

VSCF enables vulnerable people and supply chains to recover from and remain resilient to the economic and social impacts of COVID-19, by leveraging the reach and influence of responsible businesses through partnerships. Through 8 partnership projects in the agriculture and garments supply chains in Africa and Asia, the Facility tests and scales approaches to provide additional health and safety support, increase incomes, safeguard jobs, and ensure continuing access to markets. Vulnerable people within supply chains are supported to recover from COVID-19, and responsible businesses are supported to build on these experiences to become more sustainable.

Countries: Bangladesh, Ethiopia, Ghana, Kenya, Myanmar, Tanzania, Zimbabwe.

Sectors: Agriculture & Garments

Facility Manager: Mott MacDonald Limited

Consortium Partners: Accenture Development Partnerships, International Institute for Environment and Development (IIED).

Total VSCF budget incl. partner contributions: £4.3 million

Donor: FCDO



“At M&S we have a robust approach to ethical fashion - we know we're only as strong as the communities where we operate, and we're committed to helping improve the lives of workers in our supply chain through collaborative initiatives. We're proud to be partnering again with FCDO and CARE to strengthen healthcare systems and services in our factories in Bangladesh and the wider community.”

Fiona Sadler, Head of Ethical Trading, M&S

“VSCF will go a long way to helping some of those hardest hit by the COVID-19 pandemic, and who supply us with some of our favourite products. This demonstrates the strength of our projects and partnerships, and our innovative approach that involves working hand-in-hand with businesses to ensure resilient supply chains.”

Louisa Cox, Director of Impact at the Fairtrade Foundation



Challenge

- COVID-19 has caused profound economic and livelihoods disruption in 2020: WTO forecasts a global trade decline of 32%; World Economic Outlook projects half a billion people falling into poverty; ILO estimates a 24.7m increase in unemployment.
- Agriculture and garments sectors in Africa and Asia, which supply in large volumes to the UK, hard hit: e.g. US\$3.2bn garment orders suspended or cancelled in Bangladesh; ~90% Kenyan flower farm workers affected by suspension or reduced pay.

Initiative

- VSCF to provide rapid resources for partnerships that help vulnerable people and responsible businesses respond to COVID-19.
- Partnership projects support supply chains to remain resilient, enabling the most vulnerable workers and suppliers to recover from economic and livelihoods shocks.
- UK-based businesses with a combined annual turnover of £140bn and reach to 4m workers in Africa and Asia have been engaged through leading sustainability non-profits.
- 6 lead partners and 26 sub-contractors in 7 countries engaged: leading facility partners include M&S, Tesco, Sainsbury's, Primark, Fairtrade Foundation, CARE International, and the Ethical Trading Initiative.
- VSCF projects are match funded by UKAid and delivery partners to ~1:1 ratio.
- Grant funded projects will last 12 months (2020-2021); continuation and upscaling through ongoing corporate support targeted.

Expected Results

Win-win for vulnerable people and responsible businesses:

- VSCF will provide ~300,000 people (50%+ women) with direct access to services including health support, information on COVID-19 risks, PPE, food support, income diversification services, and improved working conditions.
- 50 garments factories and 40 farms/unions will be directly supported through 20 responsible retail brands.
- Up to 800,000 people in wider communities expected to benefit indirectly through strengthened and more resilient supply chains.

Gender, social inclusion, human rights, and climate change:

- Over 150,000 female farm and garments workers will benefit.
- Facility includes projects focussed on GBV, working conditions and human rights, and remediation of cases of child, forced, and bonded labour abuses.
- Crop diversification interventions will promote climate-smart farming approaches.
- Trials of sea freighting flowers from Kenya to Europe will deliver ~87% saving of CO2.

Mott MacDonald Limited is the Facility Manager for the Vulnerable Supply Chain Facility. We have partnered with 16 UK retailers supporting 84 small and medium sized businesses across Africa and Asia, which supply to the UK. The Facility will lead to economic, social, and health benefits for around 1 million women and men directly and indirectly.