



## WORKSHOP ON CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENTAL MANAGEMENT SYSTEMS

### *FINAL REPORT*



*March 19-23, 2018*

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## INTRODUCTION

The Ethiopian economy is quickly growing, with an average growth of 10.8 percent per year in the past decade<sup>1</sup>. The country is now implementing phase II of its Growth and Transformation Plan that aims to build a solid industrial base in order to bring structural transformation and make Ethiopia a manufacturing hub in Africa by 2025<sup>2</sup>. Moreover, the country is carrying out a Climate Resilient Green Economy (CRGE) strategy to identify opportunities and entry points for green industrialization, to develop an economy-wide green growth vision.

Ethiopia's industrialization approach has strongly focused on developing specialized industrial parks, maintaining environmental sustainability, building vertically integrated industries, and enhancing skills development – through strong collaboration with the private sector. The Ethiopian Investment Commission and the Industrial Park Development Corporation as well as the Ministry of Industry are key players in this process.

The Industrial Parks Development Corporation (IPDC) was established in 2014 with a mandate to develop, operate and administer a wide range of industrial parks in the country through lease, transfer and sale of land and construction. IPDC is designated to prepare a detailed national industrial parks master plan based on the national master plan. The corporation is also empowered to serve as an industrial land bank. Currently, IPDC is vigorously working to develop 100,000 hectares of land between 2016 and 2025, for a total factory floor area of 20 million m<sup>2</sup> resulting in about two million job created. Currently, three industrial parks- Bole Lemi I, Mekelle, and Hawassa -are operational and an additional four - Kombilcha, Dire Dawa, Adama and Jimma- will soon be inaugurated.

The Ministry of Industry (MoI) plans to construct 17 Integrated Agro Industrial Parks (IAIPs) that will be built in all states. Four states - Amhara, Oromia, Tigray and SNNPR - have already laid cornerstones to commence construction of their own integrated agro-processing industrial parks. The ministry plans to develop 1,000 hectares of land in each of the four agro-industrial parks. Based on agro-ecology of the parks, pulses, oil-seeds, poultry, meat, milk, honey, vegetables, fruits, and coffee among other processing factories will be established. 60 big or 120 medium size factories will be established during the initial phase.

The manufacturing industry in Ethiopia has also faced numerous challenges. Social and environmental challenges faced by the factories have already been reported, especially in relation to the labor force.<sup>34</sup> Although major efforts are carried out to develop and industrialize the country, Ethiopia is new to the industrial culture. This includes workers in factories as well as other stakeholders in critical positions, such as managers, supervisors and government officials in charge of the industry's development. Its position in the global supply chain along with its resources and lessons learned from other industrializing countries gives Ethiopia an advantage to curb social and environmental problems from an early stage.

Social and environmental issues are crucial for the sustainability of Ethiopia's development to ensure that industrialization benefits the entire society and has minimal negative impacts on the environment. Corporate Social Responsibility (CSR) guidelines are currently lacking, both for the park developers as well as for the industries. Industries residing in the industrial parks are expected to operate in an ethical

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<sup>1</sup> World Bank (2016). Ethiopia: Overview. Retrieved from: <http://www.worldbank.org/en/country/ethiopia/overview>

<sup>2</sup> Ethiopian Investment Commission (2017) Ethiopia: Aspiring to become the Leading Manufacturing in Africa by 2025. Presentation held at the G20 conference in Hamburg, Germany.

<sup>3</sup> SUSA (2017) Assessment of Workers' Satisfaction and HR Structure of Factories in the Hawassa Industrial Park.-Retrieved from: <http://enterprisepartners.org/download/hr-assessment-in-the-hawassa-industrial-park/?wpdmdl=2211>

<sup>4</sup> Dawit Endeshaw (12 August 2017) Labor affairs. The Reporter Ethiopia. Retrieved from: <https://www.thereporterethiopia.com/content/labor-affairs>

and transparent way that contributes to the welfare of society and the environment, complying with applicable national laws and with international norms of behavior such as the United Nations Universal Declaration of Human Rights, the International Labour Organization's core conventions on labor practices, and other Corporate Social Responsibility Standards.

USAID/Ethiopia, the US Forest Service (USFS) and IPDC recently partnered with Sustainability Agents SUSA GmbH to implement a CSR workshop to build capacity of park developers and their industries on CSR related issues that will ultimately benefit the country to meet its sustainable development agenda by 2030.

## EXECUTIVE SUMMARY

USAID/USFS conducted a workshop from March 19<sup>th</sup>-23<sup>rd</sup> 2018 at the Capital Hotel in Addis Ababa, with 36 participants coming from the Industrial Park Development Corporation: Hawassa and Bole Lemi Industrial Parks, Ethiopian Investment Commission, Ethiopian Standards Agency, Ministry of Industry, Ministry of Labour and Social Affairs, Ministry of Environment, Forest and Climate Change, and the City Government of Addis Ababa Solid Waste Recycling & Disposal Office. The overall objective was to build capacity among industrial park developers and industries on Corporate Social Responsibility and Environmental Management Systems in order to foster sustainability in Ethiopia's industrialization. Specific objectives of the workshop were to:

- Create awareness about the importance of integrating long-term economic, environmental, and social aspects in the industries' business strategies while maintaining global competitiveness and brand reputation
- Analyze the role of stakeholders along the global supply chain and their impact on the industry's sustainability
- Provide an overview about international standards for social and environmental responsibility and understand the regulatory framework
- Understand and reflect on the practical implementation of CSR in the industry
- Analyze and develop ideas for a strategy towards improved communication between park developers and industries



## TRAINING OVERVIEW

The workshop was divided in two parts. During the first days of the workshop, training was delivered on the role of globalization in the development of social and environmental standards, challenges of the global supply chain, the role of stakeholders and stakeholders' analysis, social standards, ISO 26000, environmental management systems, risk and crisis management, communication and leadership. All the sessions included instances of reflection and were conducted with an action learning approach to guarantee a better understanding of the information

*"I am very thankful for this training, it has had an entertaining approach, I could learn about the experiences from others since we all come from different fields of expertise. It has been a nice opportunity to learn and I hope we can apply it in the future."*

-Representative from Bole Lemi Industrial Park

*"A month ago, I received an email with the CSR guidelines of our company and at the time I didn't understand well what it was all about. After the third day of the workshop, I read it again and now I totally understand them. Thank you for the workshop."* -Sehen Legesse, Logistics and Sales Manager for Chargeurs Fashion Technologies PLC

and facilitate its future implementation.

The last two days were dedicated to applied sessions for participants to work on the topic "improved communication between park developers and industries". Via identification of problems and subsequent cause-analysis, participants analyzed the current status of the implementation of social and environmental practices in their companies and in Ethiopia's industrial parks and the challenges related to

communication. Afterwards, they defined and agreed on common goals as well as solutions to address the identified problems. Finally, they developed action plans in order to implement effective CSR strategies. A detailed agenda can be found in **Appendix A**. Throughout the workshop, participants were asked to reflect on the needs and challenges regarding CSR from both the industries and the government departments involved in Ethiopia's industrialization.

The table below provides a brief overview of the training topics. This is followed by a more in-depth overview of each day.

<b>Day 1</b>	The role of CSR in the global economy
<b>Day 2</b>	Overview of regulatory frameworks and the role of stakeholders
<b>Day 3</b>	Understanding the practical implementation of CSR
<b>Day 4</b>	Best practice cases and future visions
<b>Day 5</b>	Towards improved communication between park developers and industries

## DAY 1: The role of CSR in the global economy

The workshop kicked off with an overview of CSR and its relation to sustainability, as well as benefits for the government and for industries coming from the implementation of CSR measures. Afterwards, participants were introduced to the development of industrialization in different regions. In particular, the group compared the trajectories of Great Britain, China, Bangladesh and Ethiopia. Following this session, a group activity was conducted in which participants reflected on what could Ethiopia learn and what Ethiopia should avoid with regards to industrialization in other regions, considering that other countries had already gone through similar paths.



Some of the common findings are reflected in the table:

What can Ethiopia learn from other countries	What should Ethiopia avoid
<ul style="list-style-type: none"> <li>- Implementing CSR initiatives</li> <li>- Fulfilling basic needs of workers</li> <li>- Enforcing environmental regulations</li> <li>- Improving human capital management</li> <li>- Adequate infrastructure and utilities (electricity, water, telecommunications, roads)</li> <li>- Better management systems</li> <li>- Aiming for vertical development</li> <li>- Improving working culture</li> <li>- Ensuring health and safety standards</li> <li>- Encouraging women participation at work</li> <li>- Review of labor law (a discussion was held about the provision of a minimum wage)</li> <li>- Social dialogue</li> </ul>	<ul style="list-style-type: none"> <li>- Underestimating the human factor</li> <li>- Social unrest</li> <li>- Violation of social standards such as forced labor, child labor and harassment</li> <li>- Lack of concern for the environment and environmental pollution</li> <li>- Horizontal development</li> <li>- Unequal distribution of wealth</li> </ul>

The next session introduced the complexity of global supply chains, providing examples of the textile, leather, and coffee industries. Participants were asked to identify social and environmental challenges along the different steps of the global supply chains (CMT, weaving, finishing, cattle farming, coffee farming, cotton farming, tannery, logistics) from the perspective of different stakeholders.

## DAY 2: Overview of regulatory frameworks and the role of stakeholders

The second day focused on social standards. It started with an overview of the labor conditions of the global labor market and the historical development of social standards on the international level. The next session dealt with the role of stakeholders in global supply chains and the importance of stakeholder analyses, a process of systematically gathering and analyzing qualitative information to determine whose interests should be taken into account. Participants learned to map their stakeholders according to their power, dynamism and interest. The learnings were implemented in a group session in which participants had to identify stakeholders, their needs and interests, mapping them, prioritizing them, and identifying areas of conflict for a company strategy with regards to different situations. After presenting their results, participants reflected on the advantages and disadvantages of conducting stakeholder analysis for their decision-making processes for the implementation of CSR strategies.



The next session focused on regulations of social and environmental aspects in the industry, highlighting the differences and interrelations between national laws, codes of conduct, international guidelines, certifications and labels. After a quick overview of international guidelines such as the OECD Guidelines for multinational enterprises, UN Global Compact, and the ILO Tripartite declaration on multinational enterprises and social policy, the group focused on the relation of the UN Sustainable Development Goals with CSR. Next, different types of certifications and labels were introduced and participants learned about ways to classify them and evaluate their credibility.

The last part of the day was dedicated to the ISO 26000 standard, an international standard developed by the International Organization for Standardization that provides guidance and recommendations on how organizations can improve its social responsibility and thus contribute to sustainable environmental, social and economic development.

## DAY 3: Understanding the practical implementation of CSR

The third day started with a focus on environmental standards, specifically on the development and implementation of Environmental Management Systems. The session focused on ISO 14001 because it is the most recognized and implemented EMS worldwide. After gaining a common understanding of environmental policy statements by comparing real cases, participants were introduced to the methods for identifying environmental aspects and environmental impacts in their organizations, prioritizing them, setting objectives and creating action plans in order to define their Environmental Management Policies. Later on, the steps for implementation and management review were presented, as well as the importance of the role of leadership and the participation of top management in the planning, implementation and monitoring of the EMS.



The session finished with group tasks in which participants discussed challenges to implement EMS in factories; to encourage, support and monitor the implementation EMS from the side of the government; and finally, the roles each person could take to help each other. Some of the actions identified by the participants to improve the implementation of EMS are included below:

#### Improving Implementation of EMS at the Industrial Park Levels

- Improve communication between stakeholders
- Establish social and environmental units at the IP level
- Set guidelines, manuals and procedures for the industries
- Communicating experiences of different industries to facilitate per learning
- Strengthen integration and collaboration

During the second half of the day, participants learned about risk and crisis management, including the role of communication, behavior, expectations and conflict resolution. They also analyzed the role of audits and the current challenges and limitations of auditing schemes, emphasizing the difference between social and environmental aspects in an audit evaluation. Participants were also introduced to the concept of dialogue as a method to improve labor relations along with worker satisfaction, productivity, product quality and brand reputation.

#### DAY 4: Best practices and future vision

The fourth day started with an overview of the role of sourcing in the global supply chain and the challenges it represented to the implementation of CSR strategies. After this session, a role play was organized in which participants learned how the decisions of different stakeholders can positively or negatively influence social and environmental conditions along the global supply chains. The day continued with a session on the importance of effective communication followed by a presentation of best practices for implementing CSR standards including the reduction of excessive overtime, strategies to implement living wages and empowering women in factories.

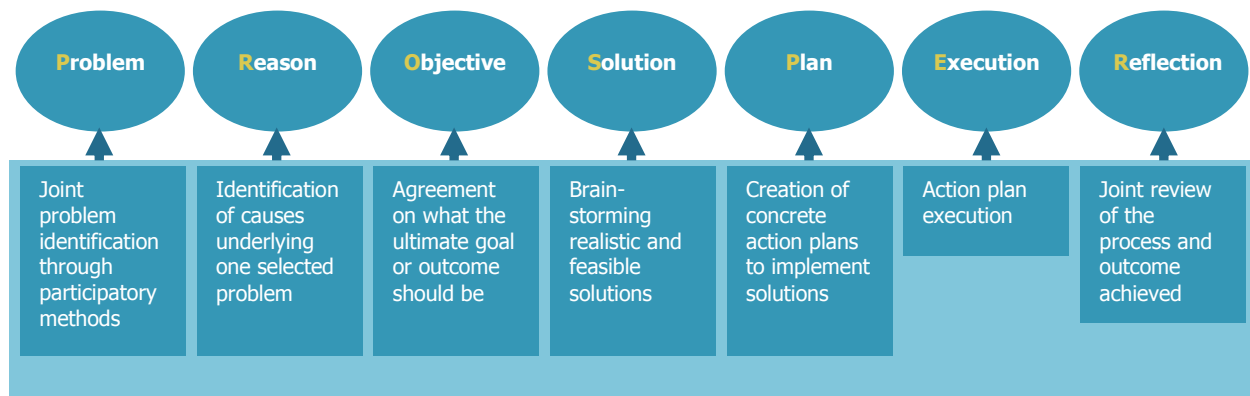




The last presentation of the workshop was focused on the relationship between leadership and CSR and the leadership skills that are necessary for CSR managers to successfully develop and implement social and environmental initiatives, communicate their vision to the rest of the company and make decisions that improve sustainability.

Participants were also introduced to the “7-Step Solution-Finding Cycle” (see **Figure 1** below), which guides them through identifying a particular workplace problem, examining it critically, creating a joint vision for the future, and addressing the problem in a structured way. Based on the knowledge acquired during the previous days, participants were asked to join efforts to start implementing changes that would foster sustainability in Ethiopia’s industry.

*Figure 1. The 7-Step Solution-Finding Cycle*






### Step 1: Problem Identification

Participants were asked to write down two problems they considered relevant with regards to communication and collaboration between government departments and the industries. The problems were then jointly clustered into the following 9 categories:

1. Lack of support and monitoring of social and environmental issues from the government to the industries (lack of environmental and social units in the industrial parks for implementation, support and monitoring social and environmental aspects)
2. Lack of synergies for the implementation of initiatives (not enough emphasis given to the implementation of measures from the side of the industries and the government)
3. Communication gap between the government and the industries (misunderstandings, lack of a dialogue platform for IPDC and the industries, irregular communication, lack of common objectives and goals, non-collaborative communication, unclear communication channels/strategies)
4. Lack of a legal framework for social and environmental aspects (lack of standards operating procedures and means to enforce them to improve the performance of industries)
5. Worker- manager relations
6. Reluctance from the side of the industry (lack of commitment, low/late disclosure of information)
7. Poor infrastructure in industrial parks (mostly related to provision of drinking water in Hawassa Industrial Park)
8. Need support for certifications
9. Lack of competences (lack of experts for social and environmental compliance)

Participants then voted to agree on the three main problems, and divided in three groups according to their interests to work through these topics.




1.		Lack of support and monitoring of social and environmental issues from the government to the industries (25 votes)
2.		Communication gap between the government and the industries (23 votes)
3.		Poor infrastructure of industrial parks, specifically, drinking water in Hawassa Industrial Park (20 votes)

## DAY 5: Improved communication between park developers and industries

During the last day of the workshop, participants continued to work on the problems selected the day before. The three groups went through the steps of cause analysis, goal setting, solutions finding and action plan development.




### Step 2: Cause analysis

The participants discussed the reasons for the problem and the causes of those reasons, and captured the results in a fishbone diagram that they presented to the whole group. The main causes found are reflected in the following table:

1.		<p><b>Lack of support and monitoring of social and environmental issues from the government to the industries:</b></p> <ul style="list-style-type: none"> <li>- Lack of skills and manpower from the government side</li> <li>- Lack of coordination between government bodies</li> <li>- Priority given to industrialization instead of to environmental aspects</li> <li>- Lack of availability (lack of commitment and of concerned bodies)</li> </ul>
2.		<p><b>Communication gap between the government and the industries:</b></p> <ul style="list-style-type: none"> <li>- Miscommunication</li> <li>- Lack of effective communication skills</li> <li>- Parties focused on number of workers and foreign direct investment and not much in social and environmental aspects</li> <li>- Stakeholders' perception focused on own interests</li> </ul>
3.		<p><b>Poor infrastructure of water supply in Hawassa Industrial Park:</b></p> <ul style="list-style-type: none"> <li>- Lack of accredited laboratory to test and certify water</li> <li>- Lack of competent consultants</li> <li>- Alternative water supply does not arrive ontime (efficiency)</li> <li>- Huge amount of fluoride in water</li> <li>- Inconsistent operation of water treatment plant</li> </ul>


### Step 3: Goal Setting



Participants defined goals in relation to the problem identified, an essential step to have a common vision. Individual goals were shared in a statement round and groups worked together to find a common group goal that would define the criteria to the possible solutions.

1.		Seeking win-win solutions by focusing on environmental and social aspects by creating an audit body which will help upgrade industrialization and scope for developing a skillset for future generations
2.		To ensure a harmonized communication system to improve the communication gap between stakeholders
3.		Supply sufficient quality water to the industries within the next six months.

### Step 4: Finding a Solution



Once the goals were established, participants brainstormed ideas to reach these goals and later ranked them in a prioritization matrix.


1.		<p>Focusing on environmental and social aspects through creating an audit body:</p> <ul style="list-style-type: none"> <li>- Require an environmental specialist to the government for each Industrial park (selected priority)</li> <li>- Creating a separate audit body from the government (selected priority):</li> <li>- Support and coordination between government departments and IPDC</li> <li>- Long term solution on social and environmental issues</li> <li>- Imparting periodic training on environmental and social issues</li> </ul>
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2.		<p>Ensure a harmonized communication system:</p> <ul style="list-style-type: none"> <li>- Automated communication system (selected priority)</li> <li>- Training and capacity building</li> <li>- Developing and communicating SOP</li> <li>- Include these sectors (social and environmental) in the one-stop service</li> <li>- Create a user-friendly website</li> <li>- Having a focal person representative</li> <li>- Effective follow up</li> <li>- Periodical stakeholders' festival</li> <li>- Using media regarding common understanding</li> <li>- Organizing job fair</li> <li>- Social dialogue between stakeholders</li> <li>- Working side by side</li> </ul>
3.		<p>Supply sufficient quality water to the industries within six months:</p> <ul style="list-style-type: none"> <li>- Speed up water treatment system (selected priority)</li> <li>- Testing and confirming the quality of the water</li> <li>- Establishing an operating an accredited laboratory</li> <li>- Digging deeper borehole</li> <li>- Finding alternative systems</li> <li>- Involving experts in the process</li> </ul>

## Step 5: Developing Action Plans

Finally, all groups developed SMART (specific, measurable, ambitious, realistic/relevant, time-bound) action plans to reach their selected solution(s) Action Plans:

 <b>Require an environmental specialist to the government for each industrial park &amp; create a separate audit body from the government</b>				
Measure	Actions	Responsible Person	Deadline	Status/ Comments
Establish an environmental unit in each Industrial Park and a Regulatory body. Conduct regular monitoring and to which environmental experts are assigned	1. Establish environmental unit Hire experts Prepare environmental policy Conduct training for workers Conduct regular environmental audits and report to regulatory bodies	IPDC Regional IP Regulatory body / MEFCC	May 2018	It might take more time Budget needed
	2. Conduct monitoring Review ESIA reports in the IPs Prepare check list	Regulatory body / MEFCC	Continuous	Regular monitoring Budget needed
	3. Assign experts: Environmentalist Sociologist	- Regulatory body / MEFCC Investment Commission	May 2018	One stop service Budget needed
 <b>Improve communication through the development of an automated communication system (selected priority)</b>				
Measure	Actions	Responsible Person	Deadline	Status/ Comments
Automated communication system	1. Hire consultant	IPDC	Mar 23 to May 23 2018	In progress
	2. Install database	IPDC, Consultant firm, EP	April 15 to May 23 2018	
	3. Hire and train personnel	Consulting Firm, IPDC	May 23 to June 23 2018	
	4. Develop SOPs and provide training	Consulting Firm, Tenant association	June 30 2018	

 <b>Improve the provision of drinking water for the HIP by speeding up water treatment</b>			
Measure	Actions	Responsible Person	Deadline
Speed up the water treatment	1. Characterizing the water quality	The contractor with the help of IPDC	15 days
	2. Investigate the water treatment system	The conformity assessment agency and IPDC	15 days
	3. Rectifying the identified problem	Contractor, example CCECG	3 months
	4. Test	Contractor and 3rd party	6 months
	5. Hand over and training	Contractor	10 days

The workshop concluded with a final revision and reflection of the topics that had been presented during the week and on the steps needed to bring the newly developed action plans into practice. Participants shared their experiences and thoughts on the workshop, ending with closing remarks from Mr. Mergia Kuma, Environmental Protection and Social Safeguard Directorate Director of IPDC, who emphasized the importance of mutual understanding and collaboration among all the stakeholders involved in the sustainable development of Ethiopia’s industrial sector.

## OBSERVATIONS AND REFLECTIONS

The participants were highly engaged and motivated during the five days of the workshop. Participation was high, and moreover, participants showed the will to implement changes and to improve collaboration between the organizations that participated in the training.

*"It was a wonderful experience. I think most of the participants are very interested and courageous to apply what they have learned, although sometimes we lack the power to implement it. We need to include people in high positions, appeal and convince those parties and organizations who can help us move forwards towards CSR."*

-Representative from Hawassa Industrial Park

The participants constantly provided feedback and shared their experiences to illustrate the topics delivered. A very positive aspect that contributed to enhance the results of the training was the presence of representatives from different organizations with expertise in diverse disciplines. This gave way to a wide range of

examples of challenges and experiences in the implementation of social and environmental initiatives in Ethiopia. Furthermore, it created the opportunity to improve stakeholders’ dialogue and to develop a common understanding on the challenges towards sustainability. All in all, participants were satisfied with the results and the methods used during the training, showing enthusiasm towards the implementation of the action plans they developed the last day. A copy of the evaluation form used can be found in Appendix C.

*"Things might not be as simple as they seem. When we put things in practice it can be challenging, but we have to keep it up with the social and environmental issues. IPDC has taken responsibilities and so has the industry. We will try to have periodic meetings to keep on discussing."*

-Representative from IPDC

Based on participant discussions, a number of observations and reflections are worth sharing which may inform future initiatives:

- Participants acknowledged a general miscommunication due to, between other reasons, the inexistence of adequate platforms. In this context, efforts towards sustainability were sometimes duplicated or triplicated; messages and requests got lost in long communication chains, and there was a lack of awareness of existing information and resources that could facilitate the work of the industries and governments.
- The need of extra units/departments to support the implementation of social and environmental measures in the industrial parks i.e. preparing and communicating guidelines, supporting implementation of CSR, carrying out monitoring activities, etc., was repeatedly mentioned.
- There was a very positive attitude from the side of the governmental departments participating in the workshop to collaborate and improve actions.
- The topic of minimum wage was brought up repeatedly by the participants as a requirement to improve workers conditions.
- There is awareness about many initiatives coming from multiple stakeholders in order to improve processes and sustainability in industrial parks, the focus was put on the challenges of coordinating and executing actions.
- Representatives from the factories in industrial parks showed a good attitude to collaborate. They recognized the efforts from the side of IPDC to improve their operations. For instance, the provision of soft skills training to workers was considered very important for the factories.

## RECOMMENDATIONS AND NEXT STEPS

1. The training specialists recommend that support and monitoring is provided to the participants to implement their action plans, since it would be counterproductive if the initiatives do not take place.
2. Participants expressed interest in further capacity building to gain additional knowledge with CSR tools. Further workshops that deepen the knowledge on particular topics that were covered in the workshop e.g. EMS, implementation of specific CSR guidelines, can be held in the future, as well as direct coaching for managers in charge of implementing CSR measures in the factories.
3. Most of the factory representatives in the workshop were part of either Hawassa or Bole Lemi 1 Industrial Park. For CSR initiatives to expand throughout Ethiopia's industry, it is advisable to provide this or similar workshops to factories outside IPs and to those in other IPs (i.e. new regional Industrial Parks).
4. Participants could only focus on developing a limited number of action plans that tackled what they considered the most pressing problems in the context of what was in the scope of their possibilities. It is recommended that further actions are taken to support stakeholders with regards to:
  - a. Establishing and organizing social and environmental units at the industrial parks level
  - b. Developing manuals and procedures for the factories' management systems and reporting, that consider international regulations and adapt them to Ethiopia
  - c. Strengthen integration and collaboration between stakeholders. Facilitate peer learning and communication of stakeholders with regards to CSR initiatives i.e. through regular meetings, trainings, setting up working groups.
5. Keep developing expertise on CSR subjects among Ethiopia's managers and industry developers e.g. organizing further workshops
6. To guarantee a coordinated approach, it is important that a leading governmental body is assigned with the responsibility to coordinate all these initiatives.

## ACKNOWLEDGMENTS

USFS-IP/USAID and SUSA deeply appreciate the hospitality and coordinating efforts of IPDC and the Environmental Protection and Social Safeguard Directorate key staff. Recognition and appreciation to Mrs. Hiwot Hailu, USFS/USAID Climate Change Advisor at IPDC and Ms. Timnit Woldeghiorgis who is also USFS/USAID Climate Change Advisor at MoI, for their guidance and overall facilitation of the workshop. USFS and USAID are also grateful for Mebrat Senusi, and Edilawit Event Services for their logistical support. These individuals all helped the workshops run smoothly and successfully.

## APPENDICES

### Appendix A: Training Agenda

**Industrial Parks Corporate Social Responsibility  
and Environmental Management Systems Training Workshop**  
*Towards Improving Social and Environmental Conditions in Ethiopia's Industrial Parks*

<b>Date</b>	March 19 – 23, 2018
<b>Location</b>	9 <sup>th</sup> Floor, Capital Hotel, Addis Ababa
<b>Trainers</b>	<ul style="list-style-type: none"><li>○ Hannah Ringwald, Sustainability Agents SUSA GmbH</li><li>○ Carolina Galiotti, Sustainability Agents SUSA GmbH</li></ul>
<b>Key Staff</b>	<ul style="list-style-type: none"><li>○ Timnit Woldeghiorgis, USAID/USFS Advisor to Ministry of Industry</li><li>○ Hiwot Hailu, USAID/USFS Advisor to Industrial Parks Development Corporation</li><li>○ Alison Holt, US Forest Service Africa and Middle East Specialist</li></ul>

#### Workshop Objectives:

The overall objective of the training workshop is to build capacities and capabilities among industrial park developers on Corporate Social Responsibility and Environmental Management Systems in order to foster sustainability in Ethiopia's industrialization.

- I. Create awareness about the importance of integrating long-term economic, environmental, and social aspects in the industries' business strategies while maintaining global competitiveness and brand reputation.
- II. Analyze the role of stakeholders along the global supply chain and their impact on the industry's sustainability
- III. Provide an overview about international standards for social and environmental responsibility and understand the regulatory framework
- IV. Understand and reflect on the practical implementation of CSR in the industry
- V. Analyze and develop ideas for a strategy towards improved communication between park developers and industries

## March 19<sup>th</sup> – The role of CSR in the global economy

8:30 - 9:00 am	Registration
9:00 - 9:30 am	Opening Remarks
9:30 - 10:45 am	Ice-breaker and introduction round
10:45 - 11:00 am	Workshop overview: <ul style="list-style-type: none"><li>○ Objectives of the workshop</li><li>○ Logistics</li><li>○ Introduction to the concept of CSR</li></ul>
11:00 – 11:15 am	Morning break
11:15 – 11:45 am	Team building
11:45 am – 12:30 pm	The way to industrialization in a globalized world <ul style="list-style-type: none"><li>○ Development of the textile industry in Ethiopia and beyond</li><li>○ Facts about the global labour market</li></ul>
12:30 - 1:45 pm	Lunch
1:45 – 2:00 pm	Energizer
2:00– 2:30 pm	Understanding the supply chain of the textile and garment industry
2:30 - 3:00 pm	Group work: Identification of Social and environmental challenges the global textile supply chain
3:00 – 3:15 pm	Afternoon break
3:15 – 3:45 pm	Presentation of group work
3:45 - 4:15 pm	Global framework for Social and Environmental standards <ul style="list-style-type: none"><li>○ International Labor Organization and the role of soft law</li><li>○ Impact of globalization on regulatory framework</li></ul>
4:15 – 4:30 pm	Wrap up and feedback



**March 20<sup>th</sup> – Overview of regulatory framework and the role of stakeholders**

9:00- 10:00 am	What was learned the previous day?
10:00 – 10:30 am	Stakeholders in the supply chain: roles and stakeholder’s analysis
10:30 - 11:00 am	Group work: Stakeholders’ analysis based on case studies
11:00 – 11:15 am	Morning break
11:15 – 11:45 am	Presentation of group work
11:45 am – 12:30 pm	Regulation of Social and Environmental Standards: Laws, Codes of Conduct and Certificates
12:30 - 1:45 pm	Lunch
1:45 – 2:00 pm	Energizer
2:00 – 3:00 pm	Social standards: an overview and Application of ISO 26000
3:00 – 3:15 pm	Afternoon break
3:15 - 4:15 pm	Generating new ways to look at challenges
4:15 – 4:30 pm	Wrap up and feedback

### March 21<sup>th</sup> – Understanding the practical implementation of CSR

9:00 - 10:00 am	Warm up
10:00 – 11:00 am	Environmental standards: an overview and application of ISO 14001
11:00 – 11:15 am	Morning break
11:15 am – 12:15 pm	Environmental standards: an overview and application of ISO 14001
12:15 – 12:30 pm	Introduction to risk and crisis management
12:30 - 1:45 pm	Lunch
1:45 – 2:00 pm	Risk and crisis management
2:00 - 2:15 pm	The role of Audits
2:15- 2:30 pm	Social and Environmental standards in practice: different approaches
2:30 - 3.00 pm	Beyond audits: <ul style="list-style-type: none"><li>○ Dialogue trainings</li><li>○ Dialogue methodology</li><li>○ Examples of countries</li></ul>
3:00 – 3:15 pm	Afternoon break
3:15 – 3:45 pm	Energizer
3:45 – 4:15 pm	The role of sourcing
4:15 – 4:30 pm	Wrap up and feedback

### March 22<sup>nd</sup> – Best practice cases and future visions

9:00- 10:00 am	Warm up
10:00 – 11:00 am	Activity: Supply chain dialogue session
11:00 – 11:15 am	Morning break
11:15 – 11:45 am	Activity: Supply chain dialogue session
11:45 am – 12:15 pm	Role of communication
12:15 – 12:30 pm	Best practice cases of CSR measures
12:30 - 1:45 pm	Lunch

1:45 – 2:15 pm	Recommendations for CSR professionals
2:15 – 3:00 pm	The role of leadership and change
3:00 – 3:15 pm	Afternoon break
3:15 – 3:30 pm	Towards improved communication between park developers and industries: objective of session and introduction of PROSPERe2e <sup>®</sup> approach
3:30 – 3:45 pm	Problem identification
3:45- 4:15 pm	Group work: Problem identification
4:15 – 4:30 pm	Wrap up and feedback

<b>March 23<sup>rd</sup> – Towards improved communication between park developers and industries</b>	
9:00- 10:00 am	Warm up
10:00 – 10:15 am	Cause analysis
10:15 – 11:00 am	Group work: Cause analysis
11:00 – 11:15 am	Morning break
11:15 – 11:30 am	Goal Setting
11:30 am – 12:00 pm	Group work: Goal Setting
12:00 – 12:30 pm	Intro to Solution finding
12:30 - 1:45 pm	Lunch
1:45 – 2:15 pm	Group work: Solution finding
2:15– 2:30 pm	Action plan intro
2:30 – 3:00 pm	Group work: Action Plan
3:00 – 3:15 pm	Afternoon break
3:15 – 4:00 pm	Summary of exercise
4:00 – 4:15 pm	Wrap up and feedback
4:15 – 4:30 pm	Closing Remarks and Certificates

## Appendix B: Resources for the Training

The following is a list of resources that were provided to participants on a flash drive as part of the training:

- Academy for Conflict Transformation. Self-Learning-Course No 10: Communication Model ("four-ears-model").
- Business Social Compliance Initiative, Information Kit on BSCI 2.0 for participants. Enabling Social Responsibility in Global Supply Chains.
- Ecologia (2011) Handbook for Implementers of ISO 26000. Global Guidance Standard on Social Responsibility Designed by ECOLOGIA for Small and Medium Sized Businesses. Version Two. May 2011.
- Ethical Trading Initiative (2005) Freedom of Association and Collective Bargaining Guidance Document. Edition 1, March 2005.
- Ethical Trading Initiative (2014), The ETI Base Code.
- International Labour Organization (2003). The International Labour Organization's Fundamental Conventions.
- International Labour Organization (2014). Rules of the Game. A brief introduction to International Labour Standards. Revised Edition 2014.
- International Labour Organization (2017). Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.
- International Organization for Standardization. Introduction to ISO 14001.
- ISO 26000 Post Publication Organization (2016) ISO 26000 Basic training material.
- ISO. Benefits in Applying ISO 26000. Selected case studies as a result of the SR MENA project.
- Kammi Schmeer () Stakeholder Analysis Guidelines. In Policy Toolkit for Strengthening Health Sector Reform.
- Maren Knolle (2011) Corporate Social Responsibility in Supply Chains: Improving Working Conditions through Dialogue and Cooperation. In: Rudolf Traub-Merz and Kinglun Ngok (Eds.): Industrial Democracy in China. Beijing: China Social Sciences Press 2011.
- Maren Knolle (2012). Influence of Participatory Organisation Structures on the Implementation of Social Standards. An Empirical Study of Chinese Garment Factories
- Michael J.D. Hopkins (2016). Corporate Social Responsibility (CSR) and the United Nations Sustainable Development Goals (SDG): The role of the private sector.
- MTD Training (2012) Effective communication skills.
- Naomi Williamson, Astrid Stampe-Knippel, Tina Weber (2014) Corporate Social Responsibility National Public Policies in the European Union. Compendium 2014.
- OECD (2011), OECD Guidelines for Multinational Enterprises, OECD Publishing. <http://dx.doi.org/10.1787/9789264115415-en>.
- Richard Locke, Fei Qin, Alberto Brause (2006) Does monitoring improve Labor Standards? Lessons from Nike. Corporate Social Responsibility Initiative, Working paper n.24. Cambridge. MA: John F Kennedy School of Government, Harvard University.
- Rob van Tulder (2006) Leadership and CSR.
- Tex-EASTile. Green Tools Handbook for Textile Industries. A guide on main product and system certifications focused on ecological improvement of textile products.

- UNIDO (2017) “Corporate Social Responsibility and Public Policy: The role of Governments in facilitating the uptake of CSR among SMEs in developing countries” Discussion paper. Expert Group meeting, 20-21 November, Vienna, Austria.
- United Nations (2011) Guiding principles on Business and Human Rights. Implementing the United Nations “Protect, Respect and Remedy” Framework.
- United Nations. Universal Declaration of Human Rights.