

ANNUAL FINANCIAL STATEMENTS

2016

BALANCE SHEET 31 DECEMBER 2016

	December 31, 2016		December 31, 2015	
	€	€	€	€
FIXED ASSETS				
Tangible fixed assets				
Inventory	84.327	€	13.401	€
Computers	<u>41.481</u>		<u>10.238</u>	
		125.808		23.639
CURRENT ASSETS				
Receivables				
Debtors	105.872		115.112	
To be invoiced	30.258		148.436	
Taxes	31.204		8.699	
Subsidies and contributions	138.795		134.763	
Other receivables, prepayments and accrued income	<u>109.995</u>		<u>76.618</u>	
		416.124		483.628
Cash		<u>2.528.938</u>		<u>259.540</u>
		<u>3.070.870</u>		<u>766.807</u>
LIABILITIES				
Reserves		82.789		90.654
General reserve		125.743		-7.865
Result		208.532		82.789
Current liabilities				
Creditors	120.859		238.834	
Subsidies received in advance	2.440.274		62.844	
Loan FNV	0		200.000	
Taxes	54.162		28.807	
Accruals and deferred income	<u>247.043</u>		<u>153.533</u>	
		<u>2.862.338</u>		<u>684.018</u>
		<u>3.070.870</u>		<u>766.807</u>

STATEMENT OF INCOME AND EXPENDITURE 2016

	Budget 2016		Realisation 2016		Realisation 2015
	€		€		€
Revenues					
Contributions member companies	827.000		812.321		785.226
Support member companies	125.960		76.659		56.182
Audits on behalf of affiliates	220.000		250.157		286.050
Subsidies	3.471.493		2.818.473		1.260.254
Other income	15.400		47.603		41.341
	<u>4.659.853</u>		<u>4.005.213</u>		<u>2.429.053</u>
Expenses					
Personnel	1.976.218		1.894.813		1.153.653
Depreciation	19.000		36.594		11.027
Other costs	2.638.583		1.949.587		1.272.718
	<u>4.633.801</u>	#	<u>3.880.994</u>		<u>2.437.398</u>
Operational result	26.052	#	124.219		-8.345
Interest	1.500		1.524		480
Result	<u>27.552</u>		<u>125.743</u>		<u>-7.865</u>

CASHFLOW STATEMENT 2016

		2016		2015
Operational result	€	124.219	€	-8.345
<i>Adjustments for:</i>				
Depreciation		36.594		11.027
Movement in receivables		67.504		-64.341
Short-term loan FNV		-200.000		200.000
Movement in current liabilities		2.378.320		-150.934
		<u>2.245.824</u>		<u>-15.275</u>
Cash flow from ordinary activities		2.406.637		-12.593
Interest received		1.524		480
Cash flow from operating activities		2.408.161		-12.113
Cash flow from investing activities				
Investments in tangible fixed assets		-138.763		-7.478
Movement in cash		<u>2.269.398</u>		<u>-19.591</u>
Cash as at December 31		2.528.938		259.540
Cash as at January 1		<u>259.540</u>		<u>279.131</u>
Movement in cash		<u>2.269.398</u>		<u>-19.591</u>

ACCOUNTING PRINCIPLES

General

The financial statements have been prepared in accordance with the Guidelines for Annual Reporting in the Netherlands for Not-For-Profit Organisations (RJ 640) published by the Dutch Accounting Standards Board. The reporting currency is the euro. The historical cost convention has been applied. Unless indicated otherwise, assets and liabilities are generally stated at historical cost or face value.

Comparison with the preceding year

There has been no change in accounting policies compared with the preceding year.

Tangible assets

Tangible fixed assets are stated at historical cost less straight-line depreciation over the expected useful life of the asset concerned.

Receivables

Receivables are stated at face value. A provision for doubtful accounts is deducted. This provision is determined by individual assessment of the receivables.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The operating result is determined by the difference between the income and expenses for the year, taking into account the above accounting policies. The income and expense items are attributed to the period to which they relate, based on historical cost. Losses are recognised as soon as they are identified. Income is recognised when it is realised.

Subsidies

Operating subsidies are recorded in the year when the subsidized costs were incurred.

EMPLOYEE REMUNERATION

Regular remuneration

Wages, salaries and social security charges are recognised in the statement of income and expenditure according to the conditions of employment as and when payable to employees.

Pensions

Fair Wear Foundation has a career-average pension scheme. The contributions related to accumulated pension rights paid to the pension scheme provider are accounted for in the statement of income and expenditure for the year.

Explanation of cash flow statement

The cash flow statement was drawn up in accordance with the indirect method. The financial resources in the cash flow statement consist of the liquid assets.

OTHER FINANCIAL LIABILITIES

In 2016 the foundation signed a rental contract for a period of 5 years from 1 October 2016 until 30 September 2021, with the possibility to divest a part of the rented space (100 m² of the total 470 m²) per 31 December 2020.

At 31 December 2016 the yearly costs for rent and service amount to € 68 620.

NOTES TO THE BALANCE SHEET 31 DECEMBER 2016

Tangible fixed assets

	Inventory	Computer	Total
€	€	€	
January 1, 2016			
Purchase value	26.183	27.724	53.907
Accumulated depreciation	-12.782	-17.486	-30.268
	13.401	10.238	23.639
Changes 2016			
Investments	92.068	46.695	138.763
Fully amortized purchase value	-	-7.754	-7.754
Fully amortized accumulated depreciation	-	7.754	7.754
Depreciation	-21.142	-15.452	-36.594
	70.926	31.243	102.169
December 31, 2016			
Purchase value	118.251	66.665	184.916
Accumulated depreciation	-33.924	-25.184	-59.108
	84.327	41.481	125.808
Depreciation percentages	20%	33%	

Receivables

	Dec 31, 2016	Dec 31, 2015
€	€	
<i>Debtors</i>		
Nominal value	118.600	145.112
Less: provision doubtful debts	-12.728	-30.000
	105.872	115.112

Subsidies and contributions

BuZa-FAHR	99.444	99.444
VAW Extension	-	11.000
BFA Web China	-	9.801
UN Women	-	14.518
EU-CCA Wellmade	39.351	-
	138.795	134.763

	Dec 31, 2016	Dec 31, 2015
<i>Other receivables</i>	€	€
Deposits World Fashion Centre	19.875	9.670
Interest	0	852
Other	90.120	66.096
	109.995	76.618

Liquid assets

ABN AMRO Bank N.V., current account	429.437	22.518
ABN AMRO Bank N.V., savings account	2.099.489	237.010
Cash	12	12
	2.528.938	259.540

Reserves

General reserve

Balance as per January 1	82.789	90.654
Result	125.743	-7.865
Balance as per December 31	208.532	82.789

Current liabilities

	Dec 31, 2016	Dec 31, 2015
<i>Subsidies received in advance</i>	€	€
BuZa, Strategic Partnership	2.234.263	-
BuZa, Strategic Partnership Flexible Fund	183.743	-
EU-CCA Wellmade	-	11.683
EU-India	15.223	23.863
RVO	-	27.298
CNV-LW	7.045	-
	2.440.274	62.844

Loan FNV

This short-term loan is repaid on January 28, 2016 to Stichting FNV Mondiaal in Amsterdam.

	<u>Dec 31, 2016</u>	<u>Dec 31, 2015</u>
	€	€
<i>Tax and social security</i>		
Wage tax	<u>54.162</u>	<u>28.807</u>
<i>Accruals and deferred income</i>		
Holiday allowance	69.281	41.364
Accumulated days off	58.180	44.448
Auditor	13.500	11.000
Project costs a.s.o.	<u>106.082</u>	<u>56.721</u>
	<u>247.043</u>	<u>153.533</u>

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE 2016

	Budget 2016	Result 2016	Result 2015
€	€	€	
Contribution member companies			
Contributions member companies	827.000	812.321	785.226
Previous years	-	-	-
	827.000	812.321	785.226
Subsidies			
CNV	24.000	16.955	42.600
EOG			10.000
FNV			64.149
ISCOM	19.000	18.339	19.499
Ministry of Foreign Affairs, Human Rights Division			452.918
Ministry of Foreign Affairs, SBOS			220.000
Ministry of Foreign Affairs, Sustainable Economic Development	3.166.119	2.511.747	
Ministry of Foreign Affairs, Social Development		60.605	
UN Trust Fund	0	-14.518	42.466
Europe Aid	88.072	51.034	99.704
EU-India	77.068	79.904	34.402
RVO-KyB	54.198	54.199	203.272
BFA/Fastenopfer	0		52.279
BFA/WEP China	43.036	39.973	18.965
Other subsidies	0	235	
	3.471.493	2.818.473	1.260.254

	Budget 2016	Result 2016	Result 2015
€	€	€	
Personnel costs			
Salaries	1.472.539	1.488.900	896.577
Social security	247.387	239.640	135.322
Pension costs	139.891	150.551	92.036
Other personnel costs	124.500	120.815	74.074
	1.984.317	1.999.906	1.198.009
Health insurance	-8.099	-105.093	-44.356
	1.976.218	1.894.813	1.153.653

At the end of December 2016, FWF employed a total of 35 people (2015: 22). On a full time basis FWF employed an average of 27.6 employees in 2016 (2015: 17,2).

The gross annual salary for the director, Mrs. H.F. van Doorn, for 2016 was € 87 278. In 2016, she worked on a fulltime basis (1FTE, 261 working days). The total pension costs for the director for 2016 were € 12 772. The holiday allowance amounted to € 6 982 (8% of the annual gross salary). No additional (monthly) allowance for costs was paid other than a compensation of actual costs made. The salary is well within the limits of the Dutch law ‘Wet Normering Topinkomens’. Members of the board of Fair Wear Foundation do not receive any salary or allowance.

Other costs

Office	420.200	300.077	138.483
Organisation	188.000	102.695	87.690
Communication	345.421	321.326	177.376
Verification	1.321.962	836.006	496.106
Travel	143.000	139.326	82.787
Expenses audits on behalf of affiliates	220.000	250.157	290.276
	2.638.583	1.949.587	1.272.718

Office

Office rent	61.000	47.929	54.416
Office necessities	359.200	252.149	84.067
	420.200	300.078	138.483

	Budget 2016	Result 2016	Result 2015
Organisation	€	€	€
Travel and accommodation	-	-	-
Meeting and board	8.000	7.610	4.307
Auditor and advice	105.000	74.279	28.481
Financial administration	10.000	12.786	13.271
Bank charges and exchange rate differences	15.000	13.037	8.773
Provision for doubtful debts	50.000	-5.017	32.858
	188.000	102.695	87.690

Communication

Website	59.500	45.768	11.212
Protection of brand name and logo	7.000	1.188	1.458
Promotion and printing	129.788	65.704	39.077
Stakeholder engagement	64.773	101.130	71.629
Business development	0	0	147
External content development	84.360	107.536	53.853
	345.421	321.326	177.376



Verification

Country studies	42.383	50.763	20.091
Policy development	251.820	47.454	36.972
Partner network	233.729	167.104	24.065
Selection and training auditors	52.659	29.001	11.824
Training suppliers and members	318.057	166.029	136.924
Verification audits	250.000	221.800	128.762
Complaints procedure	88.387	55.965	76.522
Capacity building	-	-	-
Monitoring and evaluation	69.927	89.193	43.793
Support members companies	15.000	8.697	17.153
	1.321.962	836.006	496.106

Travel

Transport	70.000	72.649	43.994
Food and Lodging	73.000	66.677	38.793
	143.000	139.326	82.787

Expenses audits on behalf of affiliates	220.000	250.157	290.276
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INDEPENDENT AUDITOR'S REPORT

To: The Board of Directors of Stichting Fair Wear Foundation
Postbox 69253
1060 CH AMSTERDAM

A. Report on the audit of the financial statements 2016 included in the annual report

Our opinion

We have audited the financial statements 2016 of Stichting Fair Wear Foundation, based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Fair Wear Foundation as at 31 December 2016 and of its result for 2016 in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board and under the provisions of the WNT.

The financial statements comprise:

- 1 the balance sheet as at 31 December 2016;
- 2 the profit and loss account for 2016; and
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the protocol WNT 2016. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Fair Wear Foundation in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- Report of the Board;
- The FWF Approach;
- Country overviews;
- Projects & Subsidies.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board and under the provisions of the WNT.

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board and under the provisions of the WNT. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

The Board of Directors should disclose events and circumstances that may cast significant doubt on the Foundation's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Westzaan, 5 April 2017

Mattens Registeraccountants B.V.



J.L.M. Mattens RA



PROJECTS AND SUBSIDIES 2016

CONTENTS

Donor: Fastenopfer and Max Havelaar Switzerland

Institutional support

Donor: Brot für Alle

WEP-China 2015-2016

Donor: CNV Internationaal

Project: Macedonia - FWF living wage 2016 – project nr. 000665

Donor: European union

Creating change agents in the European garment industry (WellMade)

Reduction of economic discrimination and workplace violence in Indian export-oriented garment factories

Donor: Dutch ministry of foreign affairs

Strengthening fair wear foundation's capacity to operationalize the united nations "protect, respect, remedy"

Anti-harassment committee and violence prevention system in export-oriented garment factories

The Strategic Partnership for garment supply chain transformation 2016-2020

Evidence-based lobby & advocacy to support human rights protections for Syrian refugee garment workers

Donor: RVO-Netherlands enterprise agency

Knit your bit, Vietnam

DONOR: FASTENOPFER AND MAX HAVELAAR SWITZERLAND

INSTITUTIONAL SUPPORT

In 2007, FWF started a formal cooperation with ISCOM, a Swiss collaboration of NGOs with a similar goal to FWF. This cooperation resulted in several Swiss companies joining FWF foundation as well as an increase in FWF brand awareness in Switzerland and a Swiss NGO being appointed to the FWF Board. As a result, both Fastenopfer and Max Havelaar Switzerland chose to financially support the work of FWF on an institutional basis. In 2016, Fastenopfer subsidised FWF to the amount of € 9,157.51 (CHF 10,000) and Max Havelaar Switzerland to the amount of € 9,181.05 (CHF 10,000). Brot für Alle has decided to discontinue the institutional support of ISCOM and to provide financial support to FWF in the form of project funding (*WEP-China 2015-2016*).

DONOR: BROT FÜR ALLE

PROJECT: WEP-CHINA 2015-2016

The *WEP-China 2015-2016* project, which ran from 1 January 2015 to 31 December 2016, was supported by Brot für Alle with a total amount of CHF 65,000 (CHF 10,000 in 2015 and CHF 55,000 in 2016). The goal of the project was to significantly expand and strengthen worker access to remedy for human rights violations, as set out under the FWF Code of Labour Practices. This funding allowed FWF to both continue conducting the first generation of WEP in China as well as set the stage for creating the next generation of FWF's WEP in China. The WEP trainings covered: (1) pilot models of functioning mechanisms for dialogue; (2) capacity building of local staff; (3) stakeholder engagement; and (4) documentation and research.

Brot für Alle

WEP-China 2015-2016

	Amount received	Project costs	Amount claimed	Amount open for claim	Contribution FWF *)
Project start				58,938	
2015	9,164	18,965	18,965	39,973	0
2016	49,774	50,876	39,973	0	10,903
Total	58,938	69,840	58,938	0	10,903

*) The project costs exceed the budget; FWF will cover these costs.

DONOR: CNV INTERNATIONAAL

PROJECT: MACEDONIA - FWF LIVING WAGE 2016 – PROJECT NR. 000665

CNV Internationaal has been supporting FWF's work in Macedonia for many years. The work in Macedonia is strongly linked to CNV Internationaal's agenda of providing decent employment to workers around the world. Therefore, CNV Internationaal continued to fund the project *Fair Wear - Living Wage 2016 Macedonia*, which ran from 1 January to 31 December 2016, for 70% of the total project costs with a maximum of € 24,000. This project was a continuation of previous projects by FWF in Macedonia. Activities covered by this project included wage increase implementation; setting up factory-level social dialogue mechanisms; and implementing lessons learned from the living wage pilot projects.

The claim is based on 70% of the actual costs and time expenditure and it corresponds with the final financial report sent to CNV Internationaal on 5 January 2017. Due to unforeseen delays, part of the planned activities will now take place in 2017. CNV Internationaal has agreed to finance some of the work in 2017, from the balance of funds that were received in 2016; FWF will provide the remaining balance with a maximum of € 10,286 (30%).

CNV Internationaal

Fair Wear - Living Wage 2016 Macedonia - (000665)

	Amount received	Project costs	Amount claimed	Amount open for claim	Contribution FWF
Project start				24,000	
2016	24,000	24,221	16,955	7,045	7,266
Total	24,000	24,221	16,955	7,045	7,266
Contribution			70.00%		30.00%

DONOR: EUROPEAN UNION

The European Union sponsored two projects in 2016. The project *Creating Change Agents in the European Garment Industry (WellMade)* was sponsored from their office in Brussels. The project *Reduction of economic discrimination and workplace violence in Indian export-oriented garment factories* was sponsored by their office in India.

PROJECT: CREATING CHANGE AGENTS IN THE EUROPEAN GARMENT INDUSTRY (WELLMADe)

The European Union, through its Brussels' office, supported the project *Creating Change Agents in the European Garment Industry* from 1 March 2013 until 29 February 2016 with an amount of € 492 512, which is 75% of the total project budget of € 656 683. The remaining 25% contribution is to be secured by backings from FWF and four partner organisations (CNV Internationaal, CRI, ETI, SOMO). The project mainly targeted designers, sales people and sourcing agents of garment companies in Europe, with the aim of changing their business practices to support improved labour conditions at their production locations.

The actual expenditures in 2016 are € 91,230 (including 7% for administrative costs).

European Union

Brussels - WellMade

		EU	EU	EU	Partners	Partners	Partners		
	Total Project costs	Amount received	Amount claimed	Amount open for claim	Amount received	Amount claimed	Amount open for claim	Total amount open for claim	Contribution FWF
Project start				492,512			40,657	533,170	
2013	231,567	173,481	173,676	318,837	7,100	7,100	33,558	352,394	50,792
2014	210,931	141,889	158,198	160,639	6,625	6,625	26,933	187,571	46,108
2015	124,518	127,891	99,704	60,934	6,111	6,111	20,822	81,756	18,703
2016	91,230		51,034	9,900	0	10,092	10,730	20,630	30,104
Total	658,246	443,261	482,612	9,900	19,835	29,927	10,730	20,630	145,706
Contribution			73.3%			4.5%			22.1%

Note 2015: Partners Amount not claimed to partners because of underspending, hence lower 25% own contribution

Note 2016: The amounts open for claim at the end of 2016 will not be claimed anymore, because all costs made by FWF that are eligible, have been claimed already

PROJECT: REDUCTION OF ECONOMIC DISCRIMINATION AND WORKPLACE VIOLENCE IN INDIAN EXPORT-ORIENTED GARMENT FACTORIES

Through its India office, the European Union funds the project *Reduction of economic discrimination and workplace violence in Indian export-oriented garment factories* running from 1 September 2014 to 31 August 2017. The maximum EU contribution is € 169 999 (89.47%). In the light of new Indian legislation on sexual harassment in workplaces, the action is designed to pilot innovative methods of reducing workplace violence against women in the export-oriented garment industry through training. Training will be provided to current male line supervisors and women with potential to become supervisors in the future. The total costs in 2016 were € 89,305, of which 89.47% is funded through the EU Delegation in India.

European Union

India - Instrument for Democracy

	Amount received	Project costs	Amount claimed	Amount open for claim	Contribution FWF
Project start				169,999	
2014	60,190	2,152	1,925	168,074	226
2015		38,449	34,402	133,672	4,047
2016	71,265	89,305	79,904	53,768	9,401
Total	131,454	129,906	116,231	53,768	13,675
Contribution			89.47%		10.53%

DONOR: DUTCH MINISTRY OF FOREIGN AFFAIRS

Until 2015, the Dutch Ministry of Foreign Affairs supported two projects: *Strengthening Fair Wear Foundation's capacity to operationalize the United Nations "Protect, Respect, Remedy"* and *Anti-harassment committee and violence prevention system in export-oriented garment factories*. Both projects ended on 31 December 2015 and have been accounted for in the annual report 2015.

In addition, the Dutch Ministry of Foreign Affairs began sponsoring two new projects in 2016 in the area of lobby and advocacy: *The Strategic Partnership for garment supply chain transformation 2016-2020* and *Evidence-based lobby & advocacy to support human rights protections for Syrian refugee garment worker*.

PROJECT: STRENGTHENING FAIR WEAR FOUNDATION'S CAPACITY TO OPERATIONALIZE THE UNITED NATIONS "PROTECT, RESPECT, REMEDY"

The revised final narrative and financial reports, dated 27 November 2016, concerning the project *Strengthening Fair Wear Foundation's capacity to operationalize the United Nations "Protect, Respect, Remedy"* has been approved by the Dutch Ministry of Foreign Affairs by letter dated 12 March 2017. The last tranche of € 99,444.25 will be transferred in 2017. After receipt of the final instalment, the project will be closed.

Dutch Ministry of Foreign Affairs

Human Rights, Gender, Equality, Good Governance and Humanitarian Aid Department

	Amount received	Project costs	Interest accrued	Amount claimed	Amount open for claim	Contribution FWF
Project start					1,988,885	
2011	254,739				1,988,885	0
2012	254,739	273,740	1,408	266,394	1,722,491	5,938
2013	474,481	686,916	572	692,225	1,030,266	-5,881
2014	527,428	577,409	118	577,348	452,918	-57
2015	378,054	455,333	9	452,918	0.0	2,407
2016					0.0	0
Total	1,889,441	1,993,398	2,107	1,988,885	0.0	2,407
Contribution			0.11%	99.77%		0.12%

PROJECT: ANTI-HARASSMENT COMMITTEE AND VIOLENCE PREVENTION SYSTEM IN EXPORT-ORIENTED GARMENT FACTORIES

The Social Development Department funded the project *Anti-harassment committee and violence prevention system in export-oriented garment factories* for one year, from 1 January to 31 December 2015 for the amount of € 220 000. The final narrative evaluation and financial reports, dated 27 May 2016, have been approved by the Ministry of Foreign Trade and Development Cooperation by letter dated 14 July 2016. The last instalment of € 11,000 has been transferred and received on 22 July 2016.

Dutch Ministry of Foreign Affairs

Social Development Department

	Amount received	Project costs	Interest accrued	Amount claimed	Amount open for claim	Contribution FWF
Project start					220,000	
2014	132,000				220,000	0
2015	77,000	224,565	59	220,000	0	4,507
2016	11,000				0	0
Total	220,000	224,565	59	220,000	0	4,507
Contribution			0.03%	97.97%		2.01%

PROJECT: THE STRATEGIC PARTNERSHIP FOR GARMENT SUPPLY CHAIN TRANSFORMATION 2016-2020

From 1 January 2016, the Dutch Ministry of Foreign Affairs has supported *The Strategic Partnership for garment supply chain transformation 2016-2020*. This five-year effort is led by FWF, Dutch trade unions Mondiaal FNV and CNV Internationaal, and the Dutch Ministry of Foreign Affairs. It also includes a varied network of organisations in Europe and in eight garment-producing countries in Asia and Africa: Bangladesh, Cambodia, Ethiopia, India, Indonesia, Myanmar, Pakistan and Vietnam.

The goal of the SP is to improve labour conditions in the garment industry. The Partnership aims to bring together the expertise of trade unions, NGOs, and progressive brands and factories, to ensure that all supply chain actors are engaged. It focuses on three important themes, reflecting key labour issues:

1. **Living wages:** Supporting better wages while ensuring that industries remain profitable
2. **Gender equality:** Ensuring that particular needs of women workers are addressed
3. **Social dialogue:** Strengthening negotiation between management and workers' representatives

The project runs from 1 January 2016 to 31 December 2020. The total contribution of the Dutch Ministry of Foreign Affairs is € 32,000,000; the share for FWF of this total 5year budget is € 19,486,666.

Dutch Ministry of Foreign Affairs

The Strategic Partnership for garment supply chain transformation 2016-2020

	SP	CNV Internationaal	Mondiaal FNV	FWF	FWF	FWF	FWF	FWF
	Total Amount received	Amount disbursed to CNV Internationaal	Amount disbursed to Mondiaal FNV	Amount received	Project costs	Accrued interest	Amount claimed	Amount open for claim
Project start								19,486,6 66
2016	6,990,038	629,861	1,614,167	4,746,010	2,513,247	1,500	2,511,747	16,974,9 19
Total	6,990,038	629,861	1,614,167	4,746,010	2,513,247	1,500	2,511,747	16,974,9 19

PROJECT: EVIDENCE-BASED LOBBY & ADVOCACY TO SUPPORT HUMAN RIGHTS PROTECTIONS FOR SYRIAN REFUGEE GARMENT WORKERS

The Dutch Ministry of Foreign Affairs supports the project *Evidence-based lobby & advocacy to support human rights protections for Syrian refugee garment workers* with a total amount of € 488,696.63

(€ 80,777.16 in 2016, € 232,593.48 in 2017 and € 175,324.99 in 2018). The project runs from 1 September 2016 to 31 August 2018. As part of FWF's work related to Syrian refugees in Turkey, FWF cooperates with trade unions, CSOs and MSIs. FWF provides guidance to member brands and suppliers. This project has two specific areas of work: creating evidence and developing models on how to address the issues facing Syrian refugees; and supporting evidence-based advocacy in order to create sustainable, large-scale solutions for Syrians employed in the garment industry.

Dutch Ministry of Foreign Affairs

Evidence-based lobby & advocacy to support human rights protections for Syrian refugee garment workers

	Amount received	Project costs	Amount claimed	Amount open for claim	Contribution FWF *)
Project start				488,696	
2016	244,348	71,414	60,605	428,091	10,809
Total	244,348	71,414	60,605	428,091	10,809
Contribution					

*) FWF's contribution is not a percentage but an amount on earmarked costs/budget lines.

DONOR: RVO-NETHERLANDS ENTERPRISE AGENCY

PROJECT: KNIT YOUR BIT, VIETNAM

The Netherlands Enterprise Agency (RVO) agreed to financially support the project *Knit your Bit, Vietnam*, that was to be implemented together with the Dutch partners BSCI and CBI from 1 December 2014 until 31 May 2016. After the unforeseen withdrawal of both partners in 2015,

without claiming and costs, the total project budget was set at € 392,015. RVO, by letter dated 4 February 2016, agreed to fund a maximum of € 269,015. FWF contributed the remaining budget amount of € 123,000 for specific earmarked costs in the closing period of the project (e.g. performance bench mark assessments). The project aimed to improve purchasing practices of companies - who source from Vietnam and supply the European market - and advance the social sustainability business practices of factories in Vietnam. Vietnamese factory managers were made aware of the most urgent CSR issues and how they can be addressed. The project was implemented in three phases: (i) analysis of the specific CSR issues in Vietnam; (ii) training of EU buyers and Vietnamese factory managers; and (iii) more in-depth coaching for the factories enrolled in the programme.

RVO: Netherlands Enterprise Agency

Knit your Bit, Vietnam

	Amount received	Project costs	Amount claimed	Amount open for claim	Contribution FWF
Project start				269,015	
2014	102,619	11,545	11,545	257,470	0
2015	139,495	269,524	203,272	54,198	66,252
2016	26,901	65,552	54,198	0	11,354
Total	269,015	346,621	269,015	0	77,606
Contribution			77.61%		22.39%