This is an unofficial summary translation by Business & Human Rights Resource Centre. The <u>original interview</u> was published in German in ZEIT ONLINE on 13 January 2020.

## Can a shirt for eight euros really be fair, Mr Krogmann?

...

Krogmann: The price says nothing about the production conditions. At most, it is an indication of whether a company applies a high or low price premium to its calculations. Ninety-eight percent of the production facilities that manufacture products for Primark also produce clothing for competitors who buy textiles for a similar price as us but market them for significantly higher prices. Discounters like us concentrate on high volumes in order to keep price premiums as low as possible. Others may have high-quality labels sewn in or package products individually which adds to the price...

Zeit Online: [Several] German ministers are calling for a supply chain law which would oblige companies to ensure fair production conditions along the entire value chain. What's your opinion on this?

*Krogmann:* We strongly support the introduction of a supply chain law, even if we don't know the details yet. We also joined an official call signed by more than 40 companies to pave the way for and adopt such a law.

Zeit Online: But why? Large parts of the German economy fear additional expenses and possibly even sanctions.

*Krogmann:* Because it will lead to increased respect for human rights. Because all companies would then have to abide by the same requirements...

We very much hope that a law will be passed soon. In the UK, the Modern Slavery Act, which places a legal obligation on companies to exercise due diligence, has been in force since 2015. In that sense, we're convinced that we'll also meet the corresponding requirements in Germany. If Germany imposes more stringent requirements, we will of course have to put in more work. The pace is always set by the country that sets the strictest requirements.

Zeit Online: France already has a similar law as well. In a globalized market economy, this begs the question of how effective such a patchwork of regulations can be?

*Krogmann:* Of course it's not ideal. For good reasons, it was decided years ago at a G7 summit that a binding regulation at the global level is needed. But we don't have one yet so we have to start at the national level...

Zeit Online: What additional costs do you foresee when a law is adopted in Germany?

*Krogmann:* We won't know that until we know the law. Nothing has been set so far. But fair production conditions have absolute priority, regardless of the cost. If we have large additional costs, we have to recover them elsewhere...