



## **Standard Development Public Summary**

### **GoodWeave Generic International Standard for Rug Producers**

GoodWeave is an international organization working to stop child labour in the carpet industry and to replicate its market-based approach in other sectors. Recognizing that the problem of child labour is intertwined with those of adult working conditions and environmental stewardship, GoodWeave promotes the production, labelling and marketing of rugs made in a socially and environmentally responsible manner. The GoodWeave certification label is issued to rug manufacturers that adhere to the GoodWeave Standard, agree to independent verification and voluntarily join as licensees.

#### **I. GoodWeave Expanded Standard Project Description**

In 2006 GoodWeave began to investigate the need for a new international standard for the rug industry. At the same time the decision was made to change the name of the certification program and label to GoodWeave to make it clear that the standards would be changing and to position the organization to grow into new manufacturing sectors in the future. Initial desktop and field research in India and Nepal carried out between 2007-2009 showed the following:

- The rug industry is still a “cottage industry” in many areas, with wages being paid on a piece-work basis.
- In many of the manufacturing units, there is no culture of management systems or record keeping, and therefore no accurate information on working conditions.
- Environmental impacts include smoke emissions, untreated effluent from washing and dyeing plants, and incorrect waste disposal.
- No other existing certification standard addresses the particular social and environmental impacts of rug manufacturing in South Asia.
- Even where employment and environmental legislation is in place, there is virtually no government enforcement.
- Existing social standards for workers in many weaving units are fairly low, and the whole industry could benefit from the introduction of basic management systems, proper recording of hours worked, as well as training on occupational health and safety.

In 2010 GoodWeave formed an international, multi-stakeholder Standards Committee comprised of industry members, experts and representatives of civil society. Two rounds of public consultations were held in order to inform, involve, collaborate with and empower all stakeholders to participate in the development of the expanded standard. The Standards Committee considered all the feedback received through the public consultations and developed a final draft, which was approved for implementation. Between 2011-2013, GoodWeave became a full member of the International Social and Environmental Accreditation and Labelling (ISEAL) Alliance,<sup>1</sup> updated its standard-setting and certification systems to meet the international best practice requirements, and conducted extensive pilot testing in India, Nepal as well as Afghanistan.

### **Scope**

The GoodWeave standard is a product standard and attests to the conditions under which the product was made. It applies to rug-making processes carried out in factory, homework and village-based cottage industry situations. The scope of GoodWeave's original standard was limited to a single principle: no child labour. While GoodWeave's mission remains the same, there is a growing recognition that the problem of child labour is intertwined with those of adult working conditions and environmental stewardship, and therefore the scope of the standard is in the process of being expanded to include new principles as described below. The GoodWeave standard is a generic international standard and applies in all the producer countries where GoodWeave works: India, Nepal and Afghanistan.

### **Objectives**

The broad aims of the new international standard are as follows:

- To eliminate child labour, forced labour and bonded labour in the handmade rug industry by ensuring compliance with the Standard and implementing effective and sustainable remediation procedures;
- To provide a coherent and consistent Standard that may be applied across all rug producing countries, taking into account different production methods;
- To facilitate transparent monitoring and verification of working conditions in rug producing countries;

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<sup>1</sup> In order to ensure that the best international standards are met, the ISEAL Alliance requires full members to meet the requirements of the ISEAL Standard Setting Code of Good Practice. (<http://www.isealalliance.org/content/standard-setting-code>) and ISO 65 and to undergo an independent assessment against them to demonstrate compliance.

- To encourage positive changes in the community, particularly the reduction of child labour, forced labour and bonded labour and an increase in access to children's education; and
- To provide an independent assurance (label) for rug consumers worldwide that producers meet the GoodWeave Standard.

### **Assessment of Risks**

The following is a summary of key risk factors identified in implementing the expanded standard based on the findings from recent pilot audits in licensee and subcontractor production sites, along with how to mitigate these risks.

#### 1. Varied levels of compliance capabilities

The production sites range from very small to large scale enterprises in terms of the number of workers and production facilities. Consequently they have different capabilities in terms of awareness, staff resources and management systems. A common benchmark of requirements for all producers may pose a risk for implementing the standard with consistency at the same time. Therefore the requirements are drafted in such a way as to ensure they are applicable across these different types and sizes of production sites. Guidance will be provided to clarify specific issues that may arise, such as guidelines for homework production.

#### 2. Transparency

Producers have a wide range of experience and past exposure to social audits, and thus some may be reluctant to openly discuss limitations or gaps in compliance status. Other factors contributing to this risk are when compliance is seen as more complicated than concealing facts, or if transparency towards GoodWeave in audit processes (where confidentiality is maintained) is not well understood. If information flow about the actual working conditions is not established then remediation plans will not adequately address the underlying issues. In order to ensure that practical and sustainable solutions are identified, GoodWeave will use verification methods to cross-check audit information from multiple sources, while also working to raise awareness and ensure that producers understand the importance of transparency and confidentiality within the audit process.

#### 3. Complex circumstances and linkage to certification

There are complex industry practices that lead to various areas needing improvement for which further research to identify solutions, which balance business factors with compliance. Producers have indicated a need for technical support and taking a step by step approach in order to find practical solutions in order to implement all of the proposed principles of the expanded standard. Thus there is a risk of introducing too

many requirements without allowing enough time for producers to come into compliance. In order to mitigate this risk, GoodWeave is taking a staged approach to expanding the certification standard, introducing a limited number of certification requirements at a time.

## **II. Structure of the Standard**

As a result of extensive pilot testing the expanded standard in India, Nepal and Afghanistan, the results clearly revealed that the industry faces challenges in meeting some of the benchmarks for the principles that were tested. GoodWeave is now working with our licensed exporters and producers to tackle these challenges from two angles:

- In 2014 GoodWeave is expanding the requirements for certification to include the principles of no child labor, no forced and bonded labor, and business processes that are documented and verifiable – goals that our field research and pilot testing have confirmed are achievable now.
- At the same time, GoodWeave is developing new technical programs of producer support to improve working conditions, workers’ rights and environmental impacts of carpet production at every level of the supply chain, which will encourage progressive improvement over time in additional targeted areas.

GoodWeave has developed and released a new draft standard for consultation organized around two sets of principles: A. Certification Principles and B. Progress Principles. These proposed principles are delineated as follows:

### A. Certification Principles

A1: No child labour is allowed

A2: No forced or bonded labour is allowed

A3: Business processes are documented and verifiable

### B. Progress Principles

B1: Freedom of association and collective bargaining are recognised

B2: No discrimination is practised

B3: Decent working conditions are respected

a) Workplace conditions

b) Wages

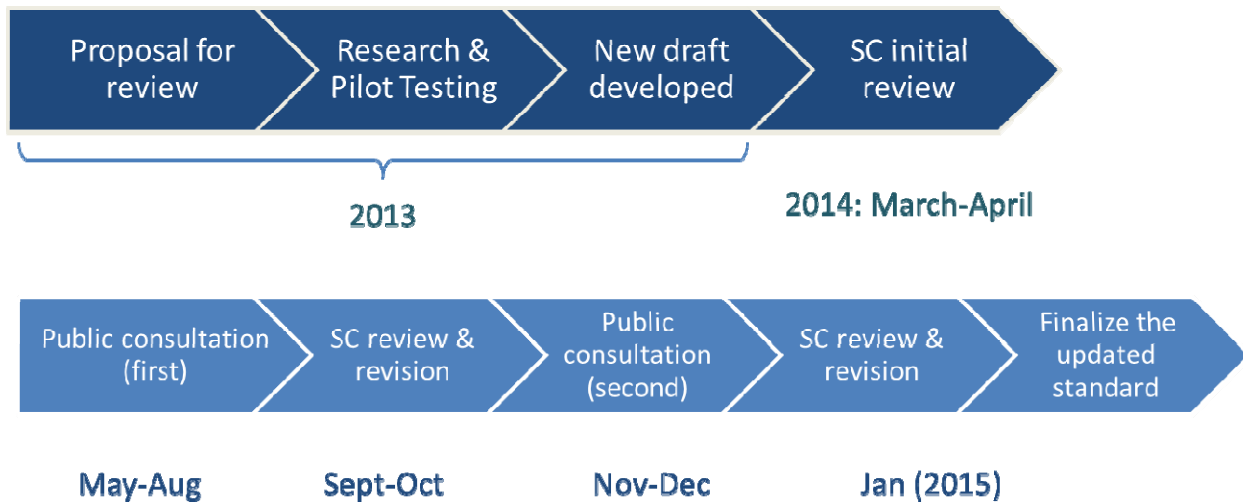
c) Working hours

d) No harsh or inhumane treatment

B4: Negative environmental impacts of production are identified and minimised

As with the current standard, producers will register their production sites and subcontractors with the local GoodWeave office, and an initial inspection of all the facilities will be carried out. If this is satisfactory then the producer will be registered and a licence agreement signed to allow them to use the GoodWeave label. In addition, the current system of ongoing, unannounced inspections will be carried out with all licensees and their subcontractors for child labour. An annual assessment will take place against all the certification requirements of the standard.

### III. Timeline



- March-April 2014: Standards Committee review pilot audit findings
- May-August 2014: First round of public consultation
- September-October 2014: Standards Committee review results of public consultation
- November-December 2014: Second round of public consultation
- January 2015: Standards Committee review results of public consultation and first stage expanded standard finalized

When the expanded standard is finalized, GoodWeave will provide a timeline for licensees to come into compliance with the new requirements.

### Contributing to the Public Consultation

Interested parties may contribute to the consultation by submitting comments online at [www.GoodWeave.org/standards](http://www.GoodWeave.org/standards), by email to [standards@goodweave.org](mailto:standards@goodweave.org), or by contacting a GoodWeave office in any GoodWeave producer or importer country. Comments on the process as well as the content of the draft standard are welcome. All comments submitted by the consultation deadline of **December 12<sup>th</sup>, 2014** will be considered during the finalizing of the first stage certification standard.