



Synopsis of the Public Consultation Results

April 14 – June 14, 2017

*On the GoodWeave Draft New Sector Standard for
Embellished Apparel, Fashion Jewelry and Home Textiles*



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Introduction

This report gives an overview of the comments received during the public consultation on the GoodWeave draft standard for Embellished Apparel, Fashion Jewelry and Home Textiles (here after referred to the “draft standard” – available online at www.goodweave.org/consultation-apparel-fashion-jewelry-home-textiles). It includes comments from both internal and external stakeholders collected during the course of the consultation through surveys and meetings.

The stakeholder input received will help the GoodWeave Standards Committee to agree outcomes and actions for next steps in the development of the draft standard.

Background

As part of our mission to end child labor in global supply chains, GoodWeave is field testing the applicability of the existing GoodWeave Standard principles and requirements in apparel and textile supply chains in the new draft standard.

The draft standard is applicable to all tiers of the embellished apparel, fashion jewelry and home textile sectors and codifies the requirements that participating suppliers must adhere to with respect to child labor, forced labor and bonded labor and transparency. The objective of this new standard is to adapt the existing GoodWeave Rug Standard to these supply chains, with a specific focus on informal homebased production. Requirements have been developed to reflect the reality at all levels of a supply chain, while maintaining the intent of the core GoodWeave Principles.

Process and methodology

In accordance the ISEAL Standard-Setting Code to ensure best practices are followed, and in accordance with the GoodWeave Standard Operating Procedures for the development of GoodWeave standards, a 60 day public consultation took place April 14 to June 14, 2017.

The aim of this consultation was to solicit feedback from a wide range of stakeholders on the new draft standard. The focus of the consultation was to get input on a new approach for GoodWeave - targeted criteria for the different supply chain levels, and on the content and appropriateness of these criteria, based on the GoodWeave Rug Standard Certification Principles A1-A3 only.

A stakeholder is anybody who can affect or is affected by an organization, strategy or project. Stakeholder groups contacted to provide input into the draft standard include:

- Current and potential GoodWeave licensees
- Key standard setting organizations
- Importers, retailers & brands
- Exporters and producers
- Internal GoodWeave staff, certification and field teams, board members and committee members
- Funders working in informal sector, production or child labor
- Subject matter experts on informal sector, production or child labor
- Worker/Labor rights organizations
- Local and national NGOs
- Government organizations
- Workers (interviews were conducted through test inspections in parallel to the public consultation)

Stakeholder outreach

The following methods for collecting input were used to consult with stakeholders:

Electronic survey: An electronic survey was available for public input on the GoodWeave website.

More than 400 stakeholders, representing over 150 organizations and businesses, were invited by email to participate in the online survey. Information about the consultation was also included in the GoodWeave newsletter, which reaches approximately 4000 recipients.

A total of 45 completed surveys were received, providing over 200 comments on the format and content of the standard. All substantive comments in response to the survey questions are included in this report.

Stakeholder groups represented in the on-line survey	Number of completed surveys
Importers, retailers and brands	7
Exporters and producers	2
Consumers	4
Nonprofit professionals	20
Government agency professionals	1
Other ¹	11
Total participation	45

¹ The “other” category included respondents from international agencies, accreditation bodies and third party audit companies, independent CSR and supply chain experts and textile engineers

Workshops: Workshops were held in India with participants in regions where pilot studies are taking place. A total of 43 stakeholders took part in the workshops. Most of the participants were supply chain actors (producers, brands, exporters), and included:

- Potential GoodWeave licensees, manufacturers, workers and contractors in apparel & textiles; and
- Local NGOs working in informal sector and with child labor;

Workshop feedback has been summarized for each topic and follows the responses from the survey.

Internal outreach: Internal calls and discussions to gather feedback were held with GoodWeave regional teams, executive leadership members, standard committee members and board members.

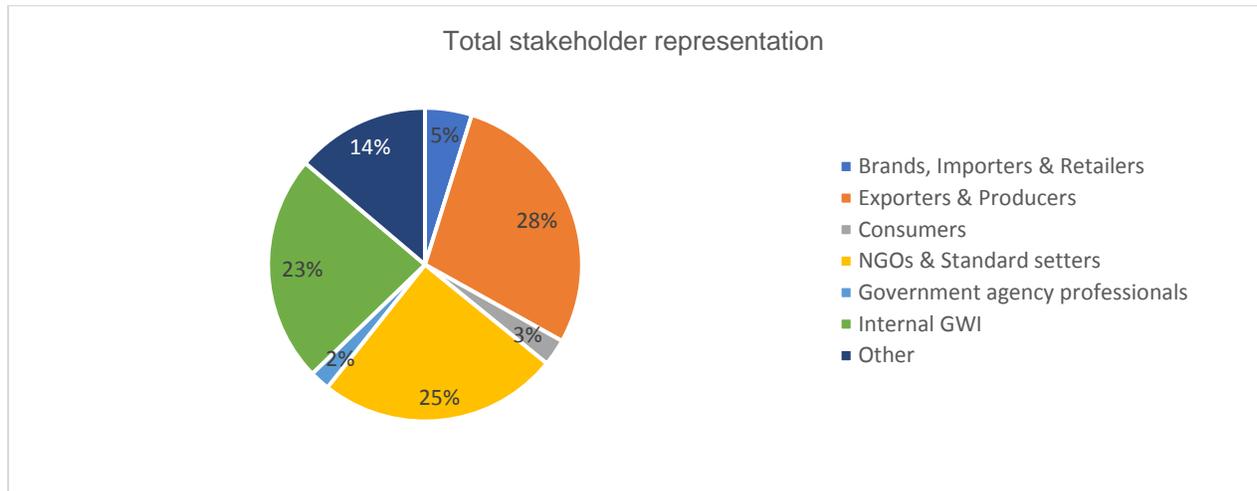
Webinar: An informational webinar was held, with participants mainly from North America and Europe, representing sustainable standards setters, NGOs and government departments working with labor conditions, remediation and homeworkers;

Direct outreach: Selected interviews with key GoodWeave stakeholders and industry experts were also conducted.

The table below summarizes all of the participants who took part in workshops, meetings and phone calls on the standard. Some of these participants also contributed their feedback in the on-line survey.

Workshop & meeting participants		
Stakeholder group		Total
Internal: regional inspection and monitoring team members staff and committee members	Virtual meetings	36
NGO, community facilitators	In-person workshops, India	6
Apparel supply chain actors, importers & brands	In-person workshops, India	39
Governmental and non-governmental organizations, sustainable standard setters	Webinar & virtual meetings	20
Total participants		101

Adding together the total number of survey responses and workshop and meeting participation, over 140 individuals took part in the consultation. The graph below shows the representation by stakeholder group for all individuals who took part in the consultation, through various means, on the draft standard.



This report aims to present the outcomes and conclusions of the consultation and pilot audits in the most transparent way possible without disclosing confidential stakeholder information.

Stakeholder feedback

Responses from the on-line survey, workshops and meetings are summarized in this section. A brief summary of responses is provided for each section and precedes a table over the survey responses, followed by a sum of all substantive comments received on each subject. Comments have been edited for purposes of clarity, spelling and grammar in some cases. Comments that were repeated by several respondents have been consolidated, and non-substantive comments (such as “yes” or “no”) are not included.

Section 1: Structure and format

The survey and workshops were divided into two sections. The first section included questions on the structure and format of the draft standard. The second section asked for feedback on the content of requirements under Principles A1-A3 as they applied to each production level of the supply chain.

1.1 Structure

Participants were asked their opinion on the structure of the draft standard, with targeted requirements for the different supply chain actors and whether this approach provides sufficient transparency and support producers in compliance with the standard.

Summary

The majority of respondents agreed that the new structure was positive, and outlining requirements for each of the levels in the supply chain added transparency for producers. It was suggested that more information on why the standard is needed would be useful. The question of labelling was raised, with one comment suggesting a different approach from the current GoodWeave model may be warranted due to the complexity of the supply chain.

Survey: Does the structure provide sufficient transparency for compliance with the standard?		
Answer Options	Response Percent	Response Count
Yes	90.4%	38
No	9.6%	4
Comments		17
<i>answered question</i>		42

All comments

Survey responses

- The full supply chain could provide sufficient transparency and support producers in compliance with the standard, but the full supply chain might not be aware of the standard. The major responsibilities of compliance should be on the main producers. They should be responsible for communicating about the standard and provide necessary training to meet the requirements throughout the supply chain.
- It is important to ensure requirements for subcontractors as well as home worker production, as those are the levels in which violations are more frequent, and less visible.
- More transparency from exporters is needed.
- Addressing the core issues at different levels and lowest tier is very significant. Piece workers and home workers are the lowest in the ladder and needs highest attention, so this model is helpful.
- The three levels as defined seem quite reasonable, but they are only definitions and lack enough

details to determine if they provide "sufficient transparency and support..."

- Will there be some sort of label which briefly provides assurance to a buyer that no child labor is present, or provide a web link for further information?
- It will be important that targeted requirements are viable to be addressed by these tiers especially the lower tiers.
- It touches on most of the parties involved in apparel manufacturing in today's world.
- Level two and three are informal sector which is basically unregulated in Nepal.
- It would be helpful if the document could include a section that explains why this standard is needed. For example, does this standard respond to the OECD Guidance for Garments and Footwear?
- It is important to ensure requirements in subcontractor as well as home worker production, as those are the levels in which violations are more frequent and less visible.
- It may be difficult to implement the same inspection procedures in apparel as in the carpet sector, considering the complexity of the supply chain.
- Labeling of the product may not necessarily have to be the final objective. Sites (households) could even be certified for example.
- The standard should focus on continual improvement and aim to uplift the industry.

1.2 Supply chain levels

Respondents were asked their opinion about the supply chain levels proposed in the draft standard (diagram 1) and whether they agreed that they sufficiently described the levels of production for apparel and home textiles supply chains.

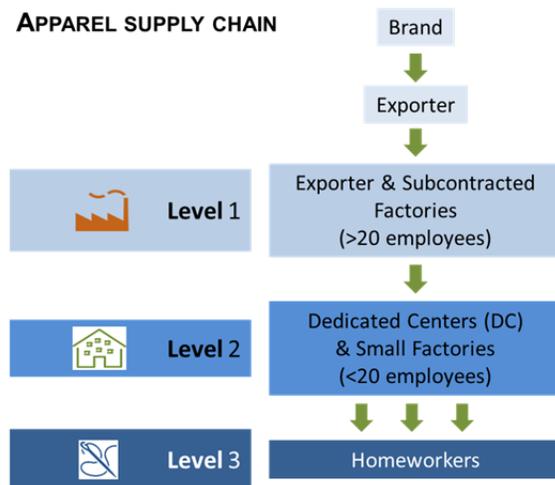


Diagram 1 Apparel supply chain levels

Summary

While most of the respondents were positive toward the levels proposed, it was clear from the feedback that further research and clarification is needed, for example the number of workers that define a small or large company. Several comments pointed out that this diagram is not consistent with the industry, and the terminology "level" may not accurately describe the production types being addressed in the standard. It was noted that different producer groups may fall into more than one category and national legislation should be taken into consideration as these levels determine compliance with different sets of requirements in the draft standard. Further, brokers or middle men are not represented in this diagram and should be considered.

Do you agree with the supply chain levels proposed in the figure?		
Answer Options	Response Percent	Response Count
Yes	76.3%	29
No	23.7%	9
Comments		20
answered question		38

All comments

Survey responses

- Supply chain levels should be categorized as per the country law. It should be clearly mention in the Standard whether the factory will be categorized as per the number of the employees or as per the country law, what are the criteria to categories the level of the factory.
- This is a typical supply chain but they may not always be structured like this.
- Contractors or distribution centers who further outsource the work may need to be added.
- Diagram is good but most exporters do not disclose their full supply chains.
- Using the term "Exporter" for Level 1 as well as having the Exporter in the chain above Level 1 as shown is confusing. Perhaps a different term than Level 1 would be better.
- Some home-based units might fall in between level 2 and 3
- These levels, which are normally referred to as tiers do not reflect the apparel sector. Tier 1 is the main producing unit. Tier 2 is a subcontractor where elements of the finished item are worked on e.g. embellishment, dip dying etc. Tier 3 could be the print mill. The size of the factory is never taken into account.
- Not sure if you will have the same level of trust and commitment from "Exporter"
- Between level 2 and 3 there can be agents or middlemen who do not fall into either category. They might not run centres and their only work might be to transport material from contractors to homeworkers and back.
- The supply chain model can be much more complex than described here. It can be as follows - Brand / Liaison office - Buying house / Importer agents - Supplier / Exporter - Factory - Tier 1 subcontractor (can be a production centre or just a distribution point) - tier 2 subcontractor (can be home worker or another middleman leading to the home workers).
- How are the "small factories" different from "subcontracted factories" - are there no "small factories" (fewer than 20 employees) that are also subcontracted - i.e. at the higher levels of the supply chains?
- The standard needs to reflect the legislation for the industry, determined by the India factories act, regarding factory size. Make sure to consider updated legislation in new standard.
- It was proposed previously that this typology, based on # of employees, should be implemented in the carpet sector as well.
- An exporter may be level 1 or 2. If there is no differentiation between exporter and supplier in the industry act, then we can use these levels and separate exporter and supplier – look at labor law in India.
- There may be challenges on the ground with a factory has few employees in some months and more in others, depending on season.
- Will there be a license with each entity? Could we have a license holder, who is responsible for compliance, at level 3?
- Keep levels for responsibility the same for compliance, but define types for how an entity must comply with “type.”
- Considering the number of workers for level 1 is a good way to differentiate the different levels.
- Many companies use contractors who are individuals working on behalf of the company as middlemen to manage orders with homeworkers. These are often people from the villages where

the households are based. This is not recognized in the levels. Suggest to create a fourth category for contractors who don't have a production.

- It is not clear the distribution centers fit into this schematic.
- Level 1, 2, 3 etc. should refer to where in the supply chain they sit, not to the "type" i.e. size of facility. Some distributors have no workplace and no workers, they are sub-subcontractors.
- Subcontractors – what to do with those who have no production. Do they need their own requirements or come under purview of those who give them the contract?
- In Afghanistan the production is almost all level 3, so this new structure makes sense. This format could work well for carpets too.
- The standard should not just be for exporters, but importers as well.

Supply chain workshops

Homeworkers should also be responsible for following compliances to some level. While the DC's who explain terms and conditions to home based workers, piece rates are told to them, however due to no direct contract, the homeworkers can refuse to make a piece if they receive a better piece rate from another contractor. This leaves the contractors in a difficult situation as he has commitments and deadlines to meet.

There should not be a differentiation between a small factory and large factory', since a factory is a factory. If there are more than 20 workers, the factory law is applicable to it. If a unit consists of fewer than 20 people then it should be called a "small unit" instead of a small factory.

While the 3 levels seem appropriate, it's imperative that the levels are defined properly and which supplier will fall under which level of inspections. Especially in cases where sub-contracting is done for processes like stitching or finishing where these are units with more than 20 workers.

The level could be determined either by the type process or the number of workers.

General comments about the new structure and format of the standard

Summary

Several of the comments were repeated here, reinforcing an overall positive impression of the new proposed structure of the standard, with requirements targeted to the different supply chain levels. The complexity of the supply chain was also reiterated here, with comments repeating the concerns above, that the GoodWeave terminology may not consistent with the industry and flexibility may be needed for different kinds of supply chains. It was noted that adding details about GoodWeave's role at the different levels would be useful.

All comments

- Ensure there is appropriate segregation between the definitions (e.g., DC and level 1) to avoid confusion.
- Some exceptions may be needed for supply chains that do not fit exactly with the levels/shape described in the figure.
- I am very impressed by the new structure and format of the Standard. It is more clearly described. This is quite effective and convenient way to implement the GoodWeave Standard.
- The new structure looks interesting and unique as not many standards are following such approach. It will lead to clarity at different tiers with regards to the compliance expectations from each one of them.
- The terms "level 2 and 3" are not used in the industry, these are specific to GoodWeave and this can be confusing.

- Perhaps there should be an explanation of GoodWeave role in each level of the supply chain, what sort of engagement and what will be the accomplishment.
- One may question why the generic standard does not follow the same structure. Ideally GW would have one generic standard and several sector standards adapted to the specific industry. Now GW will operate two standards that seem to be very similar.
- Is it reasonable for a buyer to believe that no child labor is done at the homemaker level? What of a parent who wants to teach their child a skill/craft? Will they be prohibited from doing so under this scheme? What of areas where schooling is not available and working is the only option for a child, especially if the family is in poverty?
- It is important to have consistent orders in the pipeline for the project to be viable. Also since the Embellished Apparel, Fashion Jewelry and Home Textiles are spread across India, the substantial resources necessary to cover these categories should be addressed.
- You could also show the upstream supply chain parties such as brands, retailers and customers.

1.3 Scope

The scope of the proposed new draft Standard covers:

- All facilities producing embellished apparel, fashion jewelry and home textile products at the three production levels;
- All workers and workplaces where the certified embellished apparel, home textiles and fashion jewelry is produced;
- All processing activities from receipt of raw material until the finished product;
- All subcontracted processes and homemaker production units.

The license holder is responsible for the operations of its subcontracted units, and workers and ultimately for their compliance with the Standard.

The geographical scope is limited to India for the piloting phase of the standard. The scope does not include the raw material supply chain.

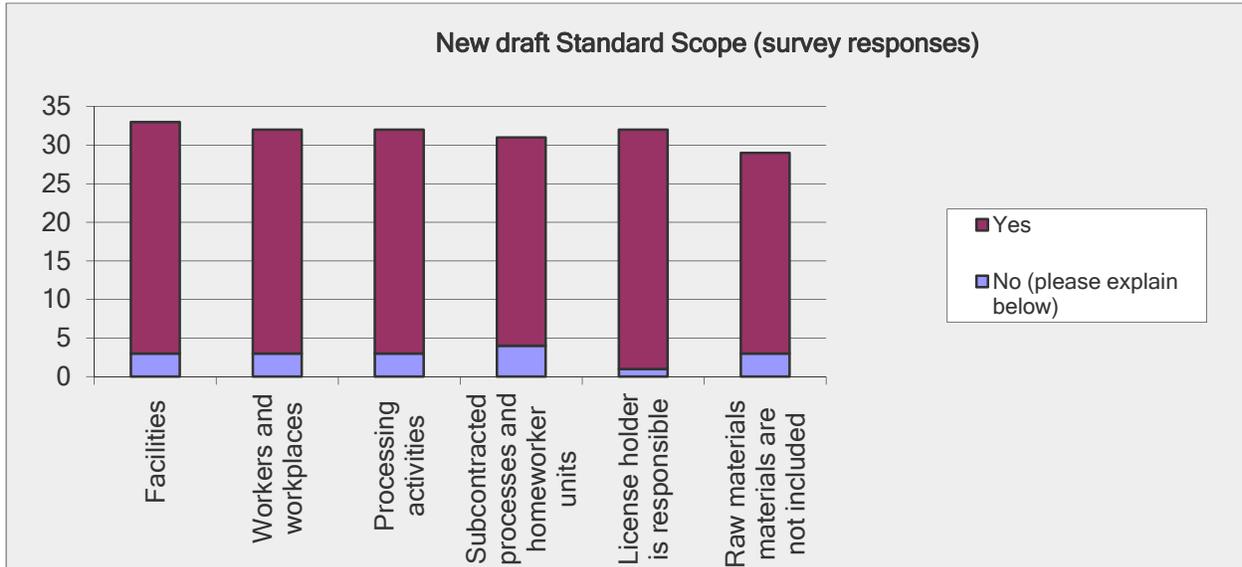
Summary

Quantitative responses on the scope of the standard were generally positive. Comments from all stakeholder groups indicated that definitions of terms and more clarity is needed on which processes the standard covers, and why. For example, what are considered “raw materials”? And, why are all processes in integrated supply chains regulated by the standard while the same types of production may not be covered in separate, non-integrated units. Supply chain actors felt strongly that raw materials should not be included in the scope of the standard, while both internal stakeholders and NGOs emphasized that the standard should cover all processes performed by workers in the informal sector and where the risk for child labor is highest. As in earlier comments, the responsibility of the license holder and who can be a licensee also needs further clarity.

New draft Standard Scope

Answer Options	Yes	No	Response Count
All <u>facilities at all levels of production</u> involved in making the final product are adequately described in and covered by the scope.	32	3	35
All <u>workers and work places</u> involved in making the final product are adequately described in and covered by the scope.	31	3	34
All <u>processing activities</u> involved in making the final product adequately described in and covered by the scope.	31	3	34
All <u>subcontracted processes and homemaker production units</u>	29	4	33

involved in making the final product are adequately described in and covered by the scope.			
The <u>license holder is responsible</u> for operations of its subcontracted units and workers.	33	1	34
<u>Raw materials</u> (such as cotton and materials for embellishment such as beads and sequins) <u>are not included</u> in the scope of the Standard.	28	3	31



All comments

Survey responses

- It seems confusing that ready spun or dyed products that are purchased as-is are not in-scope while these processes are in-scope for vertically integrated facilities. A consumer would not know the difference and would assume all is in-scope.
- “All processing activities from receipt of raw material until the finished product,” does this mean that the standard is covering all processing steps; ginning, spinning, knitting, weaving, wet processing, CMT? Cotton is a raw material, while buttons, sequins, tapes, sewing threads etc. are "accessories" and are not raw materials. Please refer to classifications in the industry. At that stage accessories can be excluded from the scope. There are some issues with matching dyeing of buttons/tapes/laces in homes, but not sure how far you want to go with this.
- Cotton is a very important sector and it has various levels which needs to be addressed and should be included in the scope.
- It should be understood that "all workers" includes those that are on permanent contracts, but also those on probation, on short-term contracts, or any other contractual relation with the employer.
- The standards should include all staff of the manufacturing facilities mentioned, i.e., security, transport as well as administrative staff.
- The term “final product” is unclear. The licensee will not take any responsibility as such, if there are chances of not disclosing the complete supply chain list.
- Would be preferable to say "...raw materials...are not included in the scope of the standard in the first phase." That makes it possible to expand coverage in the event of particularly egregious conditions, e.g. In making glass beads or in mining jewel stones?
- "License Holder" is not clear. Is this the contractor who has taken the embellishment order? If we are talking about the contractor it might be difficult to hold him/her accountable for compliance.
- Is the license holder the retailer or the supplier?
- I like the scope because that is exactly where GoodWeave is different from many other standards. I

believe the license holder is the only entity that can be held responsible as there is no legal relationship between the other parties listed.

- I think it's I going to be a challenge trying to map the "raw materials" but it is the way to move forward.
- Does it mean workers only at certified sites or all workers in the supply chain including DCs, Home workers etc.? Need more clarity here. More clarity needs to be given regarding subcontracted processes covered by this standard - dyeing, printing, embroidery, stud fixing etc. These can become really vague when it comes to the implementation. And what about trim, packaging materials, labels, tags etc.?
- What are examples of processes in these sectors for which the producer and its subcontractors are not directly responsible (what processes are excluded from the scope of the requirements)?
- If a raw material input (e.g. thread) is produced at the main production facility or a subcontracted facility where the product is made, is that processing also governed by the Standard?
- How is the responsibility of the license holder verified for subcontracted units?
- "Covered by the scope" is not clear, given that the coverage in level 2 is indirect.
- You might want to consider paying a premium or giving some kind of credit to those using organic or otherwise certified raw materials. Short of being able to administer this, you will be transparent.
- Define what "raw material" is according to the standard to make explicit what is and is not part of the supply chain.
- There were differing views in the teams on what should be included in scope: "all processing activities" was not clear. There was mixed opinion whether yarn is a raw material or not for example and it may be different for rugs. It is possible that there are children in the spinning process, so it should be covered. And what about raw materials such as beads? It is not feasible to check the process making them.
- Factors proposed to determine what should be included in the scope were:
 - Processing that is related to seeing product coming out of a production unit, where value is added.
 - Where there is risk for child labor, the process should be included.
 - The issue of capacity to check was a concern.
- It will be a challenge to ensure compliance throughout the supply chain given frequent changes in the subcontracting relationships.
- Some were adamant that the full supply chain is checked, even if it is complicated in textiles.
- We should focus on where child labor is most prevalent.

Supply chain workshops

The fact that it is targeted to reach the lower tiers is a great value add as most brands are unable to reach the lower tiers

Any process which adds value to the garment should be included in the scope of the audit. For example, cutting, stitching, buttoning, washing, ironing, embroidery(machine), beading, fringing, labelling, packing and finishing etc.

Some felt that the license holder should be responsible for the compliance of their contractors. Others suggested that it was the responsibility of the exporter, because sometimes subcontractors are unable to provide enough work and worker are compelled to make their children work, because they cannot afford to feed their family members. A worker has to face challenges in terms of wages & working hours.

Various viewpoints were given as to why brands cannot give continuous orders and difficulty of managing homebased workers compliance in case of no orders. In the end, it was concluded that all levels have to be responsible for compliances down the supply chain as everyone profits out of the business and hence the responsibility lies with them to ensure that the standard is complied with. In the end, core responsibility lies with the principal Employer

If the responsibility is shifted from the exporter then it will be difficult to pin down the person responsible to make changes in the long supply chain

There was agreement with producers that it would be nearly impossible for them to meet compliances if raw materials are included in the scope of audits as they work with a variety of materials sourced locally. Various materials are used in the production of fashion garments and jewelry and textiles and it will be difficult to track all and make the raw material suppliers to comply to the compliances

One individual pointed out that a lot of issues have been uncovered in the spinning mills and because they are not part of the scope of audit for most brands, huge issues including child labor and forced labor are found and go undetected. Also, dyeing is sometimes done in home-based units where no environmental safety is taken into account.

1.4 Requirements for importers, retailers and brands

Stakeholders were asked their opinion on including requirements for importers, retailers and brands in the draft standard.

Summary

Most respondents were in favor of including requirements on brands and retailers in the standard and agreed this would be an important step in creating impact and transparency in the supply chain. Brands need to commit to their suppliers and support them in compliance with the standard. Challenges in verification and the need for chain of custody requirements to supplement this were highlighted.

Requirements for importers and brands		
	Response Percent	Response Count
Yes	91.4%	32
No	0.09 %	3
Please explain your answer		19
answered question		35

All comments

- As the most powerful actors in the supply chain, importers, retailers and brands should be meeting GoodWeave requirements and reporting on how they are upholding their responsibilities to ensuring/enabling compliance down the supply chain as well.
- It is an essential part of the global supply chain so shall be covered by the standard - including requirements for importers, retailers and brands using the GoodWeave mark is key to ending child labor and will increase transparency and accountability in supply chains.
- Traceability requirements are needed to verify this.
- Including importers, retailers and brands will likely make the verification process onerous at best to work through the various levels.
- If it is already covered in contracts, this may be unnecessary because the label does not go to the brand, it goes to the product. Perhaps mentioning some requirements from the contract in the standard is a good idea to drive transparency.
- Importer requirements should phase in levels with a contracted timeline.
- Minimum requirements on how to communicate or use marks is acceptable, but brands are not ready to share factory names and production locations so as not to take away from a singular brand message.

- Everything we do has an impact; by involving the whole chain, there is less room for unaccountable practices and it also pushes this issue up their agendas and hopefully consciences
- They should, but with the caveat that the retailer cannot monitor the supply permanently.
- This is important to ensure integrity of the mark. A retailer or brand that is unwilling to adopt the standard should be a red flag.
- It is good to have a common standard and this leads to "governance" of the program which adds to the value of "GoodWeave" mark
- As long as there are pockets of vacuum, parties will find loopholes and compromise on ethics in order to make money.
- A major challenge is in leveraging the market influence – in Afghanistan there is likely not a high demand for the product labeling, even less so for products that are not export oriented and therefore there is no importer/brand in the picture. It may be necessary to find other ways of working in these supply chains in order to implement in this context.

Supply chain workshops

The group agreed that brands and importers should also play a part in meeting compliances. Where possible brands should guide factories, DC's on how to meet requirements, provide avenues for open discussions. Brands should be open to work with suppliers based on no negative implications on work in case of non-compliances, till the time the factories and DC's are ready to cooperate and work to improve conditions. Commitment from brands in terms of orders is necessary to be able to meet requirements, especially at the lower tiers and home-based worker levels because workers in the informal economy are free to work with anyone, and if business continuity is not guaranteed then it is difficult and not feasible to follow any requirements.

Most of the participants agreed that visibility of business and continuity of business for the upcoming months would help streamline processes and ensure compliances are met

All sub-contracting units should follow the basic principles: No child labor and forced labor, no sub-contracting without information to brand and licensees and government approvals in places, and risk to health and safety of workers should be nil.

Business continuity and commitment should be the main focus.

Brands with consolidated supply chains (e.g. 3 suppliers instead of 10 for a t-shirt) can use their leverage to demand continuous improvements, both in quality and in social compliance.

Brands should spend more time and resources in analyzing the capacity of the suppliers. While there are challenges as each supplier works with a multiple number of brands, efforts should be made to understand the clear capacity of each supplier- this can be achieved if there is business commitment and consolidation.

Buying team and merchandisers must be aware of brand's goals towards social compliance standards for factories. Buyers should be trained on processes and supply chains, so they which processes are done in the factory and which are outsourced.

Brands should ensure 6-month commitment to suppliers and must communicate that compliance is the 1st priority and core performance indicator.

In case of issues and non-compliances, efforts should be made to support suppliers and exemptions given for a period of 3-6 months with continuous review.

Suggestions for how to include requirements for importers, retailers and brands

Stakeholders were asked for their suggestions on how to include requirements for importers, retailers and brands. Suggestions ranged from social and legal pressure to full compliance with the standard. Several respondents emphasized that supply chain compliance should be the responsibility of the brands and importers. Including chain of custody requirements was repeated as a first step in monitoring compliance at all levels through to the consumer. The comments are included in full below.

All comments

- Define ethical business and rights of worker.
- Social and if possible legal pressure.
- General standards could be included regarding policies and procedures that brands/retailers must have in place regarding forced/child labor.
- Full traceability of every piece, public access to evaluation results and transparency commitments in their website, with verifiable parameters
- Importers, retailers and brands all should be responsible for implementation of the standard from their level and need to communicate /regularly follow up to the supply chain to see whether they have maintained standard from their level. Therefore, requirements like: follow up /regularly monitoring criteria should be part for importers, retailers and brands.
- Importers must inform exporters about the GoodWeave standard.
- It should be specifically negotiated to reflect actual conditions such as ease of access to facilities, general level of problems like child labor or trafficking in the industry.
- Chain of custody model might help.
- They should have the GoodWeave trademark using authority/approval.
- Consider the contractual arrangement between the retailer/importer and the licensee. Would the retailer or importer agree to shared responsibility for compliance? Would they be willing to be held accountable for non-compliance?
- It is easier to work with Retailers and Brands as most have and do understand Compliance. The challenge will be with Importers
- Ideally, the requirements should focus towards Purchasing practices including, but not limited to, Pricing decisions, delivery expectations, frequent style changes, time taken to give approvals as there is lot of impact of these on the compliance status in the supply chain.
- Importers, retailers and brands should be required to report their suppliers transparently (name, location, number of workers) as a first step. A short list of impact indicators should be reported for their suppliers in order to track implementation progress or delays. A report on grievances should also be included.

Section 2: The Principles

Stakeholders were asked about the intent of each of the GoodWeave principles as they apply to the apparel and textile industry. Under each principle they were asked to comment on the content of the targeted requirements for factories, dedicated centers and homeworkers.

2.1 Principle A1: No child labor is allowed

Summary

93.5 % of the respondents agreed with the intent of Principle A1. The two responses that were not in agreement were mixed, both identifying responsibility for compliance as key for successful fulfillment of the principle. Other comments pointed out that the standard should reflect the new national legislation, and definition of homework should be aligned with this. Further guidance was also suggested for all requirements.

Do you agree with the Intent section of Principle A1 No Child Labor is Allowed?		
Answer Options	Response Percent	Response Count
Yes	93.5%	29
No	6.5%	2

Comments	7
<i>answered question</i>	31

All comments

- A mentoring scheme might be acceptable for older teens, there are cultural expectations that need to be understood and honored rather than imposing things on certain groups.
- With the new child labor reform, it is important to streamline this principle
- Home Worker definition needs clarity. The location of course is a home. But there are two categories of workers. The owner and his family members, and workers engaged by the owner. Children of contracted workers will not be considered as family children, but only children of the owner.
- The responsibility for meeting the certification requirement cannot rest with someone that is not legally bound to it. Otherwise the intent is good. Again, very similar to the generic standard.
- "Wherever possible" calls for further guidance. What are the situations in which an employer would be exempt?
- Yes, and No. Is it the private sector's responsibility to provide education, or the responsibility of government? How is this addressed in areas where no resources for education are available, such as classrooms, books/paper/pencils and most importantly - teachers? Whose responsibility is it to provide all these resources? How will this be funded? It could well be that producers simply walk away from suppliers if they are compelled to provide education and other services which are in excess of the profits they might gain.
- Specify *effective* remediation.

Are the requirements A1.1 – A1.7 clear and understandable and do you agree with the content of the requirement?

Summary

Overall most respondents agreed with the requirements supporting Principle A1 and felt they were clear and understandable. Several respondents pointed out that alignment is needed with the standard and new Indian national legislation. Some specific suggestions also include: adding guidance and examples for implementation at all levels, better clarity on the roles of the licensee and employer, and the need for modified verification methods for the different types of production and literacy levels.

Principle A1 Requirements: No Child Labor is Allowed			
Answer Options	Yes	No	Response Count
A1.1 is clear and understandable	29	2	31
I agree with this requirement	27	3	30
A1.2 is clear and understandable	30	0	30
I agree with this requirement	31	0	31
A1.3 is clear and understandable	28	3	31
I agree with this requirement	29	2	31
A1.4 is clear and understandable	30	1	31
I agree with this requirement	30	1	31
A1.5 is clear and understandable	30	1	31
I agree with this requirement	30	1	31
A1.6 is clear and understandable	29	2	31

I agree with this requirement	30	1	31
A1.7 is clear and understandable	30	1	31
I agree with this requirement	30	1	31
<i>answered question</i>			31

All comments

<p>General</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • It is important to check for hidden assumptions • Who will provide resources where they are not present? • How will local government be engaged to provide the services (education, etc.) they are legally required to provide but lack resources? • Add: all overtime hours are worked voluntarily and compensated at a premium rate
<p>A1.1: Children under age 14 are not allowed to work</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • This is a difficult for brands because, without extensive education, consumers do not understand why allowing limited work can be beneficial or a social norm. • At level 2 they should also have their own policy – same as level 1. • Verification methods have to take into account that level three employers may be illiterate or barely literate themselves. • Not clear if the subcontractor can hire child labor • For home workers: What are the consequences if a subcontractor does not assume this responsibility? How does the licensee assure that this has been done? • The minimum age that most retailers work with is 16. This clashes with Indian law which says, "end of 14 years of age". GoodWeave has to take a stand which one to follow. • "The child is supervised and guided by an adult member of the immediate family." Does this apply beyond the pilot country (India), or might there be a different articulation of this based on the country context? • It may be necessary to specify the working hours for family children, like 3 hours on a school day, 8 hours on a non-school day, no work before 6.00 a.m. and after 6.00p.m., etc. • The requirements for level 2 are too passive to verify. <p><u>Supply chain workshops</u></p> <p>Clarity needed on whether the age is 14 years or end of 14 years, which means 15 years.</p> <p>There was also a big discussion on what exactly child labor is and who exactly will be considered a child laborer. Like for example, work that is traditionally passed down from generation to generation. Instead of pinpointing whether the work is considered an act of child labor, we should see things through a broader aspect.</p> <p>It would help to add age guidelines of light work as per ILO guidelines in the standard.</p> <p>All participants agreed that children between the ages of 6 to 14 years should</p>

	<p>not work. They should be studying. But there are many families in villages that, because of their financial situation, are compelled to make their children work, even for a few hours.</p>
<p>A1.2: Notices stating no child labor allowed</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • For all tiers: Is verbal or pictorial communication to be offered in cases where the workers are illiterate? • For home workers: What kind of verification is used if the worker is illiterate and unable to sign? Is a fingerprint taken? Is the verification certified by a notary or some other legal validator? • For homeworkers: include, "beyond what is allowed in A.1.1"
<p>A1.3: Verification of age of workers</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • Not clear what a "record" is. • To eliminate burden processes of updating papers, would be useful to require birth dates. • Most children in India (and other low-income countries) have not been registered and do not have birth certificates. What other "verifiable" records or documents would be acceptable? • Implementation guidance needed to define what documents are acceptable for proof of age.
<p>A1.4: Process for remediation</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • Remediation is not clear, mentions producers, then license holders. Responsibilities must be clear. And only "work" is not the issue, they must pay. • For all tiers: guidance or a minimum standard for remediation processes, plans, services that the license holder must work with GoodWeave and the relevant suppliers to provide. • For homeworkers: include, "beyond light work that is allowed in A.1.1" <p><u>Supply chain workshops</u></p> <ul style="list-style-type: none"> • Better understanding of remediation plans in case of child labor is needed. Subcontractors are given a child labor remediation policy by an exporter, but they do not understand the issue or the procedure to remediate. Training, guidelines and policy templates should be provided to the sub-contractors in their local language. Participants requested that GoodWeave and brands provide this. • In the case when there are no orders contractors wondered whose responsibility it is to ensure that children are not working, since home based workers are independent and free to work for anyone.
<p>A1.5: Records of young workers and the work they do</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • Check Indian government rules for newly amended child labor act. • For subcontractor, the employer should be responsible for compliance, not simply "make it understood to the worker". • For all tiers: Does GoodWeave provide technical guidance to licensees on how to be in compliance with local and national law and international norms? Are licensees responsible for educating the second-tier suppliers on what is required?

	<ul style="list-style-type: none"> • Consider making “national and international limits” a separate requirement. <p><u>Supply chain workshops</u></p> <p>Having separate records for young workers is difficult. The DC’s maintain worker records and family details where age verification proof is kept for all family members of the home-based workers. It is difficult to record hours worked by a young home-based worker. This would require parents’ engagement.</p> <p>It would be useful to know what the national law regarding hours of daily transport as part of calculation of working hours of the young worker are in context of the requirement ‘The combined hours of daily transport, school and work time do not exceed the national or international limit.’</p> <p>The contractors keep record of the pieces they give to the workers and how much they are paying to them as well. Even the homebased workers have started to maintain a record in their diary of the payments they receive. Both the contractor and the homebased worker should have a record of the work and the wages, so that when the time comes, they can show it as a proof if required.</p>
<p>A1.6: Hazardous work</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • Will GoodWeave be providing a list of tasks suitable to each type of product and workplace? • For tiers 1&2, suggest adding, “This list, at a minimum, should include those tasks defined by law and by ILO C.182 Recommendation 190 as hazardous and therefore should be prohibited to children.” • Add: workers are allowed to refuse dangerous work without fear of retribution. <p><u>Supply chain workshops</u></p> <p>Initially participants did not feel that any young children were engaged in hazardous work, but after describing hazardous processes, they agreed that it was possible.</p> <p>The group agreed that a clause for hazardous work is necessary and could be implemented in the supply chains.</p>
<p>A1.7: Education</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • Are children allowed to work in Level 1 & 2? Or is this stating that Level 1 & 2 must have education/employment plans in place for any Level 3 producers? • Clarification is needed: Young workers are allowed to work if management follows the law. If there are school age workers, it should not impact in their education and school. However, young workers are not allowed to work from 6 PM to 6AM and their school is from 10:00 AM- 4 PM, how is this manageable? • How does the contractor show that young workers are in school? Suggest providing examples as you have done earlier with the types of documentation that can be used to establish age.

	<p><u>Supply chain workshops</u></p> <p>Participants felt that it would be difficult to ensure that no children are found working during school hours. While participants agreed with the importance of education, there was some concern that if all children are educated, the labor force will be reduced for this kind of work.</p>
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2.2 Principle A2: No forced or bonded labor is allowed

Summary

While the respondents generally agreed with the intent section of A2, there were a number of suggestions to add further instances and better define bonded and forced labor. It was also suggested to benchmark the requirement with the ILO forced labor indicators and national regulations so that it fully reflected international and national standards and norms.

Do you agree with the Intent section of Principle A2 No Forced or Bonded Labor is Allowed?		
Answer Options	Response Percent	Response Count
Yes	96.7%	29
No	3.3%	1
Please explain your answer		13
<i>answered question</i>		30

All comments

<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • Add a bullet point for what is bonded labor: “The worker paid a deposit or surrendered original documents in return for work.” • Add, “The worker is not paid directly but pay goes to an agent, recruiter or parent under conditions that restrict worker freedom.” • The second bullet point may be changed to “The worker is not free to leave and work for another employer”. • Suggest replacing “is” with “maybe” in the “following situations suggest that bonded labor is taking place.” • GoodWeave might consider reframing the statements of situations and standards, perhaps with coercion or forced labor in general as the organizing principle. It could be helpful to do a crosswalk with ILO forced labor indicators to ensure consistency and completeness with regard to the national, local, and industry contexts in which this standard will operate. • The first situation, “there is no agreement with the workers for his/her work,” is a potential indicator of forced labor, but not bonded labor (which depends on an implicit and/or prior agreement). • The second situation, “the worker is not free to work for another employer,” is not necessarily an indicator, as it can be legal for an employer to restrict employees from taking additional, contemporaneous jobs. Is the intention of this example to indicate that the worker is not free to leave the job to take another? If so, recommend clarifying. • The third situation as written is a bit vague. Perhaps it would be clearer to say, “the worker is confined to the workplace,” and if applicable, add, “and/or is confined to employer-provided housing during nonworking hours”
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Requirements A2.1 – A2.3

Summary

Most of the respondents found the requirements supporting Principle A2 clear and understandable, though several did not fully agree with the wording of the requirements. Suggested amendments include better structure for A2.1 and strengthening requirement A2.2 specifically around contracts for all employees and adding guidance about when verbal contracts can be used and how they are verified. Further guidance was also suggested for A2.3 to define partial debt payments and payment in kind.

Principle A2 Requirements: No Forced or Bonded Labor is Allowed			
Answer Options	Yes	No	Response Count
A2.1 is clear and understandable	31	1	32
I agree with this requirement	32	0	32
A2.2 is clear and understandable	30	2	32
I agree with this requirement	29	4	32
A2.3 is clear and understandable	30	1	31
I agree with this requirement	29	2	31
Comments			14
<i>answered question</i>			32

All Comments

<p>A2.1: Workers are not forced to work</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • For Tiers 1&2: The bullets listed here seem, in some cases, to constitute prohibitions against specific indicators of forced labor; in some cases, guidance on proper timekeeping and communication with workers; and in other cases, statements of principle/standards to be met, e.g. “workers are not required to lodge deposits, etc.” It also provides a definition of debt bondage. Suggest clarifying what these bullets represent and then making them consistent. • For homeworkers: this will be tricky. If the buyer does not have full responsibility for the homeworker because he or she is an independent contractor and they negotiated a lower piece rate compensation plan, they will incentivize excessive hours, child labor, OSH problems etc. <p><u>Supply chain workshops</u></p> <p>The contractors (tier 2) mentioned that they do not have formal contracts with their workers. Most of the workers understand the terms and conditions through verbal agreement. The importance of a simple contract in local language or displaying notices with terms and conditions was discussed.</p> <p>A participant suggested to implement Worker hand books and pass books to record daily work. If a loan is made, the amount of money, the name of the worker and signature with the date is recorded.</p> <p>Subcontractors and workers are encouraged to record all transactions related to the orders and payments by the exporter/brand. A sample template can be shared and implemented in the supply chains where home based workers are used</p>
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<p>A.2.2: Contracts are provided</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • When would it be okay for a verbal employment agreement to be in place with a homemaker? • Verbal employment agreements are allowed in India, but it is required to show that the worker is employed in the formal sector. In this case it is not clear if the workers are really protected with such verbal agreements. Check the laws accordingly. • For payments in kind, what does "correctly valued" mean? • For all tiers: How is a verbal agreement confirmed and the terms validated, for purposes of the Standard? • More guidance regarding what constitutes understanding and consent to a verbal agreement. • Employment agreement at the factories and subcontractors shall always be written. • The enforcement of no loans a challenge along with the trying to change the mind-set of contractors who have been conducting the business the same way and villagers used to having this loans given to them. • Manufacturers should include benefits and deductions • The worker should receive a signed and dated copy of the agreement. <p><u>Supply chain workshops</u></p> <p>Contractors and workers have a verbal agreement about the working terms and the wage rates.</p>
<p>A2.3: No debt for work</p>	<p><u>Survey responses</u></p> <ul style="list-style-type: none"> • For all tiers: How is "partial payment" defined? Is there (or should there be) a maximum percentage of payment that may be in-kind? In the case of the pilot, is this defined by Indian law? • The burden of loan interest rate is difficult to determine, consider wording differently, "interest rates at or below market interest rate." • Implementation guidance is needed for the employer/contractor to ensure that the intermediary is abiding by the standard. • Payment in kind should be agreed by the worker. <p><u>Supply chain workshops</u></p> <p>Suppliers mentioned that most homebased workers work with at least 2-3 contractors to ensure continuity of work.</p>

2.3 Principle A3: Conditions of work are documented and verifiable

Summary

Most respondents agreed with the intent of Principle A3. Two comments suggested adding details on licensee requirements, for example requiring employment records to be collected. Clarity around the levels of the supply chain was reiterated from comments on the scope.

Do you agree with the Intent section of Principle A3 Conditions of work are documented and verifiable?		
Answer Options	Response Percent	Response Count
Yes	96.6%	29
No	3.4%	1
Please explain your answer		5
<i>answered question</i>		30

All comments

Survey responses
<ul style="list-style-type: none"> I am not sure if there will be company registration and tax documents. Not clear what "associated GoodWeave License fees" are. It would be good to define more clearly regarding requirement for licenses, NOCs from legal departments as per local law in addition to company registration and tax documents which sounds too generic. Also, under the licensing requirements, employment records like time keeping, wages, benefits should be clearly listed as one of the expectations. Clarify "All levels of the supply chain" - is it the 3 levels as per GoodWeave, or is it all processing tiers?

Requirements A3.1 – A3.5

Summary

While the majority of responses were positive to the A3 requirements, several suggestions for improvement were made, namely to consider registering labor providers along with site registrations (also reiterated from above on the levels of production), and to include recommendations for off-site worker interviews as guidance to inspectors.

Principle A3 Requirements: Conditions of Work Are Documented and Verifiable			
Answer Options	Yes	No	Response Count
A3.1 is clear and understandable	31	0	31
I agree with this requirement	30	0	30
A3.2 is clear and understandable	29	1	30
I agree with this requirement	29	0	29
A3.3 is clear and understandable	28	2	30
I agree with this requirement	29	1	30
A3.4 is clear and understandable	29	1	30

I agree with this requirement	30	0	30
A3.5 is clear and understandable	30	0	30
I agree with this requirement	29	0	29
Please explain if anything is unclear, requires clarification, or could be improved:			5
<i>answered question</i>			31

All comments

A3.1: Supply chain is disclosed	<u>Survey responses</u>
	<ul style="list-style-type: none"> • “Up to date” needs to be more specific, (e.g., updated every year)
A3.2: Production sites are registered	<u>Supply chain workshops</u>
	Discussion was focused on full disclosure of supply chains, up to the home-based worker level.
A3.3: Full access during verification visits	<u>Supply chain workshops</u> Tier 2 suppliers mentioned that they maintain records which are not as per a legal format and they feed the data in relevant formats later. Sometimes a proper document might not be available. Documentation and transparency needs to be improved. Records should be able to demonstrate correct information.
A3.4: Unannounced audits	<u>Survey responses</u>
	<ul style="list-style-type: none"> • Sometimes documentation is not available in the moment of the [unannounced] audit, what then? • Add definition of <i>unannounced inspections</i> to the list of terms
A3.5: confidential interviews	<u>Supply chain workshops</u>
	At DC level, unannounced audits are difficult because their work requires them to travel frequently, there may not be a senior person on-site to deal with inspection visits.
A3.5: confidential interviews	<u>Survey responses</u>
	<ul style="list-style-type: none"> • Include recommendations for off-site interviews • Minimum wages should be referenced

Additional feedback and comments

In additional to many supportive comments on the format and content of the draft standard, there were some specific suggestions to include requirements on wages, piece rate calculations, and occupational health and safety in the standard. Acknowledging the complexity of the industry, there was a request to hold more workshops in order to discuss the requirements in depth.

All comments

<u>Survey responses</u> <ul style="list-style-type: none"> • I would be more interested in the procedures for verification of the standard (assurance). Count on me to give feedback on that part of your system in case you want to amend your correct practices
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to be adapted to the new standard

- The new draft standard is comprehensive, easily understood and addresses the minimum issues.
- Clarity about minimum wages, and living wages requirements is missing.
- We need to make sure the homeworkers are receiving the minimum wage as this is a major issue. There needs to be a piece rate calculation and record keeping.
- I believe the survey is restrictive in terms of having a discussion as it is not a simple supply chain to be working with. There are various actors and players in each set there are challenges. What we need is a in person workshop to go through all the points in this survey and consolidate all the agreements on the various points.
- Great that the proposed new standard includes a glossary!
- Can we have a standard or a label for independent small businesses?
- Is there also a clear explanation of procedures that will be followed when noncompliance is found? It might be useful to include a reference to such guidance here in the Standard.
- Perhaps the standard could benefit from some graphics which explain the various stages of production of these three categories of goods: embellished apparel, fashion jewelry, and home textiles. It seems like they would have different production processes, and while those working at GoodWeave may be familiar with the supply chains, the reader/public may not understand how these goods are produced and what the supply chains/varying levels of processing look like.
- For a brand/importer/retailer to have the privilege to sell GoodWeave products, they should verify that Tier 1 companies in the supply chain can provide documentation of their verification of the compliance of their suppliers and subcontractors with GoodWeave
- A key aspect of good conditions of work is safety and health, which appears to be missing from this standard. We appreciate that GoodWeave includes OSH and other decent work concerns in their “Progress Principles” and want to confirm our support for this eventually becoming an aspect of working conditions for which employers would be held accountable.
- Considerations for next revision of carpet standard:
 1. Size of factory affects which requirements apply: The factory size of fewer or greater than 20 should be used in the GoodWeave carpet standard as well.
 2. Define what is included as a raw material – hand spun yarn in home should be part of inspections.
- We have a specific definition for CL in the carpet industry which is in many ways more hazardous than the apparel industry – in terms of the occupational health. It may be necessary to find out what hazards exist in the new sectors.
- Different labeling models should be explored, e.g. can we certify households.

Supply chain workshops

Need for training programs for home based workers. Several topics were discussed apart from the scope of the stakeholder consultations

Issues related to remediation in context to the recent law in India were discussed. A robust identification plan to detect child labor and remediation are needed.

Terms and definitions

The draft standard includes a glossary with definitions of relevant industry terms and terms included in the GoodWeave standards and policies. The comments on terms and definitions are collected below.

- **Dedicated center:** “Workers are generally outsourced and work by quota or piece rate.” We note that the term “outsourced” is only used once in the Standard, in this definition. Is this a synonym for another term used elsewhere? If so, we suggest making the terminology consistent; if not, we suggest explaining/providing a definition for “outsourced.”
- **Employer:** Does “providing work” refer to supplying labor, the act of working, or the product of such work/effort?
- **Forced Labor** and **Forced or compulsory labor** appear to be duplicative, yet are described differently. We would recommend refining and consolidating these terms.

- Licensee: is it only exporters who are licensees? Elsewhere there are indications that “most” licensees are exporters, but not all.
- Add the following definitions:
 - hazardous work
 - immediate family (in re: Principle A1.1 home workers’ requirement)
 - remediation
 - unannounced inspections

It is unclear what is intended by “an adult member of the immediate family.” Might “legal guardian” be closer to what GoodWeave wants to capture here? There are scenarios in which “immediate family” might not be acceptable, as in the case of an older sibling or an in-law.

Next Steps

The next steps in the development of the draft Embellished Apparel, Fashion Jewelry and Home Textile Standard are the following:

- Present the results of this consultation with recommendations for revisions to the draft standard to the GoodWeave Standards Committee (SC)
- Prepare revised draft standard based on SC and internal input
- Consultation on revised draft standard
- Review feedback on second consultation with SC and prepare final draft standard