



# **GoodWeave International Licensing and Certification Policy**

**Version 1.3, 1 March 2017**

**Superseded Previous Versions:**

**v.1.0, 16 March 2011**

**v.1.1, 25 June 2012**

**v.1.2, 1 January 2016**

**Contact for Comments:**

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**Next scheduled review:**

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**For further information:**

**[www.GoodWeave.org/about/governance/policies-and-procedures](http://www.GoodWeave.org/about/governance/policies-and-procedures)**

## Section 1 - Introduction

### 1.1 Organizational Intent

GoodWeave's mission is to end child labour in the carpet industry and to replicate its market-based approach in other sectors. GoodWeave fulfils its mission by creating market demand for certified child-labour-free rugs, monitoring supply chains, rescuing and educating child labourers, and providing critical services for weaving families and communities.

GoodWeave works through the marketplace to improve social and environmental practices, which includes certification and labelling of products made without child labour and other related criteria specified in GoodWeave's standards. The purpose of this policy document is to provide a consistent overarching framework and approach to licensing and certification for the GoodWeave program globally.

### 1.2 Basis of GoodWeave's Policy

This policy is designed to reflect GoodWeave's commitment towards meeting international best practice as per the requirements of the International Social and Environmental Accreditation and Labelling (ISEAL) Alliance Assurance Code and ISO/IEC Guide 17065.

### 1.3 Definitions

- The website referred to below is [www.GoodWeave.org](http://www.GoodWeave.org).
- The term "supply chain" refers to the suppliers (direct or indirect) of a particular importer or exporter.
- The scope of the certification refers to (1) the issue areas or principles covered under the standard, (2) types of facilities which are covered under the standard, and (3) the types of products which are included in the certification. The first two items are defined within GoodWeave's standards. The third item regarding types of products is defined within each company's license agreement.

### 1.4 Non-Discrimination

GoodWeave certification is non-discriminatory. This policy, its associated procedures and their administration reflect this commitment and shall be carried out in a non-discriminatory fashion. GoodWeave certification is accessible to all applicants whose activities fall within the scope of the program. Additionally:

- (a) There are no undue financial or other conditions,
- (b) Access is not conditional upon the size of the supplier or membership of any association or group, and
- (c) Certification is not conditional upon the number of certificates already issued.

Any party that believes GoodWeave policies, procedures and/or their application either at the international or national/local level are discriminatory has the right to submit a complaint, as described in 3.5.

## 1.5 Entry into Effect

This policy entered into effect on 16 March 2011 and was amended on 1 March 2017.

## 1.6 Application of this Policy

This policy shall be implemented in each of GoodWeave's countries of operation and applies to all organizations and individuals involved in GoodWeave licensing and certification activities. This policy and associated documents may be translated into local language as needed; however, the principal document for reference will be the English version.

## 1.7 Review of Policy

The GoodWeave International Secretariat will review this policy at least every three years in line with the [Standard Operating Procedure \(SOP\) Development of GoodWeave Policies](#).

## Section 2 – Roles and Responsibilities

GoodWeave operates as an international network with implementing organizations in producer and consumer countries. GoodWeave International (GWI) is a legal entity registered in the United States of America and is the central governing organization for this network, which is responsible for overseeing and coordinating the licensing and certification system.<sup>1</sup> The GoodWeave Secretariat is responsible for ensuring the overall system is compliant with the ISEAL Assurance Code.<sup>2</sup> Additionally, the Secretariat shall ensure that any changes to the system are communicated internally, implemented within the specified timeframe, and that responsibilities and timelines for communicating any such changes to affected external stakeholders are assigned within 30 days of such changes taking effect.

The GoodWeave Standards Committee sets the content of of GoodWeave's standards including the principles, requirements and criteria. Its composition and working principles are described in the [Standards Committee Terms of Reference](#). The process for creating and revising standards is described in the [Standard Operating Procedure \(SOP\) Development of GoodWeave Standards](#).

The GWI-Certification Division (GWI-CD) is the certification body (also known as the assurance provider) for the GoodWeave system. It is separate from the standard-setting arm of GoodWeave and is described more fully in the [GW-CD Terms of Reference](#). It is also responsible for ensuring its own operations conform or are equivalent with ISO/IEC Guide 17065.<sup>3</sup> Its composition includes the Certification Committee, which is responsible for

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<sup>1</sup> The organizational and governance structure of GoodWeave is depicted and described in more detail in the Quality Manual (see Section 3.6) and respective Terms of References of its constituent bodies.

<sup>2</sup> As a full member of the ISEAL Alliance, GoodWeave is required to meet the provisions of the Assurance Code, in order to ensure the credibility as well as effectiveness of the overall certification system.

<sup>3</sup> ISO/IEC Guide 17065 is an internationally accepted norm for certification bodies operating a product certification system replacing the former ISO/IEC Guide 65. It addresses requirements for independence, competence, impartiality, transparency, confidentiality and management systems.

certification decisions and providing guidance for the implementation of the inspection and monitoring program. The Certification Committee composition and working principles are described in the [Certification Committee Terms of Reference](#). Inspection and auditing is carried out by in-house and/or contracted teams of inspectors based in producer countries. This includes inspection teams employed by the GoodWeave National Inspection Units (NIUs) based in each country of operation, which report to the Director of GWI-CD (also previously referred to as the “Head of CIU”). Contracted organizations or individuals may also be employed by the GWI-CD to conduct a sub-set of the work normally carried out by an NIU where in-house capacity is insufficient for the effective operation of the inspection program, e.g. during expansion to new geographic areas or changes to the certification criteria. In any such case a formal agreement detailing the terms and a formal management system shall be put in place, which is approved by the GWI-CD on the basis of consistency with the qualifications and management systems of the in-house inspection teams. In no case are certification decisions subcontracted to an outside organization.

GoodWeave Affiliates and Programs (also previously referred to as National Initiatives) in producer and consumer countries carry out other activities outside the scope of the certification program and are responsible for ensuring sufficient arrangements are in place to cover liabilities that may arise from the operation of the program. GWI shall review these periodically to ensure sufficient arrangements are in place.

## Section 3 – Procedures for Licensing and Certification

This section outlines the overarching procedural framework for licensing and certification in the GoodWeave system. GWI-CD develops specific steps and procedures for the implementation of this system, which shall be in line with this policy and documented in an operating manual.

### 3.1 Licensing

In order to import and export GoodWeave certified products, a company must be legally registered in its country of operation and become licensed with GoodWeave. Any company, which exports or imports eligible products in the regions where GoodWeave operates, may apply to become a licensee, regardless of the company size or production volume. In order to become a GoodWeave licensee, the following conditions must be met:

- A. **Eligible Products:** All types of handmade rugs and carpets are eligible to be certified. In addition, other types of products may also be added to the list of eligible products. The GoodWeave Secretariat in consultation with GWI-CD shall determine whether a proposed product type can be added to the list of eligible products. This determination is done on the basis of similarity in the production processes to carpets, consideration of whether the same requirements and criteria can be applied to the producers within the supply chain and that the existing compliance assessment and certification processes can be applied to verify compliance with GoodWeave’s standards.

- B. Importers: The company must sign an importer license agreement for each product category which is to be certified.<sup>4</sup> If its suppliers (exporters) are already licensed with GoodWeave, the licensing process can be completed promptly. If the exporters are not already licensed, the importer must notify their exporters of the intent to become licensed and instruct the exporters to contact the GoodWeave producer country office to initiate licensing. Once the exporters are licensed, the importer licensing process can be completed, granting the company the right to import products bearing the GoodWeave certification label.
- C. Exporters: The company must first identify either an existing licensed importer or an importer in process of becoming licensed to which it intends to supply certified products. The company must submit an application to become an exporter licensee along with the necessary documentation specified in the application packet, agree to comply with GoodWeave's standards and disclose total production capacity, including subcontractors and home based production.
- i. The exporter must identify a primary facility as its main factory/unit, which is often a location where an exporter will finish, pack and label the product for export. This facility may or may not be used for various production processes (e.g. weaving, knotting, tufting, dyeing, washing, binding, applying latex, cutting) and other activities associated with the production and export of eligible products.
  - ii. Exporter licensees also agree to ensure all subcontractors, including at the level of home based production, also comply with the GoodWeave standard.
  - iii. By default, all types of products within the product category for which the company is licensed will be included in the scope of certification. A company may apply for a limited scope, provided that verifiable criteria (e.g. type of product construction/weave/design and/or geography) can be identified to segregate the segment of the supply chain to be included in the scope. All facilities must be disclosed and those producing eligible products within this scope are included in the inspection and monitoring process regardless of whether they are intended to be certified for export to a licensed importer.
  - iv. The exporter must pass an initial audit and inspection of its supply chain and agree to follow-up audits, as well as ongoing random, unannounced inspections by GoodWeave before a license agreement can be signed.

License agreements with exporters and importers are executed by GWI or by its Affiliates in their respective countries of operation on behalf of GWI. The terms and conditions of license agreements are determined by GWI with national level adaptation in accordance with the local legal context.

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<sup>4</sup> The list of eligible products and corresponding product categories is maintained by the GoodWeave Secretariat. Each product category requires a separate license agreement.

In case of any application to amend the products included within an existing licensee's scope of certification as mentioned in point B (iii) above, the GWI-CD Director determines what, if any, evaluation procedure is appropriate in order to determine whether or not the amendment can be made.

GoodWeave Affiliates and Programs in the country of operation provide administrative support for processing license applications, such as providing information about the application process to applicants and checking for completeness and accuracy. The GWI-CD Director coordinates the decision-making process for approving new licensees, is notified of all new license applications, and in turn informs the Certification Committee of the initial audit and inspection results in order to decide on granting a license. Once approved, licensees must continue to demonstrate compliance with the GoodWeave standard as described in section 3.3, and pay GoodWeave license fees and any other applicable fees, as specified in their respective license agreements (the License Fee Schedule is available on the GoodWeave website).

### **3.2 Certification and Labelling**

The GoodWeave certification is a product certification manifest by the GoodWeave certification label, and attests to the conditions under which the product was made. The certification claim is that no child labour, and no forced or bonded labour was used in the production of the certified product. Only products that fall within the list of eligible products approved by the GoodWeave Secretariat are eligible to be certified. The following conditions apply:

- A. Only licensed exporters, which have identified a licensed importer to whom they directly supply products, and their licensed importers are eligible to receive and use the GoodWeave certification label. Other parties in the supply chain, such as retailers and producers not supplying directly to a licensed importer, may be authorized by GoodWeave to promote their affiliation with GoodWeave using authorized communications materials in line with the GoodWeave Trademark Policy; however, they are not eligible to request issuance of product certification labels.
- B. In order to receive the certification label, licensed exporters and their subcontractors must comply with GoodWeave's standards. The current version of GoodWeave's standards and related documentation are publicly available on the GoodWeave website as well as by request from any country office. Compliance with the relevant GoodWeave standards is verified through the inspection and monitoring program described in Section 3.3.
- C. Approval by the Certification Committee is required in order to initiate issuance of certification labels. Certification label requests are granted to licensees that have demonstrated compliance with the GoodWeave standards during the initial and subsequent ongoing audits and inspections, provided the documentation requirements described in point (D) below are met. Once approved, the GWI-CD assigns new exporter license numbers before any license certificates or certification labels are issued.

- D. New certification labels may only be issued to approved exporter licensees by the authorized GoodWeave Affiliate or Program in the country of production upon receipt of a label request. The label request must be accompanied by appropriate documentation (e.g. request form, purchase order) as specified in the GWI-CD operating steps and procedure manuals indicating the finished product is for export to a licensed importer. Documentation is kept to ensure every GoodWeave certification label can be traced to the individual importer and exporter licensees to which they were issued.
- E. Certification labels may only be issued to licensed importers in rare extenuating circumstances where a specific need has been identified and has been approved by the Certification Committee. The procedures for certification label issuance must be documented and approved by the Certification Committee.
- F. For the purposes of certification, the same obligations for demonstrating ongoing compliance apply to subcontractors, including home based weavers, as well as the exporter licensee itself. In the event of any non-compliance, the Certification Committee reviews the case for decision-making as described in section 3.4.
- G. If a licensed exporter does not use certification labels for an extended period of time, the policy on dormant licensees described in Appendix I shall be followed.
- H. GoodWeave offices in consumer countries conduct ongoing surveillance to ensure importer licensees, distributors and retailers adhere to the GoodWeave Trademark Policy and terms of the license agreements when making claims with respect to certified products in the marketplace.

### **3.3 Compliance Assessment**

GWI-CD assesses compliance with the GoodWeave standards through the inspection and monitoring program. The types of production sites included in the scope of inspection and monitoring in producer countries include the licensee's main factory, subcontractor units, village-based weaving/production centers and home based production units.

An initial audit takes place upon receipt of a new license application, and thereafter follow-up audits and random unannounced inspections take place to ensure ongoing compliance. The audit includes interview of the management, confidential interview of the workers, document verification and visual observation of the production facility. Audits and inspections may be carried out by in-house or outsourced teams of inspectors, which report to the GWI-CD. Specific steps and procedures for audits and inspections are developed and documented by the GWI-CD in consultation with the respective NIUs and in line with this policy, taking into account local conditions while ensuring consistency of approach.

The GWI-CD Director oversees inspection schedules in coordination with NIU management, which should take into account an assessment of risk status of licensees and recent inspection findings. The minimum frequency of audit or inspection visits for any type of production site may never be less than once in every six months; however, this minimum frequency may be higher

for specific categories of production sites as determined by the GWI-CD. The identified risk factors shall be documented along with the related determinants on audit/inspection frequency and intensity by GWI-CD and reported to the Certification Committee at least annually. Inspection schedules shall be shared between in-house and outsourced inspections teams as needed to coordinate visits.

Audit and inspection reports are created for every assessment visit as per the applicable forms, including photographic documentation where practicable. All audit and inspection reports are reviewed by the respective NIU management and submitted to the GWI-CD Director along with monthly summary reports. Where the audit and inspection results indicate full compliance, no immediate action is needed. The GWI-CD Director reports to the Certification Committee on the status of new licensee applicants as well as any cases of non-compliance at least quarterly, or more frequently in any cases requiring urgent attention. The Certification Committee shall evaluate all cases submitted for review and is responsible for any decision-making necessary to grant, extend, suspend certification, or revoke a license.

In cases where child labour is discovered during an audit or inspection, the role of the inspector is to raise an alert and the assessment process for purposes related to certification effectively stops at this point. Thereafter procedures for child protection, rescue, withdrawal and rehabilitation of child labour (covered under separate policies) shall be followed; however, these fall outside the scope of the certification process.

### **3.4 Decision-making**

The Certification Committee is the highest authority on decisions relating to certification, with the exception of appeals (see 3.5). The GWI-CD shall maintain a documented Certification Methodology which guides consistent decision-making on non-compliances against the GoodWeave Standard. When the results of inspection and monitoring indicate a licensee or applicant is in full compliance with the GoodWeave standard, the Certification Committee approves granting or extending the license and/or issuance of certification labels. In cases of any major non-compliances identified, the following guidelines apply:

- A. When child labour is found, the on-site audit or inspection process stops and protocols for dealing with child labour are initiated by the inspector or rescue agent, in line with the policy for remediation;
- B. The Certification Committee is notified and reviews the case to determine whether the non-compliance meets the criteria for suspending issuance of certification labels or revoking the exporter license based on the Certification Methodology;
- C. The exporter licensee (and its supplier, if applicable) are notified in writing, provided with Corrective Action Request and follow-up inspections are scheduled to verify that the non-compliance has been corrected;
- D. If repeat non-compliances are found at the same facility during a follow-up inspection, the Certification Committee follows the Certification Methodology for decision-making,



including the possibility of suspending certification label issuance. The Certification Methodology shall ensure that if a third case of child labour is found within the duration of twenty-four (24) months:

- i. In the case of a licensee's own facility, the exporter license status is revoked;
  - ii. In the case of a sub-contractor or a home loom supplying directly to the licensee or to a sub-contractor, the sub-contractor or home loom must be de-listed from the list of authorized suppliers of the licensee;
- E. Any facility in which a major non-compliance has been found is followed up with a higher frequency of unannounced visits thereafter.

The GWI-CD Director notifies the NIU of Certification Committee decisions.

### **3.5 Appeals and Complaints**

Stakeholders have the right to follow the mechanisms of the [Standard Operating Procedure \(SOP\) Complaints and Appeals](#). Contact details of the GWI-CD management should be included in the relevant reports and documentation provided to licensees and applicants in order to allow any interested parties to directly share any concerns or feedback on the program or on specific certification decisions. The GWI-CD may also seek feedback from affected parties by other means with the objective of making the program more effective and transparent. The Certification Committee may reconsider a previous decision at its discretion on the basis of any new information that was not available at the time of the initial licensing or certification decision. In cases involving appeals, an Appeals Committee is appointed by the GWI Board, which has the authority to overturn a previous decision by the Certification Committee. In any case of an appeal or complaint, the affected parties are notified and given an opportunity to submit information relevant to the decision.

Exporter licensees are also required to keep a record of all complaints made known to them related to their compliance status with the GoodWeave standard, making those records available to GoodWeave when requested, and to take appropriate action with respect to such complaints.

### **3.6 Quality Management System**

GWI-CD shall ensure its operations conform or are equivalent with ISO/IEC Guide 17065. In order to ensure the objectives of the certification system are achieved, as well as conformance with the provisions of this policy and the consistency, impartiality and transparency requirements of ISO/IEC Guide 17065 as applicable, GWI-CD shall maintain a documented Quality Management System (QMS).

The GWI-CD Director ensures the steps, procedures and protocols for compliance assessment and related processes are consistent to the extent practicable across all countries of operation, with any necessary adaptations for application in local contexts. The GWI-CD Director ensures

that any differences between the operating procedures across countries do not undermine the quality or consistency of certification decisions. As described in 3.3, the operating manuals include parameters such as the minimum frequency of audit and inspection visits for each type of site based on an assessment of the risk status, how visits are scheduled, and team composition (e.g. rotating team members periodically). Minimum inspector qualifications and responsibilities are described in the [GWI-CD Terms of Reference](#). Other normative policy and procedure documents shall be listed in the QMS Manual.

The QMS shall also ensure that any areas of GWI-CD operations requiring improvement are identified and non-conformities with the relevant normative requirements are corrected. This shall include, at a minimum, a system of internal audits including desk and field audits, shadow inspections, etc. and annual meetings to review the findings. The Secretariat shall participate in annual review meetings in order to directly monitor the performance of GWI-CD as well as the effectiveness of the certification system as a whole. Findings from internal audits and results of review meetings shall be reported to the Certification Committee. Training needs for inspection staff are also indicated in these reports, along with any actions necessary to correct any problems identified or prevent their re-occurrence in the future.

The QMS manual shall define the procedures related to information and documentation of the certification system. All public documents, including GoodWeave policies, are placed on the website and thus available to stakeholders and the public. On request, relevant public documents are also available as hard copy, if necessary against payment of an administrative fee. All internal documents relating to certification should be maintained in such a way as to ensure safeguards for confidentiality are maintained as per the [GoodWeave Confidentiality Policy](#). All records related to licensing, certification, inspection and monitoring shall be kept by GWI-CD for at least five years. Electronic copies are kept as existing and back-ups are made as often as deemed necessary.

### **3.7 Oversight Mechanism**

The GWI Secretariat shall develop and implement an oversight mechanism in order to ensure the competence and consistent performance of the GWI-CD with respect to the relevant provisions of this policy, as well as ISO/IEC Guide 17065 and the ISEAL Assurance Code, as applicable. The oversight mechanism may be in the form of an accreditation audit or similar procedure, to be conducted by a third party independent of the GWI-CD itself. This oversight mechanism shall include a full assessment of the performance of GWI-CD at least once every four years.

### **References**

[Certification Committee Terms of Reference](#)

[GoodWeave Confidentiality Policy](#)

[GoodWeave Trademark Policy](#)

[GWI-CD Terms of Reference](#)

[SOP Complaints and Appeals](#)

[SOP Development of GoodWeave Policies](#)

[SOP Development of GoodWeave Standards](#)

[Standards Committee Terms of Reference](#)

## **APPENDIX I: Policy on Dormant Licensees**

- GoodWeave will monitor label use patterns and proactively work with importers and exporters to label all eligible products within their supply chains. When an exporter licensee does not request any certification labels for more than one year, GoodWeave will inform the concerned importer in order to encourage the use of certification labels.
- If an exporter does not request any certification labels for two years, it is given the option to continue its status as a licensee for another year provided it pays the annual fees to GoodWeave and also submits an updated list of production facilities at least once in a year. In this case it is considered a “dormant” licensee and the matter is reported to the concerned importer/s.
- A communication is sent to the concerned licensees informing them that their GoodWeave exporter license will be cancelled if they do not take labels for another year.
- Audits of dormant licensees may not be done regularly on the same basis/frequency as active licensees, but unannounced random inspections of the facilities at levels 1, 2 and 3 for child labour may be done from time to time at the discretion of the GWI-CD Director.
- Any exporter licensees entering into dormant status will be removed from all public listings of current GoodWeave licensees within six months of confirmation of this status by the Certification Committee. The company may not make any public statements or claims about its compliance status with the GoodWeave standard during the period it remains dormant.
- Whenever there is a certification label request from any dormant licensees, the labels may be issued only after audits/inspections have been done for a minimum of 50% of the production facilities including an audit of the main factory.
- In case an exporter licensee does not take GoodWeave labels for three consecutive years, GoodWeave will report the matter to the concerned importer/s and take a decision about cancelling its license after taking the views of the importer/s into consideration.
- The license of dormant exporters who are not willing to undergo the random unannounced inspections/annual audits and any associated remediation actions (if needed in case any non-compliances are found), or to submit updated list of production facilities shall be cancelled.
- The Certification Committee may choose to retain the active status of an exporter based on agreed measures even if they have not taken labels for more than two years. This is to allow an exporter who would want to comply with the GoodWeave standard although it may not be doing business with GoodWeave importers to remain an active licensee. (Such measures are to be determined, but may include, e.g. payment of an agreed fee covering the costs of inspections, or based on production for domestic labelling.)