

GW Document ID: P08	Document Title: Expectations for Licensed Exporters
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GoodWeave International Policy
Expectations for GoodWeave Licensed Exporters

1. Scope

This policy defines the requirements that GoodWeave licenced exporters must meet in order to maintain their status as licensees. The requirements outlined in this policy are programmatic requirements that must be met in addition to the requirements outlined in the GoodWeave Generic International Standard.

This policy applies to all applicant licences and all licenced exporters.

2. Definitions

Exporter: The company selling the finished products to an importer abroad. An exporter is eligible to be a GoodWeave license holder, responsible for meeting the GoodWeave licensing requirements, and responsible for ensuring the requirements of the GoodWeave Standard are met throughout its supply chain.

Licensee: An exporter of finished goods licensed by GoodWeave International based on demonstrated compliance with the Standard. Also referred to as the “GoodWeave licensee” or “licensed exporter.”

Producer: An individual or company that owns the production process and is responsible for ensuring compliance with the Standard. Exporters and their subcontractors and home based worksites are all considered producers.

3. References

GoodWeave Generic International Standard
SOP05 Escalation and Communication of Non-Compliances

4. Policy

4.1. General Expectations

- 4.1.1. There is no child labor or forced/bonded labor in the supply chain, including primary licensed exporters and all of their subcontractors and home based workers. Detailed requirements and definitions are specified in the “[GoodWeave Generic International Standard](#)” (the Standard).
- 4.1.2. Licensed exporters and their subcontractors and home based workers will have safe and healthy workplaces, follow relevant labor and environmental laws and endeavour to minimize harm to the environment. Detailed requirements and definitions are specified in the “GoodWeave Generic International Standard (the Standard).
- 4.1.3. Licensed exporters will notify their subcontractors and home based workers of their relationship with GoodWeave and the requirements of the Standard.
- 4.1.4. GoodWeave will notify licensed exporters regarding new or updated standards and the timeframe for coming in to compliance with any new/updated requirements.

4.2. Providing Supply Chain Information

- 4.2.1. Licensed exporters are responsible for accurately reporting the name, location and contact information of all production sites, including subcontractors, cottage industry and home-based production. Such a list is maintained, routinely updated and submitted to GoodWeave at least every six (6) months. If units are not removed from the list of production sites, they are considered active producers.

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- 4.2.2. New production sites must be reported immediately to GoodWeave upon incorporation in the supply chain. Failure to report a production site could result in suspension of the GoodWeave license. If the updated supply chain list is not received every six months, the last provided supply chain list by the licensed exporters is considered valid.
- 4.2.3. For programs that result in certification, GoodWeave certification labels are not issued if updated production facility lists are not submitted at least twice a year - at the time of the annual audit and six months from the date of the annual audit.
- 4.3. The licensed exporter is liable for re-audit fees (please refer to fee schedule) in cases of non-disclosure of relocated or new Level-1 unit; termination of inspection/audit due to licensed exporter misbehaviour; and non-transparency in sharing complete supply chain information.

4.4. Application to become a GoodWeave licensed exporter

- 4.4.1. The application for GoodWeave licence is not processed until all the required documents, including full disclosure of supply chain information are submitted and required fees are paid.
- 4.4.2. An applicant licensed exporter has up to three months to start their application, submit required document and pay fees. If the application is not complete after three months, the application will be rejected. If an applicant wishes to apply again, it can do so after a period of six months from the date the first application was rejected.

4.5. Initial audits and inspections

- 4.5.1. Applicant licensed exporters receive initial audits after their application is approved.
 - 4.5.1.1. Initial audits start within 15 business days of approval of the application.
 - 4.5.1.2. Initial audits cover the licensed exporters own production site, 50% of their subcontractor sites and 25% of their home based work sites. If there are less than 10 facilities in the applicant’s entire supply chain, and these are located within reasonable geographic proximity, then 100% of the applicant’s subcontractors and home-based worker suppliers are covered as part of the initial audit.
 - 4.5.1.3. The initial audits of subcontractors and home based work sites are completed within 15-30 working days from the date of the initial audit in the main unit, depending on the extent of supply chain.
 - 4.5.1.4. During the initial audits and inspections, monitoring officers check compliance with the full GoodWeave standard-which includes the certification principles and progress principles.
- 4.5.2. Major Non-compliances against the GoodWeave standard identified during initial audits must be corrected before a license can be issued.
- 4.5.3. **For programs that do not result in certification**, GoodWeave reviews the outcomes from the initial audits and determines whether the applicant conforms to the GoodWeave Standard and if there are non-compliances that must be addressed. Any conditions that must be met before the Goodweave license is granted are determined by GoodWeave and communicated to the applicant licensed exporter. The applicant has the right to appeal GoodWeave’s decision if a license is not granted.
- 4.5.4. **For Programs that result in certification** GoodWeave reviews the outcomes from the initial audits and determines if the applicant conforms to the GoodWeave Standard, or whether there are non-compliances that must be addressed. Certification is not granted if the initial audits show there are major non-compliances that are not corrected. Any conditions that must be met before the GoodWeave license can be granted are determined by GoodWeave and communicated to the licensed exporter. Once the GoodWeave license is granted, the licensed exporter has the right to label certified products. The licensed exporter has the right to appeal GoodWeave’s decision if a license is not granted.

4.6. Ongoing audits and inspections

- 4.6.1. Subcontractors and home based production worksites that were not audited during the application process have an initial audit within 3 months of the date of licensing. If the licensed exporter has a supply chain of more than 200 worksites, initial audits are completed within 8 months of the date of licensing.

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- 4.6.2. GoodWeave Monitoring officers are permitted to conduct planned and unannounced inspections at any time thereafter to ensure continued adherence to the standard.
- 4.6.3. All production sites in the supply chain – including licensed exporter factories, subcontractors, and home-based production locations – are subject to periodic audits and unannounced inspections. Monitoring officers must be granted immediate and full access upon arrival at any production facility.
- 4.6.4. GoodWeave-approved monitoring officers are permitted to view the physical facilities, to review business records such as payroll and shipping data, legal licenses, and records which help in establishing compliance with the Standard, including information related to label usage. The audit and inspection process includes confidential interviews with managers and workers. GoodWeave Monitoring officers may take photos or videos relating to any non-compliance including child labor or forced or bonded labor.
- 4.6.5. Information gathered during audits and inspections is kept confidential, with the exception of information that is identified in SOP05 Escalation and Communication of Non-Compliances.
- 4.6.6. Non-compliances identified at subcontractor or home-based production locations are the responsibility of the licensed exporter to remediate. Compliance support is available [in Guidance for Users: Complying with the GoodWeave International Generic Standard](#).
- 4.6.7. If the subcontractor or home-based production location does not directly remediate cases of child labor, those cases become the responsibility of the licensed exporter to remediate or to fully support GoodWeave’s remediation efforts.
- 4.6.8. During unannounced inspections, the companies are required to cooperate with the GoodWeave monitoring officers. Monitoring officers arrive at the main entrance to the production site and must be granted access within a reasonable amount of time. If there are unreasonable delays of more than a few minutes, the team does not inspect the production site and this is considered a major non-compliance.
- 4.6.9. Information about non-compliances is shared with producers, licensed exporters and importers as per SOP05 Escalation and Communication of Non-Compliances.

4.7. Records

- 4.7.1. The licensed exporter must maintain the current GoodWeave License Certificate in its office (the office of record) at all times and be prepared to produce the Certificate for inspection upon the request of a GoodWeave representative.

4.8. GoodWeave Labels (only applicable to programs that result in certification)

- 4.8.1. Once approved by GoodWeave, the licensed exporter may request certification labels by completing the label request form. These forms must be accompanied by copies of the relevant purchase order(s) received from the GoodWeave licensed importer, which should include details such as number of products (e.g. # of carpets), size, variety and cost.

- 4.8.2. Requests for labels should be sent to the following email addresses:

India	labels@goodweave.net ; support@goodweave.net
Nepal	label@goodweavenepal.org

- 4.8.3. All label request must be submitted at least 10 business days prior to the anticipated date of shipment or on receipt of the Purchase order (PO) from the importer whichever is earlier.
- 4.8.4. On receipt of the label request, GoodWeave provides labels to the licenced exporter on a first-come-first-serve basis. Label requests received after 4 p.m. are considered on following working day. Licensed exporter’s representatives may pick up labels in person if they have authorization letter from licenced exporter.
- 4.8.5. Labels are issued against the importer’s PO and are used only on those products. For example, if five labels were issued against a PO that has an order for five carpets, those 5 labels can be pasted only on those carpets in the PO.

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- 4.8.6. Upon receipt of labels, licensed exporters should confirm they have received the complete labels as per the serial numbers mentioned on the invoice/label note. In case of any discrepancy, the licensed exporter should inform GoodWeave within 7 days.
- 4.8.7. Products produced before signing the License Agreement (e.g. stock goods) cannot be certified with GoodWeave labels. Applicants may submit the certification label request and supporting documentation for products currently in production or that will be completed soon along with the application packet. However, purchase orders placed more than one week prior to the application may not be accepted.
- 4.8.8. Products made during the period when label issuance is suspended cannot be labelled.
- 4.8.9. GoodWeave labels are the property of 'GoodWeave' and cannot be misused/applied on anything other than the products specified in the PO.
- 4.8.10. The labels issued to one licensed exporter cannot be used by another licensed exporter. If GoodWeave finds that a licensed exporter provides their labels to another exporter GoodWeave may suspend the exporter's license and right to use labels.
- 4.8.11. A record of labels received and issued must be maintained by the licensed exporter. Licensed exporters must allow GoodWeave access to these records.

4.9. License renewal

- 4.9.1. The GoodWeave license is renewed annually and the licensed exporter must provide a date for the annual audit at least two months before the expiry of the license. This allows GoodWeave to renew the license before its expiry date.
- 4.9.2. If the license is not renewed before the expiry date due to reasons outside of the licensed exporter's control, GoodWeave allows a grace period of three months to renew the license.
 - 4.9.2.1. For certification programs, during a grace period no labels are issued.
 - 4.9.2.2. If the license does not renew by the end of the grace period, the license is withdrawn. The licensed exporter may re-apply as a new applicant after six months from the date of expiry of the license. All previous fees due must be paid along with a new application fee for the new application.

4.10. Suspension of Labels

- 4.10.1. GoodWeave may suspend the issuance of GoodWeave labels in the following cases:
 - 4.10.1.1. Major non-compliances, including child labor and forced labor, are found at the licensed exporter's own production sites (Level 1 production sites). In these cases, GoodWeave denies labels for the Purchase Order where child labor and/or forced labor was used in the production of products. GoodWeave will deny further labels issuance until the non-compliances are corrected.
 - 4.10.1.2. Major non-compliances are found at subcontracted or homebased producers AND the licensed exporter refuses to take action or assist in remediation. In these cases, GoodWeave suspends label issuance until the noncompliance is corrected at the subcontractor or home based producer.
 - 4.10.1.3. Production sites that fail to correct non-compliances within the specified time frame are de-listed, meaning they are removed from the exporter's supply chain. If a licensed exporter continues to source from subcontractors or home based workers who are de-listed for failure to correct non-compliances, label issuance is suspended for all products until it is demonstrated that the subcontractors/home based workers are removed from the licensed exporter's supply chain.
 - 4.10.1.4. In case of repeat non-compliances or failure to take corrective action in the prescribed time, issuance of labels may be suspended or their GoodWeave license revoked.

4.11. Warning Letters

- 4.11.1. For programs that do not use on-product labels, exporters are issued a warning letter in the following cases:
 - 4.11.1.1. Major non-compliances, including child labor and forced labor, are found at the licensed exporter's own production sites (Level 1 production sites).

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- 4.11.1.2. . Major non-compliances are found at subcontracted or homebased producers AND the licensed exporter refuses to take action or assist in remediation.
- 4.11.1.3. Production sites that fail to correct non-compliances within the specified time frame are de-listed, meaning they are removed from the exporter’s supply chain. If a licensed exporter continues to source from subcontractors or home based workers who are de-listed for failure to correct non-compliances, a warning letter is issued.

4.12. Withdrawal of license

- 4.12.1. GoodWeave may suspend the licensed exporter’s GoodWeave license (and certification) in the following cases:
 - 4.12.1.1. More than 6 months have passed since the suspension of issuance of labels or the warning letter and the non-compliance remains uncorrected.
 - 4.12.1.2. A licensed exporter that has two or more separate instances of child labor at their own production site within 24 months.
 - 4.12.1.3. A licensed exporter who has three or more separate instances of child labor at the same production site within their supply chain within 24 months.
- 4.12.2. In cases where licenses are withdrawn, the company may apply again for a GoodWeave license after 12 months.

4.13. Dormant licensed exporters (only applicable to programs that result in certification)

- 4.13.1. GoodWeave monitors label use patterns and works with importers and licensed exporters to label all products within their supply chains. When a licensed exporter 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.
- 4.13.2. Licensed exporters who do not use the GoodWeave label for one year are considered dormant. Dormant licensed exporters are charged a fee of \$100 in addition to the \$100 annual license renewal fee. The dormant licensed exporter fee is collected in order to meet the regular inspection expenses, while the license renewal fee will be adjusted against label fees for any labels used after the license renewal.
- 4.13.3. If no labels are used for two consecutive years, the license is withdrawn after the second year.
- 4.13.4. Dormant licensees are audited less frequently than active licensees. However, unannounced inspections of the all production sites (including subcontractors and home based workers) may take place at any time, at the discretion of GoodWeave.
- 4.13.5. 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 30% of the production sites including an audit of the main factory.
- 4.13.6. If the dormant licensee is not willing to undergo random unannounced inspections/annual audits and take corrective actions, submit updated list of production sites or pay the applicable fees, the GoodWeave license is withdrawn.

4.14. Ethics

- 4.14.1. GoodWeave has zero tolerance for bribery and corruption and is committed to acting professionally, fairly and with integrity in all operations.
- 4.14.2. Applicants and licensed exporters may not attempt to influence the GoodWeave audit and inspection process by offering GoodWeave monitoring officers or staff gifts, money or other items of value in order to obtain favourable outcomes during an audit or inspection.
- 4.14.3. GoodWeave monitoring officers are expected to arrange for their own transportation to audit/inspection sites and to pay for their own meals.
- 4.14.4. Applicants and licensed exporters who witness any unethical behaviour by a GoodWeave employee should contact ethics@goodweave.org.

5. Change History

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5	Added warning letters to escalation process for programs where labels are not issued