

ELIMINATING CHILD LABOR

Deep Supply Chain Mapping



BEST PRACTICE IN DEEP SUPPLY CHAIN MAPPING

- Integrate supply chain mapping into the inspection processes
- Maintain a local presence
- Build trust at all levels
- Verify supply chains using multiple methods

Child labor often goes undetected, hidden in unregistered production sites where company oversight programs do not reach. Clear and rigorous standards verified through in-depth mapping and inspection of all tiers of the supply chain are central to creating child-labor-free production.

Deep supply chain mapping is the process of revealing and documenting all work sites, including previously undisclosed locations, and is an integral part of the inspection process. As production premises are inspected and verified, new sites are usually disclosed, creating a map that leads inspectors deeper into a supply chain where child laborers, sometimes purposefully concealed, can be identified and rescued. This brief shares the methodologies and interventions used by GoodWeave to fully map supply chains to disclose child labor.

GoodWeave stops child labor in global supply chains. Permanently.

This brief is one of a five-part series that explores best practice for companies and nongovernmental organizations combating child labor in supply chains and sectors where they work. The information is based on GoodWeave's extensive on-the-ground experience in tackling child labor.

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INTEGRATE SUPPLY CHAIN MAPPING INTO THE INSPECTION PROCESSES

It can be a challenge to document every single supplier or subcontractor involved in the production of goods within a supply chain. Generally, business is conducted at the primary export factory tier, where relationships exist between suppliers and buyers. Inspections for most social compliance programs typically take place at this level. For organizations who are serious about tackling child labor, systems must be developed to gain visibility into outsourced production and uncover potential abuses.

GoodWeave uses the following strategies to document and map the supply chain during the inspection process:

- Require supplier lists
- Update supplier lists regularly
- Engage the buyer

Best Practice Applied

The GoodWeave Standard requires suppliers to be transparent in their business practices and disclose all known subcontractors in their supply chain. The mapping process begins when an exporter becomes a GoodWeave licensee and commits to sharing a list of all their suppliers. During the initial onboarding of an exporter, GoodWeave verifies all suppliers on the list within the first three months. These lists are rarely complete and GoodWeave inspectors often identify additional suppliers contracted by the exporter.

Exporters may know the subcontractors their suppliers work with directly, but are often unaware of further subcontracting to other units, including home-based units. In some cases, subcontracting is intentionally obscured, which is not allowed in GoodWeave's system.

Inspectors from GoodWeave visit all subcontracted suppliers shared by the licensee to develop a comprehensive supply chain map. During inspection visits, GoodWeave asks questions and gathers information about additional production units associated with the supply chain. New locations revealed during the process add detail to the map. One exporter may disclose two



to three subcontracted suppliers who in turn outsource work to dozens or hundreds of subcontracted producers, including home-based units, all unknown to the licensee.

Supply chains are constantly changing due to buyers' demands, the ebb and flow of purchase orders, and the capacity of production units. For this reason, GoodWeave requires that supplier lists are updated regularly by the licensee, and each time there is a change in suppliers. This means that the supplier map is ever changing and must be verified.

There are times when a licensed exporter fails to reveal their complete supplier list. In this case, they may need to be motivated by their buyer to cooperate. This is where GoodWeave's partnership with the purchasing company is critical to the work.

MAINTAIN A LOCAL PRESENCE

A local presence within worker communities allows for insights into outsourcing and provides workers with a venue to voice concerns. When auditors and/or certification bodies are based in the community where they operate, they can establish positive relationships with suppliers and regularly conduct announced and unannounced visits to production sites.

When building a local presence:

- Establish a local inspection team
- Visit frequently
- Deliver benefits to communities

Best Practice Applied

GoodWeave inspectors are embedded in the communities where they work. They have a strong knowledge of the people, culture, and local practices. They have an in-depth understanding of the work processes that are carried out in production units. They regularly meet with suppliers, workers and labor brokers in and around the supply chains. This presence allows GoodWeave to see deeply into otherwise hidden supply chains, map and document them, and address labor violations.

GoodWeave also establishes a presence in the communities where supply chains are located through child labor prevention activities (See the Best Practice Prevention Brief), including day cares, education centers, and healthcare and other programs for adult workers. These programs provide another source of access to factories and home-based production units, and builds goodwill with all supply chain actors.

BUILD TRUST AT ALL LEVELS

Building trust with producers at all levels – from the factory to home-based units – is critical to shedding light on hidden production. Misunderstandings can be averted through clear and transparent expectations established at the beginning of a relationship. By building trust, GoodWeave works together with producers and the communities to minimize the risk of child labor.

To build trust:

- Engage management and workers
- Highlight business benefits of a child-labor free supply chain



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Every engagement with a licensee or sub-contractor is an opportunity to nurture a joint commitment to minimizing the risk of child labor.

Best Practice Applied

Every engagement with a licensee or subcontractor is an opportunity to nurture a joint commitment to minimizing the risk of child labor. When GoodWeave invests time in building trust in a community, undisclosed suppliers are often revealed. The result is a comprehensive supply map that covers all production units, from large factories to home-based units.

GoodWeave works closely with suppliers. When engaging a new company or supplier, all expectations and the reasons behind them are clearly explained. Trust is the result of mutual openness, and the expectation and understanding the company will comply with the GoodWeave Standard requirements. In the process of building relationships with suppliers, GoodWeave conveys the full intention to help and support. This includes budgeting time for proper introductions with new points of contact or a new supply chain actor.

Full transparency is not always comfortable to suppliers, but over time as they make improvements, they begin to see the value of deep supply chain mapping. GoodWeave's in-depth inspection system can help suppliers understand the breadth and depth of subcontracted work, and gives them assurance that all production units are verified as child-labor free. This gives them access to a broader pool of subcontractors, and can even provide cross-functional benefits, such as improved quality control. Worker retention and productivity increase as job security improves. And children and families experience better outcomes.

Establishing trust with suppliers and workers from the very beginning, and enlisting their help in rooting out child labor, results in a more effective inspection process.

VERIFY SUPPLY CHAINS USING MULTIPLE METHODS

Even with a solid foundation of trust, various methods are necessarily employed to confirm a supply chain mapping process.

- Understand the production processes
- Be aware of each and every production unit in the supply chain
- Triangulate information and ask strategic questions

Best Practice Applied

GoodWeave's experience shows that, in addition to establishing trust, it is important to employ creative methods to verify that all production units are disclosed. Close proximity to production units affords GoodWeave an in-depth understanding of the process and the skills required along the supply chain and can help inspectors locate areas that may have been overlooked or obscured.

For example, if the end product is an intricate blouse, GoodWeave inspectors work through a number of questions, such as:

- Who is the work contracted to?
- How many pieces are ordered?
- Where will the shirts be sewn?
- Who handles the embroidery or other specialty embellishment?
- Are the tags stitched on by a separate production unit?

Once production processes are clear, the steps can be tracked and verified down to a home-based unit. GoodWeave inspectors may carry a photo of the final

product or pattern design books so they know exactly what they are looking for. It is not uncommon that a supplier will subcontract part of a work order out to multiple producers if they do not have the capacity to complete an order.

Tracing purchase orders and other documents from the exporter through their supply chain can help reveal undisclosed suppliers. This information, when triangulated through interviews with workers and even community members, can provide important insights to ensure a 360-degree view of the supply chain.

GoodWeave's comprehensive mix of verification methods – ongoing assessments, unannounced visits, interviews, triangulation of orders and community programming – helps suppliers understand that they are part of a system and encourages transparency.

LEARN MORE

Find more information on eliminating child labor in GoodWeave's five-part series of best practice at www.goodweave.org or contact capacity-building@goodweave.org.



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