

Fact Sheet

Introducing the Fairtrade Textile Standard

Part of a comprehensive approach together with the Fairtrade Textile Programme to empower workers and improve wages and working conditions in the textile industry

The challenges...

Workers in the textile industry are often insufficiently protected against health hazards at their workplace. Building safety is often inadequate and many workers lack necessary professional training and equipment for proper handling of chemicals and machinery to stay safe.

On top of this, many workers are unaware of their legal rights and do not have access to this information. In some countries, workers are excluded from pay negotiations and are frequently paid less than the legal minimum wage, and only a small proportion of textile workers are unionized.

These conditions persist or are made worse for workers due to business practices in the textile industry such as: a lack of transparency in supply chains which are long and complex and lack accountability at all stages, extremely short purchasing cycles, pricing pressure, unstable business partnerships and short-term contracts further contribute to the weak position of workers in the industry.

Fairtrade Textile Standard

Who does the standard apply to?

Textile manufactures employing workers in the textile supply chain, including ginners, spinners, dyers, cut-make-trim factories as well as brand owners through contracts with Fairtrade International or their National Fairtrade Organization and a contract with the supplier.

Applicable from: 1 June 2016

Where to get a copy:

http://www.fairtrade.net/standards/ourstandards/textile-standard.html



In addition to these, the model of assurance for the textiles industry based on social audits has been heavily criticized as ineffective. According to these criticisms, years of social compliance audits have not actually improved working conditions of textile workers. The weakness most commonly identified are a lack of transparency in supply chains which are long and complex and lack accountability at all stages, suboptimal audits (either insufficiently frequent, too short, or too predictable) fraud and manipulation of facts, no involvement of local knowledge, an absence of real analysis of the root of non-compliances, and a detachment of production issues from buying practices.

Fairtrade responds...

Since the introduction of Fairtrade certified cotton in 2005, Fairtrade's goal has been to extend the Fairtrade approach to the entire value supply chain for textiles to address the challenges in the textile industry. This comprehensive approach engages producers and workers in the chain to bring about better wages and working conditions, and engages brands to commit to fair terms of trade.

Core elements of the Fairtrade Textile Standard

Full supply chain certification and brand commitment

The Textile standard applies to all operators employing hired workers in the textile supply chain processing Fairtrade certified cotton and other responsible fibres. Those operators must in turn ensure that subcontractors are compliant with core aspects of the standard. Brand owners purchasing finished textiles are also required by the standard to have a contract with a National Fairtrade Organization or Fairtrade International as well as with their suppliers, committing themselves to fair, reliable and predictable terms of trade to facilitate long term investments in the improvement of workers' conditions. This full supply chain approach provides a framework to provide consistency and transparency within the textile supply chain.

Empowerment of workers

Through participation in a Compliance Committee, workers are engaged directly in company compliance with the standard making them partners in assessing risks in the work place and ensuring they are trained appropriately in order to take on this role. The standard outlines requirements for training and capacity building for workers to raise their awareness around their rights in the work place. Training is an essential element in improving workers' situation. The standard offers workers the tools to unionize or become a member of an existing union, helping to secure their position and improve their status in the company and as a first step in certification against the Textile Standard is only allowed in countries where freedom of association in possible, determined by the Fairtrade Textile Standard Geographic Scope Policy. The standard also includes a grievance procedure which engages civil society to support workers in a grievance case, to supplement the company procedure if this is not satisfactory to the worker.

Living wages

The Fairtrade Textile Standard requires the implementation of living wages within six years. Fairtrade will determine living wages by drawing on existing wage agreements made by local unions within the textile sector and through applying approved methodologies such as the Anker method to set regional benchmarks. The Anker method is a shared approach from ISEAL members to estimating Living Wages.

Worker safety

The Fairtrade Textile Standard sets strict requirements for workplace safety, especially building and fire safety as well as requirements on the use of protective clothing and proper handling of hazardous materials.



For the Environment

The environmental requirements in the Textile standard focus on reducing negative impacts on workers and environment by controlling chemical use and practices. The standard includes a list of prohibited materials specific to textile production, banning substances of high concern, including carcinogenic, highly toxic and substances that may be injurious to human health and reproduction. Environmental requirements are modelled on leading health and safety standards in the industry.

Assurance in textiles

The assurance model for the new Fairtrade Textile Standard addresses the weakness in certification with the following measures:

- improving the competencies of auditors, including identification of fraud
- strengthening the participation of worker in the process
- identifying the root cause of non-compliances so these can be addressed, especially when they are related to the buying practices of brand owners,

 maintaining a high level of scrutiny in terms of audit frequency and duration, including unannounced audits increase transparency in the overall process

For more details see the Fairtrade International Requirements for Assurance Providers

Product composition and traceability

Goods produced under the Fairtrade Textile Standard can be made from traceable Fairtrade cotton, <u>FSP</u> cotton and other responsible fibres, in order to leverage the greatest number of supply chains and reach a broader range of factories and workers. Fairtrade's criteria for determining responsible fibers are outlined in the document <u>Responsible Fibre Criteria</u>. Documentary traceability is required for all products manufactured under the Textile Standard no matter the composition. Fairtrade physical traceability rules apply for products with Fairtrade cotton.

Labelling

Fairtrade labelling rules are applicable when all entities of a complete supply chain for a given product are certified under the Textile Standard. Different rules regarding the Fairtrade Textile Production Mark and claims apply depending on the composition of a product and when a living wage has been reached in all stages of the production chain. Contact artwork@fairtrade for complete Fairtrade mark use guidelines.

The revised standard comes into force on 1 June 2016

For further information about the Fairtrade Textile Standard, please contact <u>standards-pricing@fairtrade.net</u>.

About Fairtrade International:

Fairtrade International is a global non-profit organization that works with farmers and workers to improve lives through fairer trade. We lead the Fairtrade system, develop the Fairtrade Standards and support producers. Fairtrade International owns the FAIRTRADE Mark, a registered trademark recognized around the world. Find out more at www.fairtrade.net