



September 18, 2023

# An introduction to the Fair Labor Association

Putting Fairness to Work

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# **Fair Labor Association History & Mission**

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# History



**1996** Apparel Industry Partnership convened by President Bill Clinton

**1998** Workplace Code of Conduct and Principles of Monitoring adopted

**1999** Fair Labor Association founded

# Mission Statement

Fair Labor Association combines the efforts of business, civil society organizations, and colleges and universities to promote and protect workers' rights and to improve working conditions through adherence to international standards.

# Organization Overview

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# Multi-Stakeholder Approach

Lead by a 19-member Board of Directors, our multi-stakeholder initiative (MSI) includes six representatives each from FLA's three caucuses and an independent chair.

The three caucuses are comprised of:

- 12 Civil Society Organizations
- 60+ Manufacturing and Agriculture Companies
- 150+ Colleges and Universities and 2,000+ Collegiate Licensees

# Global Presence

FLA is a 501(c)3 organization with three offices



**Headquarters**  
**Washington, DC**  
Established 1999  
25 staff



**FLA Europe**  
**Geneva**  
Established 2004  
2 staff



**Regional Office**  
**Abidjan**  
Established 2016  
2 staff

... and employees around the world.



**Brazil**  
1 staff



**El Salvador**  
1 staff



**Germany**  
1 staff



**Guatemala**  
1 staff



**Malaysia**  
2 staff



**Sweden**  
1 staff



**Turkey**  
6 staff

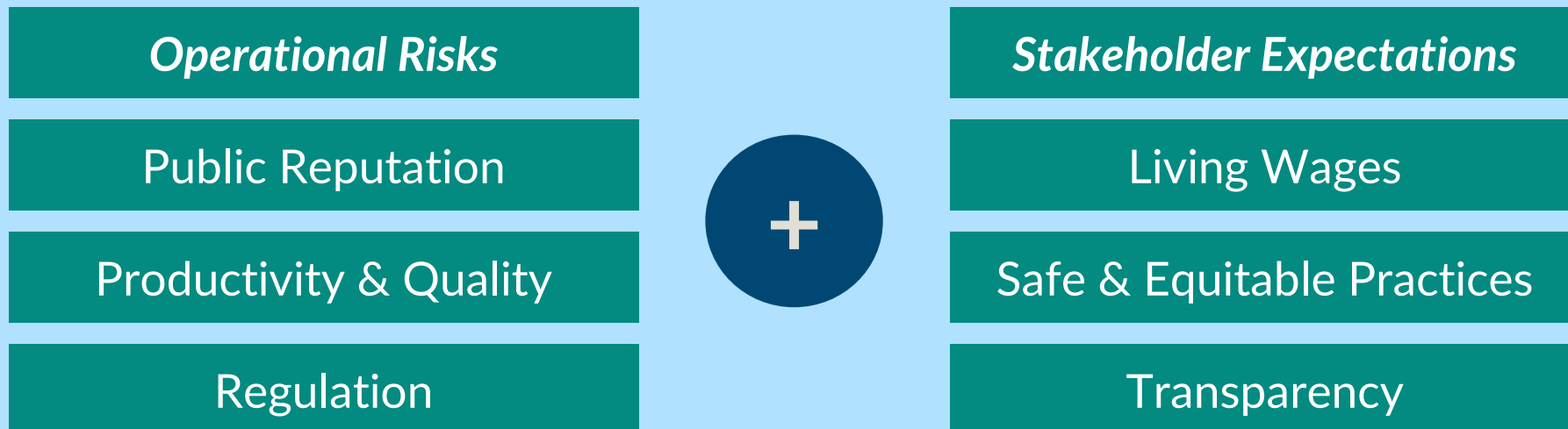


**Viet Nam**  
1 staff

# The Challenge We Face

Socially responsible companies are navigating complex tensions between operational risks and labor rights.

*How do we support workers' rights and meet international standards while remaining competitive?*





# FLA Programs

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# Accreditation

FLA Accreditation is a rigorous, multi-year process that evaluates companies' systems to protect workers throughout global supply chains.

It is at the core of FLA's work with manufacturing and agriculture companies.



FLA ACCREDITED, PARTICIPATING COMPANY

'47 Brand LLC



adidas

FLA ACCREDITED, PARTICIPATING COMPANY

adidas



WATER INSTINCT

FLA ACCREDITED, PARTICIPATING COMPANY

Arena Group



FLA ACCREDITED, PARTICIPATING COMPANY

Burton Snowboards



FLA ACCREDITED, PARTICIPATING



FLA ACCREDITED, PARTICIPATING














FLA ACCREDITED, PARTICIPATING



FLA ACCREDITED, PARTICIPATING

# Fair Labor Investigations

Fair Labor Investigations are tools that enable FLA to address instances of significant and persistent noncompliance with our Fair Labor Code and Compliance Benchmarks in production facilities used by member companies, suppliers, or university licensees.

INITIATED	NATURE OF COMPLAINT	FACTORY*	COMPLAINANT	FLA AFFILIATED COMPANY*	STATUS	DOCUMENTS
06/15/22	Dismissal, Freedom of association	 Supertex	Union	adidas, Patagonia, Under Armour, Inc.	STEP 3	N/A
04/13/22	Dismissal, Freedom of association	 Arik Bey Tekstil Beysehir, Beybo Boya Seydisehir	Union	adidas	STEP 4	<a href="#">Arikbey TPC Final Report 8 4 22</a>  <a href="#">Arikbey Beybo FLA Summary Report 8 4 22</a> 
05/05/21	Employee management system, Employment relationship, Hours of work	 Decotex International	Union	Branded Custom Sportswear, Inc, Fanatics Apparel LLC, Hanesbrands, Nike, Under Armour, Inc.	STEP 4	<a href="#">Decotex EI Salvador investigation report</a>  <a href="#">Decotex EI Salvador TPC summary report</a>  <a href="#">Decotex EI Salvador company action plan</a> 
07/20/20	Freedom of association	 Wells Apparel, Nicaragua	Worker(s)	Amer Sports, New Balance Athletics Inc.	CLOSED	<a href="#">Wells Apparel Nicaragua TPC summary report</a>  <a href="#">Wells Apparel Nicaragua TPC report</a> 

# Innovation

FLA collaborates with organizations around the world to advance workers' rights.

Our projects increase understanding of labor issues in global supply chains and test innovative ideas to improve working conditions

Responsible Food and Beverage  
Procurement: A Path Forward for Higher Educational Institutions



Harvesting the Future  
– Access to Remedy



Women's Economic Empowerment in Cocoa Activities in Côte d'Ivoire



Natural Rubber Supply Chain Mapping in Viet Nam



Reaching Living Wage for Garment Workers



Child Labor in the Vanilla Sector in Madagascar

# Labor Rights Standards

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# FLA Standards

The Fair Labor Code and Fair Labor Principles align with labor rights standards set by the International Labour Organization, and when implemented fully, helps companies meet other standards such as the UN Guiding Principles, the OECD Guidelines, and the UN Sustainable Development Goals.

FLA standards and the organization's unique model of collaboration with companies, civil society organizations, and universities means that its members are making tangible changes in business policy and practices that benefit workers around the world.



# Increasing Regulatory and Reporting Demands

**Sweden:** Mandatory Due Diligence Campaign Launched

**Norway:** Norway Transparency Act

**Canada:** Bill S-211 on forced labor and child labor (2023)

The California Transparency in Supply Chain Act (2012)

UFLPA – Uygur Forced Labor Prevention Act (2021)

US Trade Act Amendment Enacted (2022)

MHREDD

CSDDD- Corporate Sustainability Due Diligence Directive

CSRD- Corporate Sustainability Reporting Directive

EU Forced Labour Regulation

**UK** Modern Slavery Act (2015)

**Dutch** Child Labour Due Diligence Law (2019)

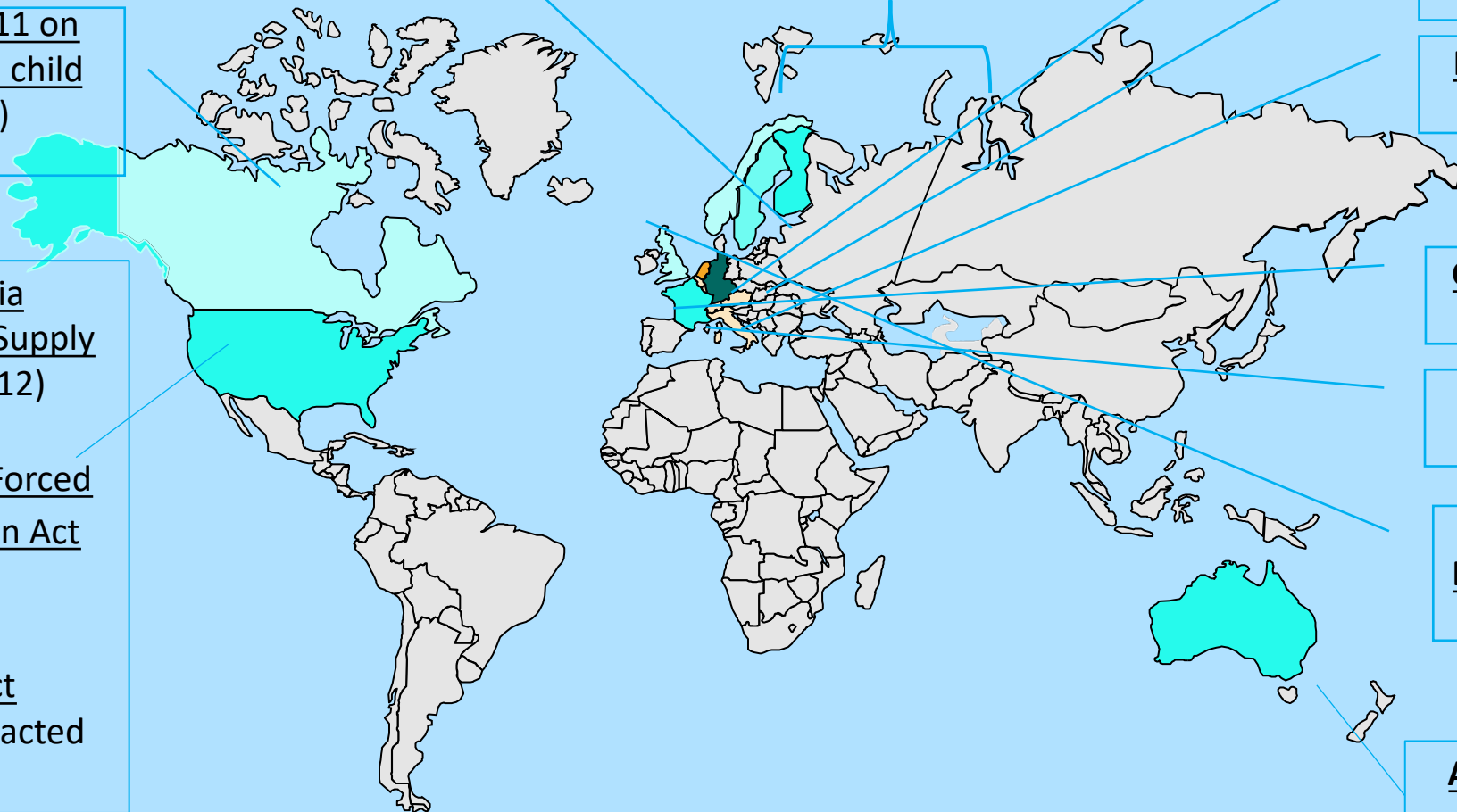
**French** Corporate Duty of Vigilance Law (2019)

**Germany's** Due Diligence Act (Sorgfaltspflichtengesetz)

**Swiss** Human Rights Due Diligence Legislation

**Luxembourg, Belgium, Denmark, Austria:** Government commitments, CSOs campaigns

**Australia** Modern Slavery Act (2018)



# Principles of Fair Labor & Responsible Sourcing

1. **Top Management Commitment & Workplace Standards:** Commitment to accountability and transparency through established workplace standards.
2. **Responsible Purchasing Practices:** Commitment to align planning and purchasing practices with workplace standards.
3. **Responsibility & Head Office Training:** Commitment to identify and train specific staff responsible for implementing workplace standards and responsible purchasing practices and provide training to all head office and regional staff.
4. **Supplier Training:** Commitment to train relevant supplier management on workplace standards and track effectiveness of supplier workforce training.
5. **Monitoring:** Commitment to conduct workplace standards compliance monitoring.
6. **Functioning Grievance Mechanisms:** Commitment to ensure workers have access to functioning grievance mechanisms, which include multiple reporting channels of which at least one is confidential.
7. **Collection & Management of Compliance Information:** Commitment to collect, manage, and analyze workplace standards compliance information.
8. **Timely & Preventative Remediation:** Commitment to work with suppliers to remediate in a timely and preventative manner.
9. **Consultation with Civil Society:** Commitment to identify, research, and engage with relevant labor non-governmental organizations, trade unions, and other civil society institution
10. **Verification Requirements:** Commitment to meet FLA verification and program requirements.



# FAIR LABOR CODE

The Fair Labor Association (FLA) Fair Labor Code defines standards for upholding workers' rights in factories and on farms. The Fair Labor Code is based on International Labour Organization standards and internationally recognized human rights. FLA member companies agree to uphold these workplace standards in their global supply chains to protect workers and make factories and farms better places to work.



CODE ELEMENT	STANDARD
<b>EMPLOYMENT RELATIONSHIP</b>	Employers shall adopt and adhere to rules and conditions of employment that respect workers and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.
<b>NONDISCRIMINATION</b>	No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group or ethnic origin.
<b>HARASSMENT OR ABUSE</b>	Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.
<b>FORCED LABOR</b>	There shall be no use of forced labor, including prison labor, indentured labor, bonded labor or other forms of forced labor.
<b>CHILD LABOR</b>	No person shall be employed under the age of 15 or under the age for completion of compulsory education, whichever is higher.
<b>FREEDOM OF ASSOCIATION &amp; COLLECTIVE BARGAINING</b>	Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.
<b>HEALTH, SAFETY, &amp; ENVIRONMENT</b>	Employers shall provide a safe and healthy workplace setting to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employers' facilities. Employers shall adopt responsible measures to mitigate negative impacts that the workplace has on the environment.
<b>HOURS OF WORK</b>	Employers shall not require workers to work more than the regular and overtime hours allowed by the law of the country where the workers are employed. The regular work week shall not exceed 48 hours. Employers shall allow workers at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. Employers shall not request overtime on a regular basis and shall compensate all overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.
<b>COMPENSATION</b>	Every worker has a right to compensation for a regular work week that is sufficient to meet the worker's basic needs and provide some discretionary income. Employers shall pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any benefits required by law or contract. Where compensation does not meet workers' basic needs and provide some discretionary income, each employer shall work with the FLA to take appropriate actions that seek to progressively realize a level of compensation that does.

# Thank you!

[www.fairlabor.org](http://www.fairlabor.org)

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2023-24 Student Committee: Real-life learning, professional development and networking for students enrolled at FLA member schools. Applications are due by September 29.

<https://www.fairlabor.org/applications-now-open-for-2023-24-fla-student-committee/>