

SA8000 SYSTEM OVERVIEW

Martin Ma

Social Accountability International

The views expressed in this paper are the views of the author and do not necessarily reflect the views or policies of the Asian Development Bank (ADB), or its Board of Directors or the governments they represent. ADB makes no representation concerning and does not guarantee the source, originality, accuracy, completeness or reliability of any statement, information, data, finding, interpretation, advice, opinion, or view presented.

Globalisation & Development: consequences & implications

NORTH

- **More choices**
- **Lower costs**
- **Environment friendly industries**
- **New capital market**
- **Chief architect of new economy**
- **Top of supply chain**

SOUTH

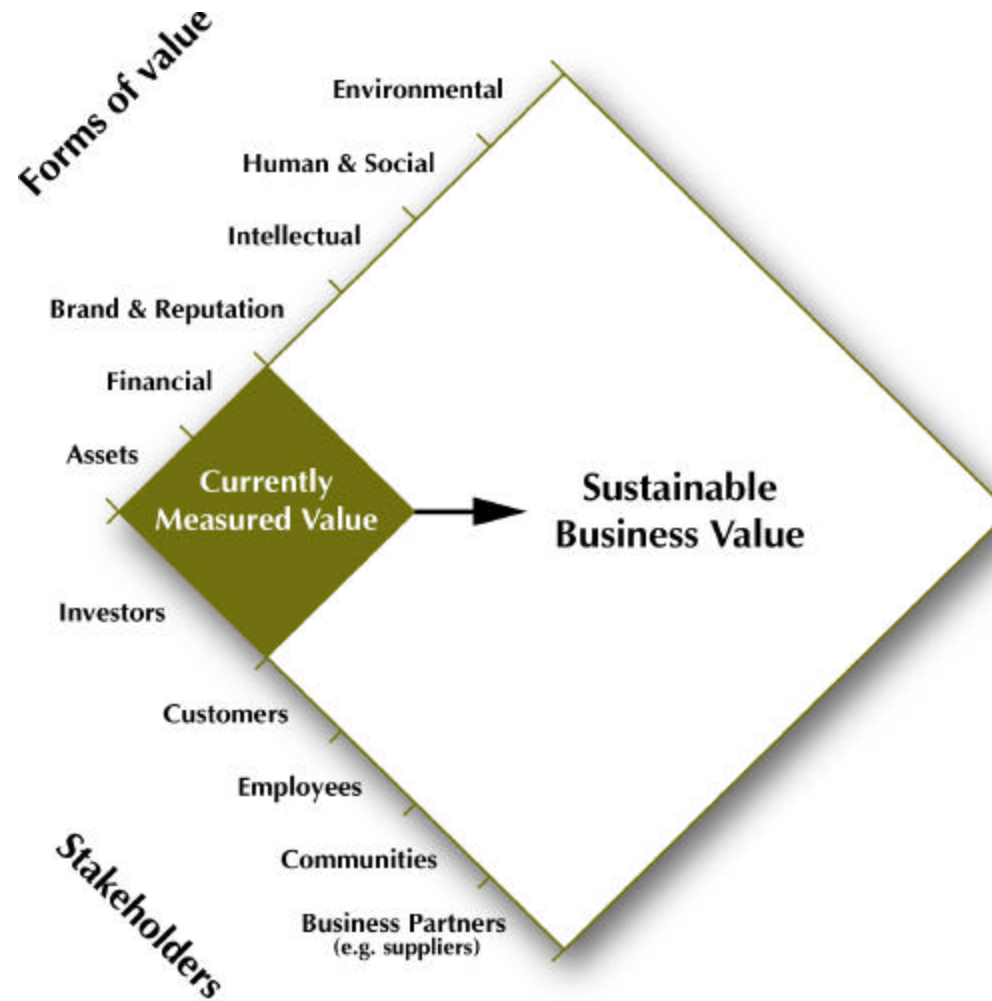
- **Job creation**
- **Economic development**
- **Deteriorated environment**
- **Construction workers of new economy (underpaid?)**
- **End of supply chain**

Key questions: What kind of globalisation? What kind of development?

Can we 'depolarise' development?

- **Economic development v.s. human development**
- **Growth v.s. sustainability**
- **CSR: Attempt in private sector**
- **CSR: Complex process needs multi-party participation (Government, Business, Trade Union, NGO, Consumer Groups, Academics, Individuals)**

Changing Perceptions of a Company



SA8000:

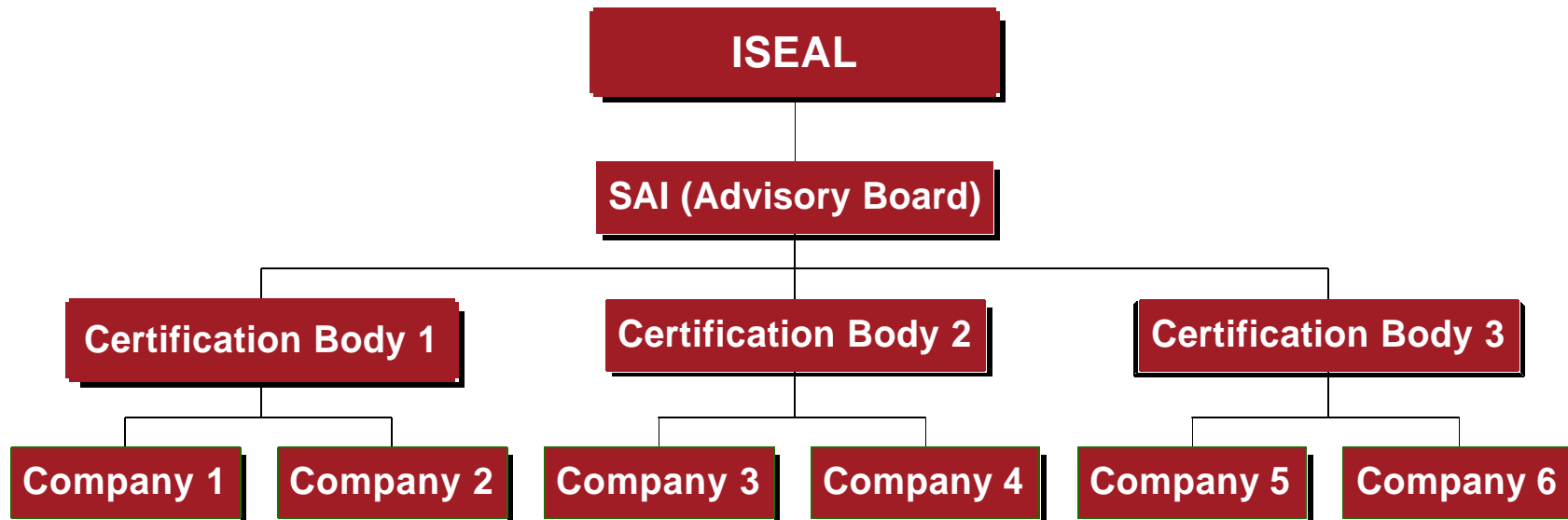
A Concrete Strategy, High Road to Development

- International, cross sectoral workplace standard
- A multiple stakeholder approach (AB: union/business/ngo)
- A result of rigorous research and ongoing field experiment
- Bring both ends of supply chain together
- Both a labour standard and management system (ILO/ISO)
- 3rd party, independent verification system

SA8000 Standard: Key Elements

1. No Child Labor
2. No Forced Labor
3. Health & Safe Workplace
4. Freedom of Association
5. No Discrimination
6. Disciplinary Practices Restricted
7. Reasonable Work Hours
8. Compensation to Meet Basic Needs
9. Management System

Certification Structure: multiple tiers of reputation behind each certificate



SA8000 Management System: Plan-Do-Check-Correct and more...

- Policy
- Management Review (internal audits)
- **Social Accountability Representatives**
- Planning and Implementation
- **Control of Suppliers** (monitoring efforts required)
- Corrective Action
- **Outside Communication** (open appeal & complaint system)
- **Access for Verification**
- Records

Certification & Verification Statistics

- 150 certifications as of August 2002
- 5 Continents, 27 countries, 28 industries
- Over 2000 Audits conducted based on SA8000 (3rd and 2nd party)
- Certification in both developing and developed countries:
China 34, Italy 25

SAI Board/CIP Membership (partial list)

Business

- **Toys R Us**
- **Otto Versand**
- **Avon**
- **Dole**
- **Chiquita**
- **Coop Italia**
- **We Europe**
- **Eileen Fisher**
- **Cutter & Buck**
- **ITGLWF**
- **UNI**
- **Amnesty Int'l**
- **Abrinq Foundation**
- **MSN**
- **National Child Labor Committee**
- **UNOP**

Benefits

For Company

- **Improvements in quality**
- **Productivity increases**
- **Reduction in employee turnover**
- **Better supply chain management, performance**
- **New sales opportunities**
- **Enhancement of reputation**

For Workers

- **More training, advancement**
- **Fewer accidents**
- **Reasonable and safe work hours**
- **Compensation adequate to meet basic needs**
- **More children in school,**
- **Breaking out of the cycle of poverty**

SAI Current Activities

- Worker Training in 12 Countries (**6 Asia, 3 Africa, 3 Latin America**)
- Supplier training programs worldwide
- Auditor & Management Training
- Accreditation of qualified auditors (audit the auditor)
- Consultative Workshops worldwide
- General Research (**basic needs wage study, cost/benefit analysis**)
- Outreach & Regional Development
- Governance (**anti-bribery, transparency**)

Challenges ahead

- **General public awareness & support**
- **Multi-Stakeholder participation**
- **Mutual recognition**
- **Better address local & cultural concerns**

Please contact us at:

Social Accountability International

220E 23rd Street, Suite 605

New York, NY 10010

Tel: 212-684-1414

Fax: 212-685-1515

Email: martin@sa-intl.org

Web: www.sa-intl.org