



Identifying  
and promoting  
good practice in  
ethical sourcing



ethical  
trading  
initiative

Many companies  
aim to source goods  
ethically.

But how can they  
assess labour standards  
in supply chains  
that span the globe?

# the ethical trade challenge



A Tea Sourcing Partnership monitoring visit in India

Companies are coming under increasing pressure – from trade unions, non-governmental organisations (NGOs), consumers and investors – to ensure decent working conditions for the people who supply the goods they sell.

Companies have typically responded by adopting a code of practice setting out minimum labour standards that they expect their suppliers to comply with.

For such companies, however, the challenge is to put good intentions into practice. A typical supply chain may involve thousands of workplaces around the world and is constantly changing.

Monitoring what actually happens to workers, unearthing hidden labour problems, such as discrimination against women workers, and taking action to correct breaches of code provisions, poses an immense intellectual, practical and often political challenge.

*“For Chiquita, ETI offers an excellent opportunity to exchange experience and learn from other members. ETI is not afraid to confront difficult issues, nor to learn from mistakes. It provides a very stimulating environment, where concepts of ethical trading can be critically examined and improved.”*

CHIQUITA INTERNATIONAL BRANDS

## how ETI works

**At ETI, our remit is to learn, and to promote and share that learning with members and others. We:**

- **work collectively** with partners on experimental projects that tackle areas of code implementation which members find particularly challenging – for example exploring approaches to eliminating child labour
- **set up task groups** to address major issues such as the abuse of gang labourers on UK farms
- **share experience, solutions and issues** in seminars, conferences, the ETI manual and other publications
- **encourage year-on-year improvement** in ethical sourcing performance by our member companies. We monitor their performance through a rigorous annual reporting process
- **develop training programmes** for our members and others
- **support organisations** in supplier countries to develop the skills and resources to monitor and improve labour conditions.

## our members our strength

**Members bring unparalleled breadth and depth of experience. They are drawn from three key sectors:**

- major **retailers** and **suppliers** to UK markets, representing many familiar high-street names
- **trade unions** representing workers in every country where unions are legal
- **non-governmental organisations** working to promote human rights and equitable development worldwide.

Our three types of members are actively involved in all levels of our work, from Board-level decisions to the management of our experimental projects.

This broad membership and our working methods mean that we are uniquely qualified to determine good practice in code monitoring.

ETI is funded by member contributions and a grant from the UK Government Department for International Development.



ETI's Base Code contains provisions for:

**No forced labour • Freedom of association and the right to collective bargaining • Safe and hygienic working conditions • No child labour to be used • Living wages to be paid • No excessive working hours • No discrimination • Regular employment to be provided • No harsh or inhumane treatment.**



THE COOP

## ETI – a unique solution

**ETI aims to improve the lives of workers and their families in global supply chains by applying internationally-recognised labour standards – in particular fundamental human rights.**

Our specific purpose is for our members – companies, trade unions and non-governmental organisations – to work together to identify and promote good practice in the credible implementation of corporate codes of conduct. This includes identifying and promoting robust methods for monitoring and verifying that companies are observing such labour codes.

Our members agree to uphold a code based on the internationally-recognised standards of the International Labour Organisation (ILO). The ETI Base Code can be seen overleaf; the full version is on our website, [www.ethicaltrade.org](http://www.ethicaltrade.org), or is available on request.

Unlike some organisations in this field, we focus only on developing and promoting good practice – we do not accredit particular products or companies. We also aim to broaden our impact by encouraging more companies to join ETI and to adopt ethical sourcing principles.

## a catalyst for change

**Our collective, experimental approach can have a significant influence on company practice and the lives of workers.**

For example, as a result of an ETI project in South Africa, wine producers joined forces with trade unions and non-governmental organisations. Together, they set up a local association which will help to sustain the real benefits for workers that came out of the project. The involvement of multiple stakeholders gives this initiative a level of credibility and clout that could not be achieved by one stakeholder group alone.

Registered in England No. 3578127  
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**To find out more**  
If your company or organisation is interested in becoming a member, please contact the ETI Membership Development Manager.

For general information, consult our website or contact us for copies of our publications.

Please note, we do not endorse particular products or companies.

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