

FOREWORD

2005 FLA Annual Public Report

Human and labor rights are becoming more central both to corporate social responsibility, and around the issue of corporate governance itself. If the 1990s could be described as the decade of business reaction and defensiveness to growing tides of NGO criticism, then the current decade might be the one in which we see business take a more pro-active role in seizing the opportunities and responsibilities that global citizenship brings.

Interestingly, much corporate social responsibility work around the world makes no reference at all to international human rights standards. Therefore it is difficult to draw comparisons between different companies, different countries, or communities, and the impacts such approaches can have on the many different issues that comprise the social dimension of sustainable development. The one major exception has been the focus on sourcing, where many "supply chain" codes of conduct now make a direct reference to the core conventions of the International Labor Organization (ILO) as well as to the United Nations Convention on the Rights of the Child.

One of the institutions recognized internationally as a leader in instrumentalizing codes of conduct to promote international labor standards and improve working conditions worldwide is the Fair Labor Association (FLA). The FLA combines the efforts of participating companies, licensees, universities and consumer, labor, and human rights groups to create real change for millions of factory workers around the globe. The FLA works to increase and sustain factory compliance with its Workplace Code of Conduct, which is based on the core labor standards of the ILO. The FLA's system of independent monitoring, remediation, and verification; its third party complaint procedure; and its special projects focus on finding sustainable solutions to workplace human rights issues throughout the world. Its public reporting provides consumers and shareholders with credible information to make responsible buying decisions.

As part of its commitment to transparency, for the last three years the FLA has made available to the public an annual report and a sophisticated database of information on company compliance practices and remediation efforts. The 2005 Annual Public Report is the latest example. The 2005 report documents the efforts of FLA participating companies during 2004 to implement comprehensive compliance programs, including internal monitoring and remediation, throughout their supply chains relying on the FLA Workplace Code of Conduct. The Factory Tracking Charts provide another source of information for the FLA's independent external monitoring of factories producing for participating companies and the

findings of monitors and remediation efforts undertaken by companies. Both of these documents are posted on the FLA website.

I commend the FLA for its continued role in promoting adherence to international labor standards and improvement of working conditions worldwide. I invite those who share these objectives to read the FLA 2005 Annual Public Report and to take stock of the important achievements of this organization and of the challenges ahead.

Mary Robinson
President, Realizing Rights: the Ethical Globalization Initiative

Mary Robinson, a former United Nations High Commissioner for Human Rights (1997 to 2002) and the first female President of Ireland (1990 to 1997), founded the Ethical Globalization Initiative in 2002. Since 2004, she has taught international human rights at Columbia University. Ms. Robinson's prominence in the field of human rights and poverty issues has led to numerous distinctions and honorary awards including the Indira Gandhi Peace Prize.