



**Comisión de Verificación de Códigos de Conducta**

# ***FINAL REPORT***

## ***INDEPENDENT INVESTIGATION***

***AT***

***SAE A TECNOTEX  
ZONA FRANCA SENIKA, S.A.  
TIPITAPA, NICARAGUA***

***April 14 to 19, 2013***



**Comisión de Verificación de Códigos de Conducta**

## **INDEPENDENT INVESTIGATION**

### **SAE A TECNOTEX, NICARAGUA**

#### **OBJECTIVE OF THE INVESTIGATION**

The Fair Labor Association (FLA) engaged COVERCO to conduct an independent investigation requested by an FLA affiliate regarding the violent events that occurred on March 4, 2013, between current and former workers at SAE A TECNOTEX, Module No. 1, located in SENIKA, S.A Free Trade Zone at Tipitapa, Nicaragua, and the relationship of these events with efforts to organize a union at said factory.

#### **AREAS TO BE INVESTIGATED**

According to the Terms of Reference, the following issues were to be investigated:

The investigator will evaluate the environment at SAE A TECNOTEX, S.A. within which the workers can freely associate with a union of their choice (right to freedom of association). In particular, the investigator will evaluate, among others, the following allegations:

- The termination of workers for union activity;
- Intimidation of union members to get them to renounce their union affiliation;
- The March 4 incident involving alleged physical altercation and violence against union leaders and their supporters instigated, facilitated, and/or financed by factory management.

The investigator will also evaluate allegations that might be made by other actors and might be included in public reports, which will be provided to the investigator by the FLA.

The investigation will include interviews with external actors and other key actors pertinent to the objectives set out in the Terms of Reference.



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### METHODOLOGY

The methodology used by COVERCO consisted of 2 phases: **1) Interviews with internal and external actors** and **2) Review of labor records or other related documents.**

The interviews with internal actors were conducted with administrative personnel; middle management; supervisors; production area workers; representatives of both unions; and members of the 2 unions.

It is important to note that an FLA staff member conducted the interviews at SAE A TECNOTEX, S.A., on the basis of a proposal by the FLA to the affiliated company and to COVERCO. COVERCO agreed to these terms, in spite of the fact that it is not methodologically ideal for this investigation at this factory.

The interviews with external actors were conducted with former SAE A TECNOTEX, S.A. workers; members of the Board of Directors of the Carlos Fonseca Amador Union; union leaders from various organizations in Nicaragua; Human Rights Institutions; and Nicaragua's Vice Ministry of Labor.

#### **Interviews**

The investigation began on Sunday, April 14, with interviews with key external actors and concluded on Thursday, April 18. On Tuesday, April 16, the FLA representative had an initial meeting with the General Manager, Human Resources Manager, Social Compliance personnel, workers, and union leaders. A total of 18 interviews with internal actors and 27 with external actors were conducted.

#### **Records Review**

The labor records provided to the FLA representative by SAE A TECNOTEX included: application for registration of the union with the Ministry of Labor – MINTRAB – and its related Resolutions, and other documents relevant to the investigation.

The following documents, amongst others, were requested from management:

1. Payroll records from the months of January to March 2013;
2. Factory access records for March 4;
3. List of company policies;
4. Policies and procedures regarding Freedom of Association and Collective Bargaining;
5. Policies and procedures against Discrimination;

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6. SAE-A Trading Co.'s Code of Conduct;
7. Factory's internal regulations;
8. Personnel files corresponding to dismissed workers alleging that their contract terminations were motivated by anti-union discrimination;
9. Previous audit reports (October 2012 – March 2013);
10. Notifications by the company to MINTRAB regarding the REJECTION of the Registration of the Carlos Fonseca Amador Union.

## IMPORTANT INFORMATION

Since 2008 in Nicaragua, the important **TRIPARTITE AGREEMENT FOR LABOR STABILITY AND PRODUCTIVITY IN FREE TRADE ZONES**<sup>1</sup> has been in force. On December 21, 2012, a second agreement was reached, establishing wage increases for the years 2014 to 2017<sup>2</sup>, in addition to other commitments intended to improve the socio-economic conditions of workers in Free Trade Zones.

The new TRIPARTITE AGREEMENT includes very important agreements and commitments; for the purpose of this report, the following are highlighted:

First. - Contribute to the reduction of poverty through the attraction of new investments in order to guarantee the right to employment;

Second. - Maintain labor stability and productivity;

Third. - Wage increases of 8% for the years 2014 through 2017;

Fourth. - Considering company productivity, the parties will evaluate, analyze, and reach agreements to improve productivity through incentives, in order to improve real wages;

Tenth. – Create 150,000 jobs during the next 4 years;

Eleventh. - They **pledge to respect each and every one of the agreements, conventions, policies, rules, and other instruments regarding the right to freedom of negotiation and contracting reached between workers and employers in order to create the necessary regulations to establish real and concrete working conditions**<sup>3</sup> with the objective of performing work under efficient conditions.

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<sup>1/</sup> Representatives from the Union Confederations, Private Sector in the Free Trade Zones and representing the government the Free Trade Zone Corporation and the Ministry of Labor, participate in the Tripartite Agreement.

<sup>2/</sup> THIRD point of agreement: "Considering the socio-economic needs of the workers, the preservation, and attraction of new investment, as well as job generation, the parties agree to set the percentages for the increases to the minimum wage for the industries subject to special tax treatment during the period 2014 to 2017, effective January 1 of each year". The increase will be 8% per year.

<sup>3/</sup> Emphasis added by COVERCO.

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In interviews, all of the union leaders and the Vice Minister of Labor commented that there are Political Agreements, which are neither written nor formalized; the interviewees commented that recently these Agreements have been applied, with the exception of the SAE A TECNOTEX case. The aforementioned Agreements incorporate different stages of dialogue toward the resolution of conflicts within the factories:

1. Bipartite negotiations between the union and the company;
2. Tripartite negotiations with the participation of the Free Trade Zone Corporation and at times, the MINTRAB;
3. Tripartite negotiations, which would include other actors that are also signatories to the Agreement; and
4. The right of the affected parties to resort to legal actions they deem necessary should there be failure to reach Agreement or Consensus.

One of the Political Agreements, according to the interviews with union leaders, is to reach agreement among certain Confederations or Federations, regarding the organization of unions in factories that already have unions, in order to consolidate union presence and avoid the presence within the same factory of various unions from the same Union Central, Confederation or Federation.

These comments are relevant because SAE A TECNOTEX had the presence of 2 unions affiliated with 2 different national organizations before the organization of the Carlos Fonseca Amador Union.

SAE A TRADING CO. LTD., has a Code of Conduct that is applicable to SAE A TECNOTEX. The Code requires compliance with FREEDOM OF ASSOCIATION, although it is neither fully developed nor does it define explicitly what freedom of association is. It states that, "We respect the workers' right to organize and negotiate collectively with whomever they choose." Pursuant to this clause, there exist 2 unions and a signed collective contract between management and both unions at the factory.

## FINDINGS

### a. Union organizational processes at SAE A TECNOTEX

The external interviews with workers<sup>4</sup> indicate that on October 19, 2012, 23 SAE A TECNOTEX workers organized the Carlos Fonseca Amador Union. On October 24, with the advice provided by the Confederation of Workers Jose Benito Escobar – CST JBE – and the March 8 Maquila Federation – FM8M – they presented to the Registry of Union Associations an application for union registration. According to information provided by these same union workers, on October 25, factory management was notified in writing of this action<sup>5</sup>.

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<sup>4</sup> / Workers interviewed the week of April 14 to 19, founding members of the Carlos Fonseca Amador Union.

<sup>5</sup> / Documentary evidence of this notification was not made available to the investigator.

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The Political Constitution of Nicaragua establishes in Article 87 that, “In Nicaragua, full freedom of association exists. Workers may organize voluntarily in unions and unions **may be constituted, in accordance with the law**. No worker shall be forced to belong to a specified union or to renounce union membership. **Full trade union autonomy** is recognized and ***fuero sindical***<sup>6</sup> is respected.”

Nicaragua’s Labor Code establishes in Article 203, second part of the first paragraph, “The formation of a union does not need prior authorization.” This same article establishes that, “for the purpose of Registration and the achievement of legal status, unions must register with the Ministry of Labor’s Registry of Union Associations.”

The protection of *fuero sindical* for union organizers is guaranteed in Article 233 of the Labor Code, which clearly establishes that “workers who express their desire to organize a union, and notify the Ministry of Labor of this fact, will enjoy the protection of the State against unjustified termination or transfer without real reason, **as of the notification date**<sup>7</sup> and during the timeframe determined by law for its registration, up to a maximum of 90 days, without prejudice to present a formal protest by the union for violation of Article 213 of this Code; up to 20 workers will be protected.”

The Labor Code, Article 231, defines *fuero sindical* as “the right held by members of the union boards to not be sanctioned or fired without just cause. The worker safeguarded by *fuero sindical* may not be terminated without prior authorization from the Ministry of Labor, based on just cause stipulated to by law and duly proven. Terminations executed in contravention of this Article constitute a violation of *fuero sindical*,” and Article 233, previously cited, broadens this protection to workers that “express their desire to organize a union ... 20 workers shall be protected.”

Article 232 states that “it will be a violation of *fuero sindical* any employer’s attempt to unilaterally alter working conditions or transfer the worker to another position without the worker’s consent.”

### b. Registration Process

The Labor Code in Article 213 and the Regulations for Union Associations, Decree 55-57, Articles 2, 12, and 13, establish the requirements and timeframes for union registration; these Articles state, among other considerations, that upon receiving the Articles of Incorporation and union statutes<sup>8</sup>, the Registry of Union Associations of the Ministry of Labor will proceed with the registration within a timeframe of 10 days from the date said documents are presented; it clearly establishes that “should there be a void to fulfill [i.e., some missing information], the interested party should be notified within the first 3 working days of this term<sup>9</sup>,” a situation that, according to interviewees, did not occur. Instead, MINTRAB issued on

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<sup>6</sup> / Emphasis added by COVERCO.

<sup>7</sup> / The interpretation of this article guarantees the protection of workers as of October 24, 2013; emphasis added by COVERCO.

<sup>8</sup> / The Carlos Fonseca Amador Union presented this documentation on October 24, 2013.

<sup>9</sup> / Article 213 of the Labor Code.

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January 21, 2013, Resolution No. 001-2013 denying the registration of the Carlos Fonseca Amador Union<sup>10</sup>.

It is the view of this investigation that the union registration process did not comply with the stipulated timeframe and the administrative due process contemplated by law<sup>11,12</sup>, because MINTRAB did not emit its resolution until January 21, 2013. Therefore, MINTRAB did not comply with Article 213, referring to potential lack of information in union registration applications, which states that it "... will provide notification within 3 working days of this period<sup>13</sup>." In addition, the concept of **Administrative Silence** established in Article 348, of the LAW OF ORGANIZATION, COMPETENCE, AND PROCEDURES OF THE EXECUTIVE BRANCH indicates that, "With regard to labor matters, once the indicated time periods, stipulated in previous articles, have lapsed<sup>14</sup> in the absence of resolution by the competent authority, there will not be opportunities for appeal and it will be deemed that the administrative proceedings have been exhausted. It is important to note that MINTRAB resets the time clock on January 21, by emitting Resolution No. 001-2013 that reactivated the administrative proceedings, however, making evident the substantial delay in the registration process. There is no evidence of notification within 3 working days to seek to remedy information voids in the registration process and, there is a lack of protection of *fuero sindical* as established in Article 87 of the Political Constitution of Nicaragua and 233 of the Labor Code.

The legal foundation for Resolution No. 001-2013 from the Registry of Union Associations<sup>15</sup> was ratified in Resolution No. 001-2013, when the Directorate General for Collective Rights and Legal Counsel of MINTRAB<sup>16</sup>, ruled the appeal filed by the union as "Inadmissible;" both resolutions are based on the special inspection conducted on December 21, 2012, when the inspector verified – after reviewing payroll records from October to December 2012; accession and termination records; social security reports; and other records – that 8 of the 23 union founders were not SAE A TECNOTEX, S.A. employees. As a result of this inspection, Resolution No. 001-2013 ruled "the application for registration of the Carlos Fonseca Amador union inadmissible," based upon the fact that it did not have the number of workers required by law and that the signatures and identification numbers for some workers did not correspond with those listed in the record of the Constitutive Assembly.

### c. Process of union restructuring

There is documentary evidence that on January 5, 2013, an Assembly was held with 27 workers to restructure the Carlos Fonseca Amador Union. The investigation team considers

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<sup>10</sup>/ This same article also ascertains that, "The delay in the registration shall be subject to disciplinary measures levied by the appropriate supervisor."

<sup>11</sup> / Article 213 of the Labor Code, fifth paragraph.

<sup>12</sup>/ The Committee on Freedom of Association has resolved, in regard to delays in the registration process, that, "The delay in registration proceedings represents a grave obstacle to the constitution of organizations, is tantamount to the denial of the right of workers to constitute organizations without prior authorization," paragraph 307, Fifth Edition.

<sup>13</sup>/ This same article stipulates 10 days.

<sup>14</sup>/ The articles referred to in Article 348 are Recourse for Appeals, Article 346 and Recourse for Reconsideration, Article 347.

<sup>15</sup> This office receives the applications to obtain the union's legal status; Article 203, second paragraph of the Labor Code; and chapter VI of the Union Registry, Article 12 of Decree No. 55-97 Union Association Rules.

<sup>16</sup> This is the office within MINTRAB that received on February 5 the appeal process initiated by the Carlos Fonseca Amador Union regarding Resolution No. 001-2013.

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that the restructuring might have taken place due to the special inspection of December 21. On January 7, the application for the registration of the restructured union was presented to the Registry of Union Associations, which should have followed the previously cited registration process, with the protection of *fuero sindical* and registration or denial of registration within administrative terms contemplated by Law. There is documentary evidence that the Registry of Union Associations received this application.

With the exception of the actions by the Prosecutor for the Defense of Human Rights – PDDH – file No. DM-1322-2012, confirming the existence of the application for union registration, there is no evidence that MINTRAB came to a decision about this new process.

**d. Termination of work contracts corresponding to the union’s founding members and members of the board of directors.**

The evidence found by Inspector [Inspector name], in the special inspection on December 21, 2012, at SAE A TECNOTEX, S.A. confirms that he/she reviewed labor documentation where he/she found that 8 of the 23 workers that founded the union were not active company workers. For the purpose of this investigation, it is important to note that other affiliated members of the Carlos Fonseca Amador Union that were workers at SAE A TECNOTEX were terminated by the company as of January 2013, without consideration of the fact that they had *fuero sindical* as established by Article 87 of the Political Constitution of Nicaragua, and Articles 231, 232, and 233 of the Labor Code.

The terminated workers that founded the union are:

	<b>Name</b>	<b>Responsibility within the union</b>	<b>Termination date</b>
<b>1</b>	[Employee name #1]	Secretary General	January 28, 2013
<b>2</b>	[Employee name #2]	Labor Affairs Secretary	January 28, 2013
<b>3</b>	[Employee name #3]	Women’s Secretary	January 4, 2013
<b>4</b>	[Employee name #4]	Member	January 25, 2013
<b>5</b>	[Employee name #5]	Member	January 4, 2013

**e. Implicit acknowledgement of the existence of the Carlos Fonseca Amador Union**

SAE A TECNOTEX, S.A.’s management had knowledge, as of October 25, 2013, of the existence of the union. Furthermore, there are testimonies from key actors who were present at different instances of tripartite dialogue where the case of the union organization was made known.

There is testimony by key actors<sup>17</sup> that in tripartite meetings at the Free Trade Zone Corporation on November 14 and 19<sup>18</sup>, where cases of reinstatement of members of the EINS,

<sup>17</sup> There is evidence that meetings were held at the Free Zone Corporation in the month of November, in which Free Zone Corporation representatives and IENS and SAE A Tecnotex management participated.





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S.A. Union Board of Directors -- an SAE A TECNOTEX's sister factory -- were discussed, that the creation of the Carlos Fonseca Amador Union was known.

### **f. Regrettable March 4 events**

Interviews with internal and external actors confirm that on March 4, since 06:00 am, SAE A TECNOTEX workers and other persons had been gathered outside of the factory, holding a protest against the company SAE A TECNOTEX, S.A. There is evidence that on February 7, a similar protest had been held.

Interviews with union leaders from both factories confirm that in the weeks before March 4, rumors circulated that some brands would withdraw their production from SAE A TECNOTEX<sup>19</sup>. Faced with the threat of the withdrawal of several Brands that had contracts with SAE TRADING CO., resulting in possible plant closures due to complaints filed internationally, a group of workers from both companies went out to defend their jobs. The interviews confirm that attempts at dialogue were insufficient, resulting in acts of violence in which several workers suffered bodily injury.

The violent acts occurred outside of the SENIKA Free Trade Zone. National Police were present, although they did not intervene to prevent the violent acts.

The information from documentary evidence shows that either a trusted employee from the factory or a plainclothes policeman/security person using a two-way radio from the factory was present observing the acts of violence.

There is no certainty of the time of the occurrence of the violent events, but information obtained in this investigation confirms that it was during working hours, between 07:00 and 07:30 am; access logs for workers from SAE A TECNOTEX confirm that 99.7% of the workers had entered the factory before 07:00 am<sup>20</sup>.

### **g. Impending legal action**

Information provided by the founding members of the Carlos Fonseca Amador Union confirm that they will present a writ of amparo<sup>21</sup> before the corresponding judicial instance against the resolutions emitted in the first and second instances by MINTRAB; this means that the recognition process is active until all corresponding legal instances are exhausted.

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<sup>19</sup> This information was confirmed during the interview with the Vice Ministry of Labor.

<sup>20</sup> / The attendance records for March 4, confirm that 1,112 of the 1,149 workers from Module 1, and 1,405 of the 1,448 workers from Module 2, registered their arrival before 07:00 am.

<sup>21</sup> The writ of *amparo* will proceed before a judicial authority due to exhaustion of administrative procedures.

## CONCLUSIONS

### a. Union Constitution

Taking in consideration all documentary evidence, and that in the process of the Carlos Fonseca Amador Union recognition, Resolution No. 001-2013 denied the union registration for not complying with the procedures contained in the Labor Code and Regulations for Union Associations, the process has not concluded due to a writ of *amparo* legal action and pending resolution by the Nicaraguan Judicial System.

The terminations of the founding members and union leaders do not comply with the law since they have special protection, namely *fuero sindical*.

Moreover, they do not comply with the law for the following reasons:

The Political Constitution of Nicaragua, Labor Code<sup>22</sup>, Regulations for Labor Associations<sup>23</sup>, International Conventions of the International Labor Organization<sup>24</sup> guarantee the recognition of a union without prior authorization.

The cited rules and regulations, implicitly confer protection guarantees – *fuero sindical* – to all union founders up to a maximum of 20 members<sup>25,26,27</sup>.

In accord with ILO International Conventions, unions are not subject to dissolution or suspension through administrative means<sup>28</sup> and should enjoy adequate protection against acts of anti-union discrimination<sup>29</sup>.

Considering the Principles and Resolutions of the Committee on Freedom of Association (CFA) of the ILO Governing Body on the matter of requiring prior authorization, “The principle of freedom of association could in many instances become a dead letter if in order to create an organization, workers and employers had to obtain permission, whether in the form of permission to create a union organization itself, discretionary approval of its statutes or administrative regulations or of any prior authorization required in order to proceed with its creation. Notwithstanding, although the founders of the union have to observe the requirements of transparency and others that may govern it pursuant to specific legislation, such requirements must result in prior authorization nor constitute an obstacle to the creation of an organization to the point of creating, in effect, a simple and pure prohibition<sup>30</sup>.”

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<sup>22</sup>/ Article 203

<sup>23</sup>/ Article 1

<sup>24</sup>/ Convention on Freedom of Association and Protection of the Right to Organize, 1948 (No 87), Article 2

<sup>25</sup>/ Political Constitution of Nicaragua, Article 87

<sup>26</sup>/ Labor Code, Articles 231 to 234

<sup>27</sup> / Regulations for Union Associations, Articles 54 to 56.

<sup>28</sup>/ Convention on Freedom of Association and Protection of the Right to Organize, 1948 (No 87), Article 4

<sup>29</sup>/ Convention on Freedom of Association and Protection of the Right to Organize, 1949 (No 98), Article 1, paragraph 2

<sup>30</sup>/ Paragraph 272, Fifth Edition

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Additionally, the CFA adds that, “Although it is the case that the founders of a union must respect the formalities required by law, these formalities, in turn, must not by nature hinder the free creation of organizations<sup>31</sup>,” and, “If there exist serious indications that the union leaders have committed acts punishable by law, they should be subject to regular legal proceedings in order to determine their responsibility, such acts in and of themselves should not affect the granting of legal entity status to the interested organization<sup>32</sup>.”

All of the above, in the opinion of the investigator, should have been considered within the time period regulated by Nicaraguan Labor Law. There is evidence that the registration process took an excessively long time period to resolve<sup>33</sup> and did not comply by informing the union of any legal vacuum within the timeframe of 3 days after the special inspection on December 21, as stipulated in the Union Association Regulations<sup>34</sup>.

Considering FLA’s Code of Conduct and Compliance Benchmarks, the Brands with production at SAE A TECNOTEX should comply with the contents of:

**FOA.2 Right to Freely Associate; FOA.4 Anti-Union Violence/Harassment or Abuse**, including section FOA.4.1; **FOA.5 Anti-Union Discrimination/Dismissal**, including section FOA.5.1; and **FOA.7 Protection of Union Representatives**

Additionally, consideration should be given to the commitments that the Nicaraguan State has made in the Declaration on Fundamental Rights and Principles at Work (1998); the Commitments of the State for Decent Work in Nicaragua; the Resolutions of the ILO Committee on Freedom of Association; and, Chapter Sixteen, Articles 16.1 and 16.8 of the Dominican Republic – Central America Free Trade Agreement with the United States.

### **b. Regrettable events of March 4**

Considering the information obtained in the interviews with union leaders from both unions within the factory, testimony from the terminated workers, and the review of worker admittance (access to the workplace), there is fundamental evidence that there was, on the part of SAE A TECNOTEX factory, a passive action when allowing a significant number of workers, to leave their job posts during working hours, including the liberty to exit the factory premises. Furthermore, from video evidence, it is possible to identify a trusted employee<sup>35</sup> of the factory or a plain clothes security person while the violent acts were taking place;

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<sup>31</sup>/ Paragraph 276, Op. cit.

<sup>32</sup>/ Paragraph 278, Op. cit.

<sup>33</sup>/ The ILO Committee on Freedom of Association has resolved that, “The delay in registration proceedings represents a grave obstacle to the constitution of organizations, and is tantamount to the denial of the right of workers to form organizations without prior authorization”. Paragraph 307, Fifth Edition.

<sup>34</sup> / Article 12

<sup>35</sup> A video identifies a person whom presumably is a trusted employee or private security guard. This person carried a two-way radio, to which production workers do not have access, and therefore it must be a person that had management, control or supervision responsibilities at SEA A TECNOTEX.



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although this person is not identified amongst the workers that attacked each other, he/she was a passive witness of the actions.

There is testimonial evidence that workers from the sister factory, EINS, S.A., located in the Free Trade Zone in close proximity to SAE A TECNOTEX, entered the premises before 07:00 am and accompanied SAE A TECNOTEX workers to defend their jobs inappropriately with the implicit consent of management of both plants.

All interviews confirm that the SENIKA Free Trade Zone gates are powered by electricity and protected by private guards; therefore, some sort of authority must have given an order to open the gates and allow workers at SAE A TECNOTEX and EINS to exit the premises.

The testimonial and documentary evidence shows that the regrettable events occurred during working hours<sup>36</sup>.

## RECOMMENDATIONS

### FLA-affiliated brands at SAE A TECNOTEX

Communicate to all workers, in writing or through other means, the commitment of the Companies to guarantee the Right to Freedom of Association and Collective Bargaining and their disposition to continue its commercial relationship with SAE TRADING, CO., LTD.

In accord with the commitments of FLA benchmark FOA.6 **Restoration of Workers Rights/Reinstatement**, request the reinstatement of the workers that have or had the right to protection under *fuero sindical* and the payment of lost wages up to the date of their reinstatement<sup>37 38</sup>.

Support with professional and technical assistance effective communication, human relations, and conflict resolution; as well as bi- or tripartite processes for the resolution of future labor problems, strengthening in this manner the Tripartite Agreement for labor stability and productivity for free trade zones.

Verify, as a result of this report, the factory's compliance and commitments regarding the remediation program for anti-union discrimination.

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<sup>36</sup>/ The SPECIAL INSPECTION ACT issued by MINTRAB on March 4, 2013, indicates that the "violent acts occurred between seven and seven thirty;" Complaint A-0014-2013-00526, File A-0014-2013-00497 from the Nicaragua National Police reports that the "Event time" was 08:00 am.

<sup>37</sup> Wages or salaries not received from the dismissal date to the date of reinstatement and other applicable economic benefits at the time of the reinstatement, in accordance with Nicaraguan Labor Law.

<sup>38</sup>/ The Committee on Freedom of Association has resolved that, "No one shall be subjected to anti-union discrimination for the performance of legitimate union activities and the possibility of reinstatement to job position should be available to interested parties in cases of such anti-union discrimination," paragraph 837, Fifth Edition.



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Reinstatement of the workers associated with the process of union organization and the compensation for lost wages and economic benefits not received up to the moment of their reinstatement.

Develop, in accordance with FLA Code of Conduct and Compliance Benchmarks, Policies, and Procedures primarily those related to Employment Relationship, Freedom of Association, Collective Bargaining, and Industrial Relations.

Adequately include in its orientation program content related to its Code of Conduct and to the FLA Code of Conduct, with emphasis on Freedom of Association.

Implement a continuous training program and objective evaluation of the knowledge acquired through training with respect to Policies, Procedures for the Prohibition of Acts of Discrimination, Freedom of Association, and Corporate Code of Conduct.