

## March 25, 2011

## Final Report Regarding the Ocean Sky Apparel Factory in El Salvador

On March 10, 2011, the Fair Labor Association (FLA) released an interim report regarding allegations of workers' rights violations at the Ocean Sky Apparel factory in El Salvador. <sup>1</sup> The charges were leveled by the Institute for Global Labour & Human Rights Institute and Salvadoran women's rights organization Mujeres Transformando in a report issued on January 24, 2011. <sup>2</sup>

The FLA interim report described the actions taken by Ocean Sky International Ltd; a supplier affiliated with the FLA, with the support of several FLA-affiliated companies that source from the factory, to investigate the allegations of non-compliances and work to remedy them. In particular, the report referenced two independent investigations commissioned by FLA, the first addressing the alleged workers' rights violations and the second regarding water potability concerns.

- The workers' rights investigation, conducted by Guatemalan monitoring organization COVERCO, identified some non-compliances and additional risks of non-compliances, including harassment of workers, overtime requirements, high temperatures in work areas, and procedures for payment of wages. The full report prepared by COVERCO in English/Spanish is available <a href="here">here</a>.
- The water potability investigation was conducted by the Department of Process Engineering and Environmental Sciences of the "Universidad Centroamericana José Simeón Cañas" (UCA). While the study suggests a mesophilic bacterial count above the Salvadorian norm, it did not find evidence of Escherichia coli, a pathogenic bacterium that causes gastrointestinal diseases. The full report on water potability in English/Spanish is available <a href="here">here</a>.

Based on the results of these investigations, Ocean Sky International Ltd, in collaboration with FLA and sourcing brands (both FLA-affiliated and non-affiliated brands) developed a remediation plan that addresses all non-compliances and risks of non-compliances found in both

<sup>&</sup>lt;sup>1</sup>http://www.fairlabor.org/images/NewsandPublications/NewsReleasesandStatements2008/ocean\_sky\_interim\_report\_03.10. 11.pdf

<sup>&</sup>lt;sup>2</sup> The report is available at <a href="http://www.nlcnet.org/alerts?id=0310">http://www.nlcnet.org/alerts?id=0310</a>. Updates were also issued on January 31 (<a href="http://www.nlcnet.org/alerts?id=0313">http://www.nlcnet.org/alerts?id=0313</a>) and February 26 (<a href="http://www.nlcnet.org/alerts?id=0325">http://www.nlcnet.org/alerts?id=0313</a>) and February 26 (<a href="http://www.nlcnet.org/alerts?id=0325">http://www.nlcnet.org/alerts?id=0325</a>).

reports.<sup>3</sup> FLA staff discussed the remediation plan in El Salvador with representatives of the Global Labour & Human Rights Institute and Mujeres Transformando.

The remediation plan (**which is available here** in English and Spanish) consists of a combination of short- and long-term action items aimed at creating sustainable improvement in the workplace environment. Ocean Sky Apparel has already begun to implement most of the remedial actions to address findings from the COVERCO report, and is in discussions with the Department of Process Engineering and Environmental Sciences to develop a Water Safety Plan (WSP). The plan will include further testing of the water filtration system at the factory.

FLA and the sourcing brands remain committed to assisting Ocean Sky International Ltd in the remediation process and will coordinate resources for oversight of remediation implementation over the coming months.

<sup>&</sup>lt;sup>3</sup> While Ocean Sky Limited took the lead in the development of the remediation plan, it was supported by FLA-affiliated brands adidas/Reebok, Columbia Sportswear, Puma and Perry Ellis, and non FLA-affiliated brands Gap Inc. and Nordstrom.