

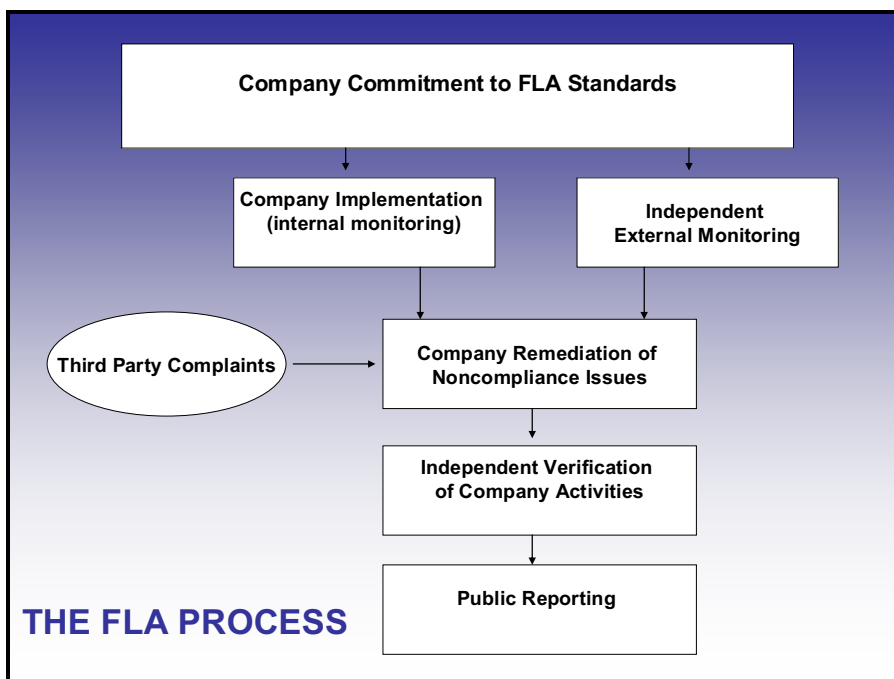
III. FLA PROGRAM

The Fair Labor Association combines the efforts of participating companies, collegiate licensees, universities, and consumer, labor and human rights groups to promote adherence to international labor standards and improve working conditions worldwide. The FLA works to increase and sustain factory compliance through its Workplace Code of Conduct, which is based on the core labor standards of the International Labor Organization (ILO).

There are four essential components to FLA's work: the Code Implementation and Monitoring Program, Public Reporting, the Third Party Complaint system, and Special Projects. Each program relies on a diverse staff to perform due diligence and communicate the progress of their activities to their constituencies.

Code Implementation and Monitoring Program (CIMP)

Since the FLA's formation in 1999, its monitoring program has evolved according to the experiences gained and lessons learned through code implementation and verification around the world. The FLA has strengthened its processes by making all independent monitoring unannounced and transparent, by providing more specific terms of reference and guidance to its monitors, and by developing new approaches that include root-cause analysis and capacity building. The FLA is now in the process of transitioning to a new system of assessment and remediation that involves more shared and collective action and more stakeholder involvement.



Commitment to FLA Standards

CIMP is the gateway for companies to make a formal commitment to the FLA's standards and system. Companies agree to adopt the FLA Workplace Code of Conduct in the manufacture of their products as a condition for participating in the FLA. This marks the first step. The "continuous-improvement approach" of the FLA program then requires companies to **put principle into practice**.

Monitoring and Verification

Participation in the FLA also requires companies to establish an internal compliance program throughout their supply chains. This includes internal monitoring and remediation of instances of noncompliance, and various activities to ensure that the Code is implemented. The FLA staff conducts onsite visits to company headquarters and field offices to evaluate a company's progress in establishing systems to uphold its FLA commitments.

The FLA uses independent external monitoring (IEM) to verify companies' compliance with their obligations. The FLA selects independent external monitors, accredited by the FLA, to perform unannounced inspection visits of companies' supplier factories around the world. The FLA does not give companies or factories advance notice of the time or location of these monitoring visits.

Remediation and Follow-up

When an IEM visit uncovers Code noncompliance, the FLA process requires companies to work with their suppliers to develop a remediation plan within 60 days, at which point the company must report the correction of the issue back to the FLA.

The FLA then evaluates the company's remediation plan, advises it on necessary actions, collects evidence, and, when deemed necessary by FLA staff, conducts a follow-up visit to verify that the company has taken the necessary steps to remediate the noncompliance issue.

Public Reporting

The FLA publishes both an annual Public Report that describes FLA companies' compliance efforts as well as tracking charts, which contain detailed information about the IEM findings from each monitored factory, its remediation plan, and the status of actions called for in the plan. The annual Public Report and the [tracking charts](#) can be found on the FLA website.

Third Party Complaints

The FLA has also established a third party complaint mechanism. It provides an

additional reporting channel and a further check on systematic monitoring efforts. Any person or group that uncovers instances of noncompliance in a company's supplier facility can file a third-party complaint with the FLA. For detailed reports on third party complaints that were submitted to the FLA in 2004 - 2005, [click here](#).

Special Projects

The FLA has developed a number of special projects to help address systemic noncompliance issues that have proven particularly difficult to remediate on a factory-by-factory basis. The projects seek to involve a wide range of interested parties in testing and innovating new strategies to improve Code compliance. The Special Projects described here fall into three categories. One category involves projects developing approaches to sustainable compliance by addressing the root causes of common compliance issues through capacity building. These will eventually form modules of a comprehensive set of diagnostic and capacity building tools available to companies on our website. The projects include: a pilot project focusing on hours of work in China; a project conducting sustainable compliance assessments leading to capacity building to improve labor-relations and human resource management systems; a project addressing discrimination and harassment and abuse and freedom of association in Central America's maquila sector; and a freedom of association project. A second category concerns collaboration with other multi-stakeholder initiatives. In this regard we describe the work of the Joint Initiative on Corporate Accountability and Workers' Rights (Jo-In). A third category involves initiatives addressing strategic compliance issues that face many FLA companies and warrant a combined response such as the Soccer project. For a detailed description of each project, please [click here](#).