



# How to Source Handmade Rugs You Can Trust



- This seminar explains how to ensure the handmade rugs you source and purchase are ethically produced
- It highlights the issues surrounding child and slave labour in the handmade rug sector and informs regarding the international GoodWeave rug labelling scheme and how it provides crucial supply chain transparency
- If you can, I suggest you print off or open the additional notes and refer to them as you progress through the seminar.



- As an interior designer, your clients rely on your advice and pay for your expertise
- They assume you have researched the products you recommend, including their beautiful hand-made rugs
- But, how do you ensure your rugs are made in an ethical manner?



- The ILO (International Labour Organisation) estimates 168 million child labourers in the world & 21 million forced labourers
- Slave labour is a reality we cannot ignore
- In 2015 Parliament introduced the Modern Slavery Act, making us all responsible for the goods we supply and sell
- The act includes the Transparency in Supply Chains Provision



#### Key requirements of the act

- Companies trading in the UK with £36m+ global turnover must report on their efforts to ensure no slave labour in their supply chains
- Annual statements to reveal policies on slavery, child labour, trafficking
- Must take steps to minimise the risks
- Ignoring the issues is no longer an option
- Increasingly, all importers will be forced to take meaningful and responsible action, right down to the bottom of their supply chains



- Whilst some companies practise CSR (corporate social responsibility), in reality most cease responsibility beyond the factory gates
- But, many industries use an informal, subcontracted workforce, found in difficult-to-trace locations e.g. homes, remote villages
- Here, labour abuse is known to be the most prevalent and exploitative
- Most companies have little notion of the long, convoluted supply chain producing their products, including the rug sector

#### Buying the best

- SE Asia is celebrated for its beautiful, hand-made rugs
- Nepal, Afghanistan and India are major producers
- All three are major suppliers to the UK





#### The cost of beauty

- Rug weaving is highly skilled
- But weaving communities are some of the poorest
- Lacking education and money, few can change job
- Exploitation of workers & children is prevalent





#### **Common issues**

- Recruitment of workers by labour scouts is common; frequently, children are 'bought' and forced to work
- Slaves have no rights and rarely, if ever, get paid
- The Middle East attracts adult labour, putting more pressure on the weaving producers of SE Asia to use children
- Often, orders are sub-contracted to smaller workshops, hidden away in remote villages
- Away from the law and visitors' prying eyes, working conditions are unregulated and child labour is widespread
- Carpet weaving is physically hard; without necessary precautions it causes long term illness





Weaving communities are some of the poorest. In Nepal, the earthquakes of 2015 have compounded problems. Many have lost family, looms, workshops and homes. GoodWeave is helping to fund looms for certified weavers who need help in starting-up again



### Exploitation of children

- An estimated 250,000 children work illegally in the handmade rug industry, often as forced or bonded labour
- Child labour violates national laws in India, Nepal and Afghanistan, as well as U.K and international conventions
- Contrary to what many would like to believe, child labour perpetuates poverty, and steals childhoods
- Uneducated, suffering poor health and with limited or no pay, child weavers suffer intolerably and have no way of improving their lives







Thousands of children are forced to work 16 hours+ per day, 7 days per week and sleep on bedding behind their loom - this girl was 12



#### **Exploitation of adults**

- Bonded and slave adult labour is common, resulting in low pay and poor working conditions
- Rug weaving is physically hard and workers often suffer health issues
- Child labour represses fair wages for adults
- Lacking education, many weavers are unaware of the law nor their rights





### From £5 to £50,000

- When commissioning or buying a rug, it is crucial you have full supply chain visibility, if you are to make ethical and legal purchasing decisions and avoid buying tainted rugs
- GoodWeave's independent rug labelling scheme ensures rug companies and importers can provide this...and much more





- Founded in 1995, GoodWeave works to stop child labour in the handmade rug industry via a unique rug labelling scheme
- A not-for-profit organisation, which works internationally and has special focus on rug production in India, Nepal and Afghanistan
- It also provides educational opportunities to children in weaving communities and works to ensure the fair treatment of adult carpet weavers
- The GoodWeave label is the best assurance that no child labour was used in a rug's production



#### GoodWeave assurance





- Runs the international rug labelling scheme which comprises supply chain monitoring, including surprise workplace inspections at all levels of rug production
- Rescues children, offering them a range of educational options
- Supports weaving communities
- Builds market recognition in importing countries for certified child-labour-free rugs
- Adheres to a strict standard that is transparent, sustainable and measurable



### The GoodWeave Standard

- No child labour is allowed
- No forced or bonded labour is allowed
- Freedom of association and collective bargaining are recognised
- No discrimination is practiced
- Decent working conditions are respected
- Negative environmental impacts of production are indentified and minimised
  e.g. no azo dyes are used, effluent and wateruse minimisation, waste
  recycling, health and safety training for workers
- Business processes are documented and verifiable





These Afghan ladies are delighted to be able to earn a living, protected by the GoodWeave labelling scheme



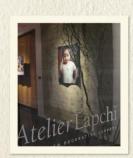
### How labelling works

- Rug importers and designers, such as you, demand only proven, ethically produced rugs from their rug producers i.e. with a visible, proven supply chain i.e. GoodWeave labelled
- Producers sign up with GoodWeave, which makes sure they are compliant with the GoodWeave Standard, at all levels of production
- GoodWeave inspects, monitors and ensures producers consistently meet its Standard and provides numbered rug labels as proof
- Producers benefit from increased sales, publicity and GoodWeave support e.g. health programmes
- Importers can vouch for their rugs and track the ethical supply chain
- You (purchasers) can inform and prove to your clients that their rugs are legal and ethically produced, adding value to your service
- In turn, this drives out child labour and slave labour



#### A designer's marketing story

#### The Journey of a GoodWeave Rug



Salman Khan and Kerry Smith envisioned an approach to carpetmaking based on customers' desire for freedom of expression in designing their own environments. They named their venture Lapchi—Tibetan for "abode of creative energy"—and partnered with GoodWeave to ensure that their beautiful carpets were made ethically and free from child-labor.

To see how Lapchi and GoodWeave together make a child-labor-free rug, follow the journey of GoodWeave certified rug number C107CF18-11101634.

Salman Khan, co-founder of Portland, Oregon based Lapchi, begins with paintings and drawings to achieve the company's harmonious signature rug designs. Trained showroom staff work with interior designer Kristi Nelson to produce a custom carpet order for her client based on Lapchi's Chevron pattern design.

A GoodWeave field inspector makes a surprise visit to the factory, and finds the looms child-free.Inspectors in Nepal regularly visited 382 work sites in 2011.



In Kathmandu, Nepal, skilled adult artisans weave the pattern into a rug, in a factory owned by Lapchi's manufacturing partner in the province of Budhanilkantha.

Tenzin, the head of the Budhanilkantha factory, says, "For child, first priority is they have to go to school. Now [since GoodWeare] parents know, everybody knows. It's definitely a changed attitude."





Any child found working on a loom in Nepal is rescued and taken to the *Harnro Ghar* (our home) rehabilitation center in Kathmandu. GoodWeave supports a range of educational opportunities for rescued and at-risk children. Beneficiaries include



Akkas. He's earning a degree with honors at the prestigious LAB School, and completing his personal journey from rescued child laborer to educated. dianilied young man.



The rug is finished and Issued GoodWeave certification number C107CF18-11101634. The certification Idoel is offitxed to the underside of the rug before It is shipped to Atelier Lapchi in Portland, Oregon. The number can be traced through the supply chain from Ioom to buyer. A percentage of the purchase price supports programs for children and families in weaving communities.



Los Angeles designer Kristi Nelson, Managing Partner of KMNelson Design, insists on sourcing socially responsible products for her clients.



"Thanks to Goodweave, designers can specify ethically made rugs", says Mrs. Nelson. She receives the Tibetan "Chevron" pattern wool & slik, 8'x 13' rug and delivers it to her client's home. In Los Angeles, rug number C107CF18-11101634 is placed in Tara Jacquot's family dining room. Says Ms. Jacquot, "A custom, hand-loomed carpet

from Lapchi with the GoodWeave label ensures



beauty to my home while helping a child to a better life. What's better than that?!"





## GoodWeave inspectors are independent and are also trained social workers



#### GoodWeave provides a home

Hamro Ghar is run by GoodWeave Nepal in Kathmandu. It translates as "Our Home" and is a centre for rescued girls and boys with no family to return to or where there is a likelihood of them being sold or sent to work again





#### The GoodWeave label



All GoodWeave certified rugs have a numbered GoodWeave label on the reverse, which can be traced back to the producer



#### Award winning



Kailash Satyarthi is the founder of GoodWeave. Nina Smith is Executive Director of GoodWeave International, based in Washington, U.S. Both are multi award winners for their work



#### The acclaimed rug labelling scheme

- Meaningful and verifiable
- Consistent and transparent
- Independent
- It is an integrated system
- Input from multiple stakeholders
- Membership of international ISEAL Alliance, the global association for sustainability standards, whose Codes of Practice are seen as global references for developing and implementing credible standards
- It is proven to work





#### GoodWeave programmes

- Rehabilitation and education centres
- Community-based rehabilitation
- Sponsored education
- Daycare facilities
- Vocational training
- Child friendly communities
- Health clinics





- Significant fund-raising from global sources, including The Skoll Foundation, Traid and Google
- A small levy is paid by both the producer and importer per labelled rug, to contribute towards the total costs of running the scheme and the education and support to weaving communities provided



#### Internationally respected

GoodWeave:

- Is a member of the ISEAL Alliance – the global association for sustainability standards
- ISO 65 accredited
- Kailash Satyarthi, founder of today's GoodWeave, won the Nobel Prize for Peace in 2014
- GoodWeave's ISO accreditation ensures the organisation is independent of external pressure; its evaluation and certification processes are transparent to all; the proper quality control systems are in place and; all producers are treated equally



#### The GoodWeave difference

	GoodWeave	Self Certification	Other Carpet Initiatives	SA 8000
Full ISEAL Member				
ISO 65				
Rescue/Rehab				
<u>Full</u> Supply Chain Monitoring Tier 1, 2 & 3				
Community Investment				
Supply Chain Social program				



### GoodWeave's impact

- Nearly 15,000 rescued and at-risk children have received education and other critical services
- Since 1995, over 14 million GoodWeave certified rugs have been sold worldwide
- More than 3,600 children freed from labour
- Improved working conditions for 50,000+ weavers
- Helped to achieve an 80% reduction in child labour in the rug industry of SE Asia
- 130+ brands import GoodWeave labelled rugs worldwide
- 20+ UK brands import GoodWeave labelled rugs
- The GoodWeave certification scheme is regarded as so effective, it is now being adopted by the Nepal's brick kilns and India's apparel industry



#### **GoodWeave beneficiaries**

- Akkas' parents borrowed the equivalent of \$7 from a debt broker in exchange for 12-yearold Akkas and his sister. Akkas was taken to a carpet factory, where he was forced to weave rugs from 3 am- 8 pm with only one break, to eat
- Saraswoti Chaudhari went from being an impoverished adolescent girl at risk of trafficking in Nepal to the successful co-owner of a motorcycle repair shop







#### Their lives are in your hands



Your decision to source only ethically produced rugs is an important one



- I hope you found this seminar interesting and useful
- Above all, I hope you decide always to source only ethically produced handmade rugs, which are proven to be so and have the GoodWeave label on the reverse
- The weavers of India, Nepal and Afghanistan create the most beautiful rugs and they need your business. Please make sure it is not at the expense of their childhoods, liberty and health



GoodWeave rugs are available internationally:

#### United Kingdom

Source from anyone of the UK GoodWeave licensees or retailers Visit:

http://goodweave.org.uk/spotlight\_importers.php?s\_country=United+Kingdom

Or Tel the UK office: +44 (0)844 2437838

#### Internationally

Source from anyone of the international licensees or retailers Visit:

http://goodweave.org.uk/purchase\_a\_rug/spotlight/carpet\_importers\_designers