

International management system: SA8000 on social accountability

Introduction

SA8000 is one of the most well-known global management system to ensure social accountability. SA8000 includes standards in the form of a “Code of Conduct” which define what is considered social accountability as well as requirements for a management system which ensures the implementation of these standards in business policy.

The standards included in SA8000 are based on conventions of the International Labour Organisation (ILO) and other human rights conventions. By means of independent verification companies can be certified according to SA8000.

History

In the 1990s, the Council on Economic Priorities (CEP) received a grant from the ILO to study the activities of companies with regard to child labour. CEP, based in London and New York, is a pioneer in the field of corporate social responsibility.

During the study, many companies appeared to have some code of conduct, calling upon suppliers to manufacture products according to different workplace specifications. The difficulty for suppliers to comply with all different requirements of the different codes was not the only problem. Another important issue is effective monitoring of codes. For example, if codes are monitored, the same supplier has to be monitored several times and there are no standardised internal monitoring procedures, which makes comparisons of results difficult. Independent certification against a universal standard would solve many problems.

Social Accountability International (SAI), founded in 1997 as the CEP Accreditation Agency (CEPAA), was established in order to draft an auditable social standard. An Advisory Board was convened in order to assist in developing the standard, Social Accountability 8000 (SA8000). It took SAI one year to draft the standard and another year to get pilot studies done and draft guidance. Nowadays, the SA8000 management system is worldwide known and applied in many sectors.

Contents

The criteria of SA8000 are based on ILO standards on labour issues and related international human rights instruments. SA8000 has nine core areas:

1. child labour
2. forced labour
3. health and safety
4. compensation
5. working hours
6. discrimination
7. discipline
8. free association and collective bargaining
9. management systems.

Standards are applicable to both employees working at company locations as well as homeworkers who carry out work for a company.

SA8000 is modelled according to the ISO 9000 and ISO 14000 standards. In addition, it has performance-based provisions, which set standards for each of the above mentioned 9 topics. This part of SA8000 can be considered a Code of Conduct which has to be implemented as part of the SA8000 system.

The implementation process of SA8000 usually takes some time and effort. In order to assist companies planning to be certified, the [SA8000 Signatory program](#) was developed.

SA8000 Signatory program

SA8000 Signatory program can be considered a tool to demonstrate a real and credible commitment to achieving decent working conditions in their supply chains. The program is set up to assist companies who are working towards certification. There are also some direct benefits from being a Signatory, which include the right to use the SA8000 Signatory logo and description to communicate with stakeholders, technical assistance in implementing SA8000 from SAI staff and other Signatories and access to relevant research and templates for communications, planning and systems.

The first two years of Signatory status consists of a development program in three phases to provide the company with time, guidance and resources it needs to plan implement and prepare to report on its commitment to SA8000. After two years the goal is SA8000 certification.

➔ [For more information](#) on the signatory program and fees, see the external link.

Target groups

Although the standard was aimed at producers in developing countries, it became clear during the pilots that there is also room for improvement in Northern countries, for example with regard to the employment of illegal workers for low wages. The standard is applicable to all industries. Companies have to inform their subcontractors, which means that the information is transferred down the chain. The standard is applicable to foreign as well as national suppliers.

Organisation

In New York, a small staff is working on the SA8000 management. They are doing the work with regard to the accreditation. In Europe there is one staff member, occupied with working with and for European companies and doing the Latin American consultation.

In order to reach societal consensus, SAI has an unique Advisory Board, consisting of representatives from NGOs, universities & institutes and the private sector like the National Child Labour Committee, the Abring Foundation for Children's Rights (Brazil), Reebok, Toys "R" Us, Sainsbury's, Avon Products, The Body Shop, the International Textile, Garment & Leather Workers' Federation, (representing trade unions), Amnesty International, KPMG and Otto-Versand, one of Germany's largest direct mail-order companies.

Monitoring

Unlike the ISO accreditation system, which engages multiple national accreditation bodies, SA8000 has one accreditation agency. SAI works with private inspection companies, which it accredits. Now, four of the largest international certification firms, SGS-ICS (Swiss), DNV (Norwegian), BVQI (English) and KPMG have been accredited and each has a backlog of clients, from New York to China, seeking certification.

Companies will be controlled once a year. Subcontractors are required to follow SA8000, but are not necessarily audited. To certify business conformance with SA8000, qualified auditors visit factories and assess performance on a wide range of issues: child labour, health and safety, freedom of association and the right to collective bargaining, disciplinary practices, working hours and compensation. Auditors also evaluate management systems to verify on-going conformance, detect 'non-conformity's', and institute measures to prevent recurrence.

Market impact

The impact of SA8000 is growing in numbers, amount of countries and amount of sectors. See the following certification numbers:

	Facilities certified:	Represented industries:	Countries:
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8 Dec. 2002:	83	31	30
31 Oct. 2004:	492	51	40

Starting with many toy manufacturers, manufacturers of garments, manufacturers of plastics and manufacturers of pharmaceuticals, the system is becoming a multi-sectoral instrument. It seems to have started at the right time, when there was a growing awareness among consumers and companies and it received a lot of support from several organisations.