

International management system: BSCI initiative of European retailers

Introduction

The Business Social Compliance Initiative has been developed by the Foreign Trade Association (FTA) which is a branch organisation for European retailers. The FTA began in 2002 to establish a common platform for the various different European Codes of Conduct and monitoring systems on improving social conditions in those countries European retailers were sourcing from. Buying many different consumer goods from supplier countries worldwide made it necessary to develop one practical system that could be applied internationally and which focuses on assisting suppliers as partners in the process. The initiative covers all kinds of consumer goods, but focuses initially on textiles, clothing, shoes and toys.



Contents

The BSCI contains mainly social requirements and a few basic environmental requirements. The social requirements are based on relevant ILO Conventions and United Nations human rights and are therefore internationally recognised and applied. The system is based on the SA8000 management system, with the main difference being the two phases of implementation. The first stage is to comply with what are called basic regulations. On top of those, additional requirements are given which will be the final level of SA8000 certification.

Phase 1: Compliance to basic regulations

National legal requirements, particularly with respect to:

- Commercial operators
- Working times
- Compensation
- Social security contributions
- Minimum age employees
- Ban on forced labour
- Disciplinary measures
- Freedom of association and collective bargaining
- Ban on discrimination
- Working conditions
- Health and safety

International regulations, based on ILO Conventions:

- Working time (Convention 1)
- Forced and bonded labour (Convention 29 and 105)
- Night work of young persons (Convention 79)
- Freedom of association (Convention 87)
- Right to collective bargaining (Convention 98)
- Equal remuneration, discrimination (Convention 100 and 111)
- Workers' representatives (Convention 135)
- Minimum age (Convention 138)
- Occupational health and safety (Convention 164)
- Disabled persons (Convention 159)
- Homework (Convention 177)
- Private employment agencies (Convention 181)
- Worst forms of child labour (Convention 182)

- Universal declaration of Human rights
- UN Rights of Child
- UN Discrimination against Women

Phase 2: Compliance to additional requirements on the SA8000 level

- Policy
- Planning and implementation
- Management review
- Control of subcontractors / suppliers / sub-suppliers
- Control of home workers
- Compensation
- Child labour
- Evasion
- Outside communication

⇒ [For more information](#) on ILO and SA8000, please see the related documents.

Target groups

BSCI provides a monitoring system for suppliers worldwide. Since the system covers all consumer goods, suppliers in developing countries are an important part of the target group. It is the believe by BSCI that improving social performance of suppliers will also improve economic performance of a company and therefore have a positive impact on corporate image in the competition for international product orders.

Organisation

The BSCI is a non-profit organisation based in Brussels. BSCI membership is open to any and all European and non-European companies and associations. The BSCI is intended as a sector-solution for retail but is also open to importers and manufacturers of consumer goods.

The BSCI does not aim to replace any other verification system and aims to recognize other schemes as well.

Monitoring

The BSCI audit is standardised for all products and includes elements such as a site inspection, inspection of documents and interviews with management and employees. An audit will result in a social audit report including the audit result and a possible indication of corrective actions. Based on the status of social performance, a corrective action plan will be scheduled. The audit is only done by SA8000 accredited certifiers on the base of SA8000 certification. Before a final audit is done, the company will be asked to do a self-audit, based on an assessment list.

Market impact

The BSCI initiative is a rather new initiative and therefore it is not yet fully clear which market impact it will have. However, the system is not new. Based on the SA8000 experience and AVE code of conduct, the context is not new, nor the way of working. The advantage of this initiative is that the system can be applied to all consumer goods and therefore makes different certification schemes redundant. In the mean time existing schemes might be recognised by BSCI. A second advantage is the broad support from the private sector itself. Many European retailers support the BSCI initiative. Therefore, the market impact of BSCI is expected to be substantial.

⇒ [For more information on the members of BSCI](#), see the BSCI website provided as external link.