



**Complaint – Mammut Sports Group AG, Outdoor & Sports Company Ltd,  
Deuter – Myanmar**

**Status: Resolved**

*FWF is responsible for setting up a complaints procedure in production countries where FWF is active. The complaints procedure allows third parties to make complaints about the working conditions or the way the Code of Labour Practices is implemented in factories which supply FWF members.*

*The responsibility of FWF includes investigating the complaint, verifying whether the agreed corrective action plan is implemented and public reporting. This complaint report gives an overview of a complaint filed to FWF, the investigation and agreed corrective action plan as well as how the outcome is verified. For more information on the complaints procedure see the FWF website. FWF also publishes an overview of complaints received in its annual reports.*

**1. Member company involved**

Mammut Sports Group AG

Outdoor & Sports Company Ltd

Deuter

**2. Accused party**

A supplier of the abovementioned FWF member companies in Myanmar

**3. Date of receiving complaint**

16 December 2016

**4. Filing party**

On 16 December 2016 FWF received an advanced notice of a report on labour conditions and social issues in the export-oriented garment industry in Myanmar. Shortly thereafter the report was also shared by SOMO with all the FWF member brands that are sourcing in Myanmar

The research was conducted by the Centre for Research on Multinational Corporations (SOMO), and local labour NGOs Action Labor Rights (ALR) and Labour Rights Defenders & Promoters (LRDP).



## 5. The complaint

One of the findings in the draft research report reads as follows:

“A number of the interviewed workers at Factory 5 mentioned that there were definitely workers younger than 14 years at the facility. ALR confirmed to have seen at least one child of that age at Factory 5.”

The factory that is indicated as Factory 5 in the report is an active supplier of the FWF member brands mentioned above.

## 6. Admissibility

FWF decided to treat this case as a complaints procedure on 4 January 2017

The factory is an active supplier of Mammut Sports Group AG, Outdoor & Sports Company Ltd and Deuter, all members of FWF.

The case is relevant to the following labour standards of FWF’s Code of Labour Practices:

- No child labour

## 7. Investigation

FWF has decided to investigate this issue as a complaint case. As part of the procedure in this specific case, FWF staff conducted an interview with ALR (the organization that conducted the worker interviews for the SOMO research) and conducted 30 off-site worker interviews before visiting the factory.

Given the sensitivity of the alleged violation, it was decided, in consultation with the brands, to conduct the on-site investigation unannounced. The focus was to verify the child labor allegation as indicated in the SOMO report. The on-site investigation took place on 26-27 January 2017 and included the following:

On-site, interviews:

- o HR manager and staff
- o Any workers who look-young
- o Workers who were suspected to be underage during document inspection
- o Union committee members

On-site, document review:

- o Name list of workers
- o Worker personal files
- o Attend and payroll records
- o Policy and procedures related with recruitment process

## 8. Findings and conclusions

After reviewing all the evidence and interviews, the investigation came to the following conclusions:

1) One (1) child worker aged 15 years and 5 days (at the time of the investigation) has been identified. The worker has been working in the factory, sewing department since 23 April 2015, and was 13 at the time of recruitment. She has been working 8 hours per day and conducts OT same as adult workers (18 years and up).

This is in the violation of the Myanmar Labor Law, the FWF Code of Labor Practice and the ILO Conventions as following:

- Factories Act (1951, amended in 2016) sets the minimum age for employment at 15 years (before the amendment, it was 13). Children between the ages of 13 and 15 may work for a maximum of four hours a day and are not permitted to work between 6pm and 6am. The Child Law (1993, to be amended) classifies those up to the age of 16 as children and prohibits the employment of children in work which is 'hazardous to the life of the child or which may cause disease to the child or which is harmful to the child's moral character.
- FWF Code of Labor Practices: There shall be no use of child Labour. The age for admission to employment shall not be less than the age of completion of compulsory schooling and, in any case, not less than 15 years." (ILO Convention 138) "There shall be no forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory Labour. [...] Children [in the age of 15-18] shall not perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health, safety or morals." (ILO Convention 182)

2.) 12 young workers, age between 16.3 to 17.8 years old, have been identified as working in the factory. All workers have been working 8 hours per day and conduct OT same as adult workers (18 years old up). No certificates of fitness have been obtained for those young workers.

The factory management team, with which the preliminary findings were shared, took the situation very serious and was very concerned about the findings. They said that company did not intent to hire any child and young workers, since all candidates were required to submit the ID and Household register for verifying their age during the recruitment process.

Stakeholders reported that the use of fake and borrowed ID cards is widespread in Myanmar. This was also the case here as the worker confirmed that she applied with a fake (i.e. borrowed) ID Card. FWF concludes that there was no intentional child labour at the factory.

However, it can be concluded that the company is lacking a proper recruitment system/mechanism to carefully check the documents provided by the workers upon recruitment, including training the HR and recruitment staffs.

## 9. Remediation

In accordance with FWF policies, the following remediation steps were proposed:

1. The worker aged below 16 stops working effective immediately, for the following considerations:
  - Having workers come in for 4 working hours per day would put the workers in a very difficult position. There is a risk of discrimination because of their “special treatment”.
  - We were not confident that their working hours would effectively limit to 4 hours. There is a real risk that they would quickly be working more hours or full time again.
  - There are practical difficulties like transportation by bus if they would have to travel back home after four hours.
  - It is difficult to combine with any training or education.
2. Full income (basic wages + OT + fringe benefits) to be compensated on a monthly basis to the family of the child worker until she turns 16.
3. Education or vocational training to be arranged until she turns 16.
4. The child worker would be allowed to regain employment (at the same position and seniority) when she turns 16 and wishes to be reinstated.
5. A medical certificate of fitness would need to be arranged for all workers under 18.

Furthermore, the factory participated in the FWF training on age verification in May 2017 and gave input on a new FWF guidance document which aims to help suppliers set up a more robust age verification system.

## 10. Verification

With the support of the brands, the factory has committed to the above remediation steps.

FWF monitors carefully that the income is being compensated on a monthly basis to the family of the workers and that the worker is attending a sewing class. FWF will also monitor that the worker will be offered reinstatement when she reaches the appropriate age for working.

FWF has also verified that certificates of fitness were arranged for all the young workers (under 18).

## 11. Evaluation by the complainant

The child worker expressed her satisfaction with the solution.