



Executive Summary

The present study aims at analysing social compliance initiatives in the textile and clothing industry in Morocco. In particular, it focuses on the code of labour practice elaborated by the Moroccan Association for Textiles and Clothing Industries (AMITH) and its related label, Fibre Citoyenne (Citizen fibre). After five years from the introduction of the FC in 2003, the MFA Forum commissioned the present study with the objectives of comparing the FC to other relevant buyers' codes, evaluating its impact on Moroccan enterprises and understanding possible avenues for its improvement and evolution.

The first section of the study focuses on the comparison of the FC code with the Moroccan labour code, selected buyers' codes and the Ethical Trading Initiative base code. All codes are similarly phrased, and no significant difference is observed. Concerning implementation, FC audits have been considerably less frequent than those of buyers; however, efforts in improving this gap are currently taking place through verification audits started in April 2008.

The second section of the study presents the results of the field study carried out at the factory level in Morocco. The sample for the field study is constituted of 12 factories, selected according to their geographical distribution and their level of engagement in the FC. The methodology consists of interviews with the management and of group discussions with workers.

Regarding the management's motivation to engage in the FC, one business-related factor has emerged: being FC-certified is a competitive advantage and thus an opportunity to acquire a larger number of clients and to diversify the client base. Another factor is the personal, voluntary choice driven by the awareness of human and labour rights and the recognition of the benefits deriving from a stable social climate.

Interviews show that the FC has increased enterprises' business opportunities, expanded their client base, helped their reorganisation and management system, improved social climate, raised awareness on workers' rights and benefits, and created a standard potentially useful to unify all codes of labour practice. Concerning the challenges deriving from the FC, the most commonly reported disadvantage is the costs associated to the FC certification, especially concerning the registration of all workers to the CNSS (in particular in Tangier).

Managers' expectations for the future concern the priority given by buyers to FC firms, the regularity and scale of orders, an increased number of clients and a diversified client base. Also, several managers hope that clients will reward their investment for the obtainment of the FC by increasing their prices, underlining how social compliance is a shared responsibility.

Focus group discussions with workers have shown significant improvements as a result of the FC and its support programme, concerning not only tangible issues, such as health and safety; but also a steady, continuous workflow.

The analysis carried out in section 1 and 2 highlighted a number of focus areas, whose implementation still remain challenging:



Minimum wage (SMIG) constitutes a significant investment for enterprises that have an ongoing certification process. Despite the important efforts being made, certain categories of workers (i.e. in finishing and packaging) are sometimes not considered part of the actual workforce and are not paid the minimum wage.

Registration to social security (CNSS): the fees deriving from the registration to the CNSS represent the highest costs for social compliance. Due to the former practice of registering around 60% of the workforce, the area of Tangier is particularly problematic.

Working hours and overtime: being pressured by short delivery schedules, managers affirm that they have to resort to overtime, on a regular basis during high season, to be able to respond to clients' orders.

Freedom of association: whilst managers affirm to have a good degree of communication with workers' delegates in their enterprises, union presence was not detected in any of the visited factories, and there were no unionised workers among those who participated to the group discussions.

Unauthorised subcontracting: there is fear of facing unfair competition from enterprises that subcontract most of their production in order to be able to themselves officially comply with code provisions. Such a scenario would be detrimental to the initiative as a whole.

From the analysis carried out, recommendations for the improvement of the FC and for its sustainability can be formulated. While there could minor changes to be made to the FC code, significant revisions or redrafts are unnecessary at the moment, as the code is very similar in content and phrasing to the buyers' codes.

Implementation and monitoring system

The credibility of the FC label and its certification mechanism largely depends on its implementation and monitoring mechanisms. Increased transparency with regards to the FC auditing practices and improvement of its support documentation system would be desirable.

Differences between the FC and buyers' practices concerning implementation and monitoring emerged from the study. The enterprises visited in the course of the field study are usually audited by their clients every 6 or 12 months, whereas in the case of the first group of FC-certified enterprises, there has been a gap of almost 3 years between FC audits. In order to ensure credibility, efforts made in the past few months aimed at more frequent audits should be carried on. Furthermore, it was found that the credibility of the FC is strongly connected to its rigorous implementation across all regions, without being more tolerant or making concessions to any particular area.

Communication

Communication regarding the FC should be improved and information disseminated to a higher degree, in order to ensure its promotion as well as up-to-date information for the involved stakeholders. The AMITH website, which has been used as a platform for the promotion of the FC, could be expanded to include more detailed information, especially concerning the monitoring and implementation system used in the FC framework.

Stakeholder support and buyers' engagement

Sustainable improvements in the long term require the support and engagement from all stakeholders, including the Moroccan government and unions, focusing on effective implementation of the Fibre Citoyenne.



A condition for sustainability is also closely linked to the international buyers' commitment to develop socially responsible purchasing practices and to value the efforts towards social compliance, for instance by prioritising FC-certified enterprises. Buyers' support and engagement constitute a significant motivational push for Moroccan enterprises and are crucial to ensure long term sustainability of social compliance efforts in the sector.