

# **International Metalworkers' Federation**

# IMF Model International Framework Agreement

## IMF MODEL INTERNATIONAL FRAMEWORK AGREEMENT<sup>1</sup>

#### PREAMBLE

1. Economic globalisation is lowering barriers to the movement of goods, services and capital, and allowing transnational businesses to create global production and distribution networks. Business enterprises strive to provide a return to their investors, but along with this basic mission goes a social responsibility: to advance the welfare of the societies in which the business implants itself.

2. A minimum requirement for fulfilling this responsibility is safeguarding the environment, observing the core labour standards of the International Labour Organisation, and providing decent wages and working conditions for [company] employees.

3. [Company] recognises its responsibilities to workers for the conditions under which its products or services are made and that these responsibilities extend to all workers producing products or services for [company] whether or not they are employees of [company].

4. [Company] will require its contractors, their sub-contractors, principal suppliers and licensees (franchise-holders) to provide the conditions and observe the standards of the following Agreement when producing or distributing products or components of products for [company]. [Company] will, prior to placing orders with principal suppliers, engaging contractors and subcontractors or granting licenses, assess whether the provisions of this Agreement will be met. [Company] will use its influence to ensure that its contractors and subcontractors sign similar agreements with their respective union(s).

## DEFINITIONS

5. For the purposes of this Agreement the term contractor shall mean any natural or legal person who contracts with [company] to perform work or provide services. The term "sub-contractor" means any natural or legal person who contracts with a contractor, as defined above, for the purpose of performing work or providing services related to or as part of an agreement with [company]. The term "principal supplier" means any natural or legal person who provides [company] with materials or components used in the final products, or the final products, sold by [company].

<sup>&</sup>lt;sup>1</sup> Previously referred to as 'Code of Conduct'

The terms "licensee" and "franchise-holder" mean any natural or legal person who, as part of a contractual arrangement with (name of company), uses for any purpose the name of (name of company) or its recognised brand names or images.

In the following text the term contractor(s) shall refer to all contractors, their subcontractors, principal suppliers and licensees (franchise-holders).

### PROVISIONS

6. [Company] and its contractor(s) involved in the production and/or distribution of products for [company] shall ensure that:

#### Employment is freely chosen

There shall be no use of forced, including bonded or involuntary prison, labour (ILO Conventions 29 and 105). Nor shall workers be required to lodge "deposits" or their identity papers with their employer, including labour supplying companies providing labour to (company).

#### There is no discrimination or intimidation in employment

Equality of opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, sexual orientation, social origin or other distinguishing characteristics shall be provided (ILO Convention 111).

[Company] shall ensure equal remuneration for men and women workers for work of equal value (ILO Convention 100).

Physical and psychological abuse, the threat thereof, and intimidation by the employer are strictly prohibited.

#### Child labour is not used

There shall be no use of child labour. Rules set by the ILO Convention 138 on minimum age for employment, or national regulations, whichever set higher standards, shall be adhered to. Rules set by the ILO Convention 182 on the worst forms of child labour shall be adhered to. Companies shall provide economic assistance to guarantee education opportunities to any replaced child workers. A child worker, when found employed by [company] or its suppliers, should be replaced whenever possible by somebody from the family in order to maintain the family income.

#### Freedom of association and the right to collective bargaining are respected

The right of all workers to form and join trade unions and to bargain collectively shall be recognised (ILO Conventions 87 and 98). Workers' representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to enable them to carry out their representation functions (ILO Convention 135 and Recommendation 143).

The company will adopt a positive approach towards the activities of trade unions and an open attitude towards their organisational activities. During labour-management conflicts [company] will not hire new workers to replace those involved in the dispute.

#### Decent wages are paid

Wages and benefits paid for a standard working week shall meet at least legal and industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income.

#### Hours of work are not excessive

Working time, including overtime, must be regulated to ensure that it does not impair worker health and other aspects of productive life. In unionised workplaces, the length and terms of overtime must be collectively bargained and in non-unionized workplaces, overtime must be voluntary. Excessive overtime cannot be justified and must be eliminated. Overtime shall not be a substitute for inadequate regular wages.

#### Working Conditions are decent

A safe and hygienic working environment shall be provided, and best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards.

## IMPLEMENTATION

7. The [company's] workers shall be informed, verbally and in writing, of all of the provisions of this Agreement.

8. [Company] will require its contractor(s) to support and co-operate in the implementation and monitoring of this Agreement by giving the monitoring group described below unlimited access to its facilities and by making all relevant information available to the group in a timely fashion.

9. Contractor(s) found to be in breach of one or more terms of the Agreement shall take the measures necessary to be in conformity with the Agreement and, failing that, lose the right to produce or organise production of goods for [company].

10. Questions as to the interpretation of the meaning of the provisions of the Agreement shall be resolved according to the procedure outlined in the monitoring agreement.

11. The provisions of this Agreement constitute only minimum standards. [Company] does not intend, will not use, and will not allow any contractor(s) to use these minimum standards and conditions as maximum standards, or as the only conditions permitted by [company], or to serve as the basis for any claim as to what standards or conditions of employment should be provided.

- 12. Principles of monitoring implementation:
- A monitoring group, consisting of an equal number of [company] management and union representatives must be created.
- In case of deadlock, arbitration will be handled by the ILO or a neutral party agreed upon by [company] management and the union side.
- [Company] shall bear the cost of all monitoring activities.



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