



International Council of Toy Industries CARE Foundation    China Toys Association  
Hong Kong Toys Council    The Toy Manufacturers' Association of Hong Kong  
Guangdong Province Toys Association    Shenzhen Toys Industry  
Association    Dongguan Toys Association of China

## Joint Declaration On Integrity Issues in Toy Industry Audits 2010 June

The global toy industry is committed to ethical manufacturing by ensuring fair labor practices and safe workplace conditions throughout the global toy industry supply chain. To achieve this goal, auditing at the manufacturing facilities to evaluate working conditions is an integral part of the ICTI CARE Process, which is the single auditing program recognized by the global toy industry. It is therefore paramount that audits are conducted in a professional manner with uncompromising standards of integrity.

Incidents have been reported of attempts to influence social audit results by offering or accepting advantages of different sorts, while some fraudulent consultancies have also emerged to disseminate misleading information to factories on how to pass audits. To ensure that factories understand the objectives and operations of the toy industry auditing program, we the undersigned toy associations and the ICTI CARE Process reiterate that:

- The ICTI CARE Process is a continuous improvement process. Factories which initially are unable to meet the requirements of the ICTI CARE Process standard will be given the opportunity to make improvements, provided that factories are transparent about their working conditions and are committed to achieving genuine improvement in an agreed timeframe.
- The ICTI CARE Process has an effective system of monitoring the performance of individual auditors and audit firms. Unannounced quality check audits are conducted frequently to understand the real working conditions at factories. The ICTI CARE Process also frequently arranges unannounced visits to observe audits conducted by audit firms so as to understand the performance of auditors during audits. Auditors with poor performance and integrity issues will be disqualified, so that they never again conduct ICTI CARE Process audits. Passing an audit through fraudulent means is therefore not only dishonest, but also costly and non-sustainable for factories.

- The ICTI CARE Process, China Toys Association, Hong Kong Toys Council, the Toy Manufacturers' Association of Hong Kong, Guangdong Province Toys Association, Shenzhen Toys Industry Association and Dongguan Toys Association of China have never appointed any consultancies or training organizations of any sort to help factories pass audits. Any organizations claiming to have authorization from, or have amicable relations with individual members of, the ICTI CARE Process or any of the toy associations, to help with passing audits are making false claims and factories should never work with these dishonest organizations.
- The ICTI CARE Process, China Toys Association, Hong Kong Toys Council, the Toy Manufacturers' Association of Hong Kong, Guangdong Province Toys Association, Shenzhen Toys Industry Association and Dongguan Toys Association of China all have zero tolerance of any attempts to influence audit results through offering or accepting advantages. Factories and audit firms should report attempts or cases of bribery to the ICTI CARE Process and their toy associations as soon as possible. Factories and auditors need to understand that, by offering or accepting advantages to pass an audit, factories are committing a criminal offence in their cooperation with corrupt auditors and fraudulent consultancies. All parties (including factories, auditors, consultancies and other parties involved in the act) will have legal liability and may face criminal charges from local police.

The ICTI CARE Process, China Toys Association, Hong Kong Toys Council, the Toy Manufacturers' Association of Hong Kong, Guangdong Province Toys Association, Shenzhen Toys Industry Association and Dongguan Toys Association of China are committed to establishing a level playing field in the global toy industry by supporting ethical manufacturing. Audit integrity is a significant factor in achieving this goal. For the interests of the global toy industry as a whole, we call on all toy factories to work with us to uphold the integrity of toy industry audits.