

# Natural Stones from India

## Better Exports with Certification

Dr. Dietrich Keschull  
23 April 2016

# Background

India belongs to the most important exporting countries of natural stones like granite, marble, sandstone, slate, etc. The use of modern equipment and technologies has considerably improved the international competitiveness of Indian producers.

Given the lack of raw material in Europe and USA together with high costs there are good chances for further increasing exports from the Indian stone industry.

# Key Problem

There is, however, a big stumbling block :

Products from India are facing great difficulties in acceptance because their production allegedly does not meet the criteria of social compliance and environmental responsibility, especially in Europe and North America.

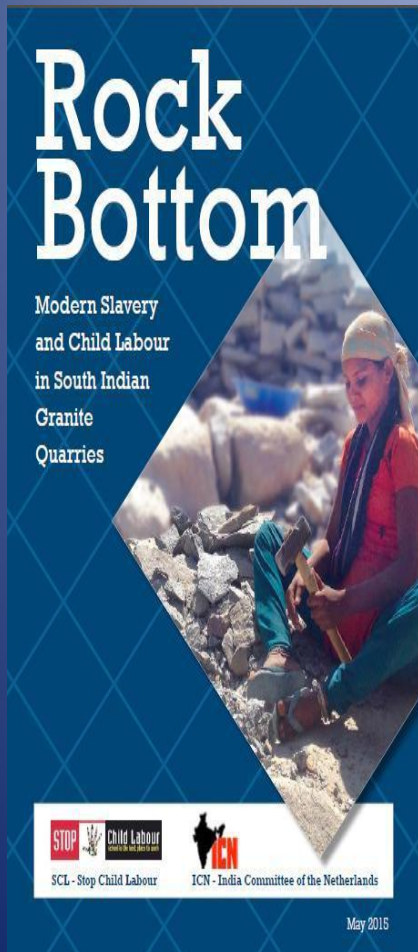
# Criticism Focuses on:

- The use of child labour
- Bonded labour
- Too low, exploitative wages
- Long working time (also on public holidays)
- Lack of health care and medical facilities
- Discrimination in different forms
- Use of health hazardous substances, etc.

# What is It

- Due to massive, propaganda of NGO's a large part of the population in western countries is convinced that especially grave stones, but also slates, tiles, cobble stones, etc are made by children.
- This “knowledge” is based on  
“TV films, radio reports, articles, studies”

# Examples



Recent examples which got a strong echo are:

- “The Rock Bottom - Modern Slavery and Child Labour in South Indian Granite Quarries”, a study of two Dutch NGOs: Stop Child Labour and India Committee of the Netherlands, May 2015.
- The report “Children’s Graves” in “Sueddeutsche Zeitung”, 4 March, 2016

These studies give a very negative picture of the situation in India’s stone sector. It is described as a mafia like industry.

# Reaction from India

- As a consequence of the permanent accusations political parties, prominent politicians and opposition leaders reacted. They asked for bans of Indian stones and use of domestic materials instead.
- Their minimum requirements are strict laws which safeguard that only stones without child labour and socially compliant production processes can be used. First steps are done for grave stones through laws for cemeteries and for the whole field of public purchasing.

# Actions of German State Governments

- In Germany the Federal States have taken the initiative. The Federal State of North Rhine-Westphalia (NRW) is preparing a law which should become valid in 2016. It is expected to only permit imports of reliably certified stones from India.
- Presenting the initiative for this law the MP from the Green Party said that in South India about **170,000 children** under the age of 14 years toil in quarries. One independent study which is under preparation speaks about **500,000 bonded labourers!**
- The NRW initiative is intensively monitored and accompanied by many other Federal States which are keen to follow this example.



# What can be Done

The intended import regime can have serious consequences. It is therefore high time that the Indian Stone Industry reacts. It has to be well prepared and must be able to:

- Show a clean image of the entire production process
- Offer comprehensive voluntary and reliable certification
- Organize positive PR supporting the brand image of “Make in India”

This must happen without any further delay.

Similar steps are necessary in other export industries

# IGEP Support

- This can be done with IGEP which has broad experience in the field of certification and image building.
- IGEP is working in India for more than twenty years in the field of the elimination of child labour, the introduction of socially responsible production and the use of environmentally friendly procedures.
- Important industrial sectors are the carpet industry, textiles & garments, shoes & other leather products, gift items (handicrafts), jewellery, natural stones and the food industry.

# IGEP Background

- IGEP is an independent advisory and consultancy company in the legal form of a Pvt. Ltd. For social activities (schools, health care and vocational training for the poor) the IGEP Trust is responsible.
- IGEP began his activities in February 1988 as a project of German Development Cooperation (GIZ / BMZ and Ministry of Commerce & Industry). Its goal was to increase Indian exports through improving the international competitiveness and guaranteeing flawless products from transparent and reliable companies.

# IGEP Background (Contd.)

- Exports were a decisive lever to safeguard jobs and to create additional employment and income for the poor, especially in less developed regions.
- Due to its successful work IGEP could build confidence and make many sustainable contacts all over India. In 2005, the project was terminated and at the request of the Indian partner continued as an independent advisory organization. The objective remained unchanged: advising SMEs and increasing their international competitiveness.

# IGEP Background (Contd.)

- IGEP main office is located in Gurgaon / NCR New Delhi.
- Branch offices are in Uttar Pradesh, Jharkhand and Tamil Nadu.
- Since the first checks of child labour in the carpet sector (1991) and the use of harmful chemicals in the leather and textile industries (1989 and 1993) test labs and control teams have been established.
- With the sister organization Rugmark Foundation which has been registered in 1994 an agreement has been concluded for mutual support in certification. Thus staff bottlenecks can be avoided. IGEP is able to carry out controls continuously and whenever needed and appropriate.

# IGEP Certification

- The IGEP stone certification has been started in 2009. It takes place at the request of Indian manufacturers and the foreign importers and processors.
- The Indian exporters have to provide a comprehensive list of their processing units, all quarries and transporters. This is necessary to cover the whole production chain (value chain) through certification. If material is bought from quarries of other owners this has also to be informed and controls must be done accordingly. The IGEP certification is from quarry up to shipping.

# IGEP Certification – Standards

- Because of the described situation in buying countries, the controls focus on strictly avoiding child labour.
- In addition the other aspects of social compliance and environmental responsibility are checked (e.g. wages, working time, discrimination, health & safety, hazardous chemicals).
- This is in line with the Indian legislation, the ILO regulations and with the IGEP standard ISES 2020. This standard has been introduced in 1995 and is the basis of many other standards which are used worldwide.

# IGEP Certification – Process

- The certification and all control visits are voluntary.
- The Indian client is informed about all steps before the first visit. He has to agree to surprise checks after the first control without prior announcement – at any time – at any location.
- For the certification a fee is to be paid. A part of this is used for social activities in favour of the less privileged groups of the society.



# IGEP Certification – Process (Contd.)

- After receiving all necessary information about the manufacturers / exporters and the quarries a first visit is agreed with the IGEP certifiers.
- All production and transport facilities as well as quarries are inspected. Comprehensive information and explanation is provided to the owner / managers / supervisors.
- The inspection team is introduced to all responsible persons.
- At the end of the inspection tour a corrective action plan is discussed (with time plan)

# IGEP Certification – Process (Contd.)

- The first visit is followed by un-announced inspections.
- As soon as the value chain is without social and environmental complaints a certificate is issued.
- This certificate is valid for one year. Surprise checks are carried out even after issuing of the certificate.

# Certificate



**IGEP INDIA**  
E-mail: info@igep.org  
Website: www.igep.org  
CIN: U74140DL2008NPTC185887

## Certificate

for

*"Name of the Company"*

The natural stones from India are without child labour. Production units and quarries are regularly supervised. The control and supervision is carried out by IGEP India in cooperation with the Rugmark Foundation India. In addition to child labour social standards and the payment of at least minimum wages are controlled.

The Indian export companies pay the agreed fee of the export value for the control work. All expenditures and incomes are subject to strict controls of the financial authorities and chartered accountants. They are fully transparent.

Gurgaon/New Delhi, .....

Valid till, .....

Indian companies are authorized to use this certificate for their promotional activities only. It does not cover the goods of other companies who may or may not possess a copy of this certificate.

Sharda Subramaniam  
Director

Dr. Dietrich Kebschull  
Chairman



# Validation of Certificate

- All products of the exporters are labeled. The label has a number with codes for supplier, buyer and order.
- The whole process is documented. So far, controls take place at least twice per year.

# Certificate – Overseas

- IGEP also works with buyers – at present 43 companies in Germany / EU.
- They get a certificate if all their suppliers from India are socially compliant.

# Image Building and PR

- The certificate is a decisive step for smooth development of stone exports.
- In addition it is highly recommendable to counter the negative propaganda by systematic PR.
- The objective is to create a positive and clean image for stones from India in all importing countries.

# Systematic Work and Target Group Orientation

- This image building exercise should comprise all media, i.e. newspapers, magazines, TV, radio and internet as well as studies / information brochures and leaflets.
- To be successful this work has to be regular, systematic and often repeated. Therefore social media like facebook, youtube, etc have to be fully used.
- The aim must be to cover all target groups, especially opinion leaders like politicians, academics, church leaders, trade unionists, administrators involved in public purchasing, builders, architects and planners, etc.

# Joint Planning

- Details of the activity plan and the time schedule will be worked out jointly with the industry.
- This will also include reporting about social projects which show the social responsibility of the stone sector.





# Thank You

You can reach us at:

IGEP

631-635, Apparel House, Sector 44

Gurgaon, Haryana 122003

Ph: 0124 4048273 / 77

Email: [info@igep.org](mailto:info@igep.org)

Website: [www.igep.org](http://www.igep.org)