

# Towards a Framework for Effective Codes of Conduct in the Tourism Industry

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A Comparative and Analytical Study of Codes of  
Conduct in the Tourism and Textile industry

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## **Abstract**

This report identifies outlines for a framework for effective codes of conduct in the tourism industry. Studies reveal a rise in codes of conduct, although the tourism industry is least developed compared to other industries. Comparing tourism codes of conduct with codes from another, more experienced, industry provides findings that need to be integrated in the framework. The textile industry is chosen for this comparison for its similarities, but more important, the existing differences between the two industries. Important findings are the different focus on social and environmental issues by the tourism and textile industries. Furthermore, the geographical focus of the codes of conduct, inclusion of standards and conventions and the implementation of tourism and textile codes differ. The explanation on these differences led to an analysis of the supply chain and the historical difference of both industries. Findings and conclusions are integrated in the framework for effective codes of conduct, which lead to more effective and structured tourism codes of conduct.

**Keywords:** Codes of Conduct, Tourism, Textile, Industry, Framework

## **Preface**

This report has been written as part of the MSc program of the study Leisure, Tourism and Environment of Wageningen University and Research Centre. The subject of this report came from the Retour Foundation, who currently follows the development of Corporate Social Responsibility within the tourism industry.

I would like to thank Frans de Man, director of the Retour Foundation for providing me with this challenging and interesting research subject on codes of conduct in the tourism industry and the guidance he gave me during my process of writing my mini-thesis. Furthermore I would like to thank my supervisors René van der Duim and Ferry van de Mosselaer, first of all for their time and input given to guide me through writing my mini-thesis. But also for making this an important and learning full experience for me.

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## **Summary**

Many scholars refer to tourism as one of the fastest growing industries worldwide. With this, tourism contributes to both positive and negative impacts on social and environmental aspects. Tourism is responsible for a large amount of environmental damage, either at the destination or by emission of CO<sub>2</sub>. But, as the fastest growing industry, tourism also contributes to important economical aspects, like sources of income. With this, tourism is linked with sustainability and to deal with this, Corporate Social Responsibility can be applied in the tourism industry. One of the tools to apply CSR within a company is through a code of conduct. In tourism, CSR and codes of conduct are less developed than other industries and far from widespread. A comparison of codes of conduct from tourism with textile codes of conduct leads to differences between the two industries. These differences lead to a framework for effective codes of conduct in the tourism industry. The main and most important differences between tourism and textile codes of conduct are subdivided in the focus, issues, structure, legal aspects and the implementation of the codes of conduct.

### **Focus**

In tourism, many codes are developed for the tourists, tour operators and the activities they undertake, while textile focuses more on companies, their suppliers and some codes also focus on manufacturing sites. Many tourism codes are developed by industry associations/ NGO's for tourism companies. However, textile codes of conduct are developed by initiatives, but even more codes are developed by brand companies themselves. Furthermore, textile has very few codes of conduct developed by NGO's. The geographical focus of codes of conduct in tourism is more destination focused, while textile is more worldwide oriented in their codes of conduct.

### **Issues**

Tourism codes of conduct exist which cover both environmental and social issues, although the main attention is given on environmental issues. Social issues are poorly attended to in codes of conduct. In textile, codes of conduct are in contradiction to tourism codes. Textile is highly concentrated on social issues and even though they acknowledge the environmental issues in their industry, this is much less attended to in codes of conduct. However, environmental issues in textile are more addressed through eco-labels.

### **Structure**

The differences of the foundation of a code of conduct is about including standards and conventions in codes of conduct. In textile this is done with every code. However, in tourism only one code includes standards. The content of a code of conduct is more explicit in textile, when developed by brand companies. Moreover, in textile the use of prohibitive language is more common than in tourism codes of conduct. In tourism, the content varies in codes of conduct developed for tourists and for tourism organizations.

## **Legal**

The main and important difference in legal aspects of tourism and textile codes of conduct is the involvement of standards and conventions in codes of conduct. In textile, codes of conduct are based on standards and conventions focussed on social issues. The guidelines that are developed for the codes of conduct are realized on these standards. In tourism, only one of the codes of conduct is based on existing standards.

## **Implementation**

The transparency of codes of conduct in tourism is lacking although textile codes of conduct overall have a good transparency. The poor transparency of tourism codes of conduct is due to the descriptive codes and absence of additional and educational information. Textile codes are better formulated and exist of good explanations and additional information, which lead to a good transparency. Monitoring of codes of conduct in tourism exists for tourism organizations. In most cases, monitoring is done by the developer of the code of conduct. Otherwise, the tourism organizations themselves are responsible for monitoring the code. While tourism mentions monitoring, it is only minimal. In textile, monitoring is well advanced in comparison with tourism. Developers of codes of conduct mention and clearly provide information on monitoring. Moreover, monitoring takes place in different ways e.g. own monitoring programs or own inspectors.

The findings that occur in the comparison are analysed, to justify the differences between the tourism and textile codes of conduct. Many of these differences are based on several important industry characteristics. The structure of the tourism and textile supply chains differs in direction. Tourists travel towards the product, whereas in textile, the product is produced and goes towards the consumer. This structural difference led to multiple differences in the codes of conduct of these two industries. The history of the textile goes further back than the history of the tourism industry. This makes textile a more experienced industry on aspects like labour issues and working conditions.

To conclude this research, the main aspects that require inclusion in the framework for effective codes of conduct are first of all the integration of social and environmental standards in tourism codes of conduct. Second, a broad scope for universally or globally applicable codes of conduct should be included in a framework. Furthermore, attention to social issues in codes of conduct and the implementation of codes are included.

Based on the results of this research and the framework for effective codes of conduct, several recommendations are made for possible future research. These recommendations are divided in two groups. First, recommendations are based on the framework for effective codes of conduct in the tourism industry. Advice is given on the aspects that are included in the framework and conclusions that are drawn for the framework. Second, recommendations are based on further investigation on codes of conduct. Possible future research on aspects that create more profound insight and knowledge on codes of conduct in tourism are described.

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## Abbreviations

AITO	The Association of Independent Tour Operators
ASTA	American Society of Travel Agents
BSCI	Business Social Compliance Initiative
CSR	Corporate Social Responsibility
ECPAT	End Child Prostitution, Child Pornography and the Trafficking of Children for Sexual Purpose
GSCT	The Global Sustainable Tourism Criteria
IATA	International Air Transport Association
ICC	International Chamber of Commerce
ICT	Information Communication Technology
ILO	International Labour Organization
ISO	International Organization for Standardization
NGO	Non Governmental Organization
OECD	Organization for Economic Cooperation and Development
TOI	Tour Operators Initiative
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNWTO	United Nations World Tourism Organization
WWF	World Wildlife Fund

# 1. Introduction

Nowadays, tourism is one of the fastest growing industries worldwide. Tourists are willing to spend more money on their vacation than they would spend during a daily life activity. Tourism is seen as an escape from reality, from work and daily pressure of life (Fleckenstein & Huebsch, 1999). Through this growth, tourism contributes to social and environmental impacts at the destinations visited. In order to deal with these impacts, Corporate Social Responsibility can be applied in the tourism industry.

Corporate Social Responsibility is about the linkage between business and society. It is a concept which companies can apply in their business and through which they find a balance between environmental protection, meeting the social needs and the economic aspects, being profitable (Mancama, 2010; Garriga & Melé, 2004; Utting, 2000). Companies who implement CSR in their business can do so through, for example, the development of codes of conduct. Recent years have seen an increase in codes of conduct (Jenkins, 2001). Codes of conduct are a written document in which an organization communicates their ethics, both internally and externally. There are two main characteristics of codes of conduct, which are; codes of conduct aim to influence behaviour and most codes are voluntary (Mowforth & Munt, 2009). However, in order for codes of conduct to remain a reliable tool, it is important to focus and improve the monitoring, implementation and reporting of the codes (Genot, 1995). Moreover, obstacles and problems exist in the use and development of codes of conduct. In order to deal with these obstacles and reach for a tool for the development of effective codes of conduct in the tourism industry, a comparison with textile industry is valuable due to the differences and important similarities between these two industries. In chapter 2 these aspects and an analysis of both industries is provided.

In the case of the tourism industry, obstacles exist on the wide variety of stakeholders involved in codes of conduct, e.g. tour operators, travel agents, host communities or tourists (Dubois, 2000). Due to the involvement of many different stakeholders, complexity exists in the supply chain. Moreover, this complexity leads towards difficulty in monitoring of codes of conduct. Furthermore, many of the codes in the tourism industry vary, since different sectors are involved (Dodds & Joppe, 2005). Mowforth and Munt (2009) recognize multiple issues with codes of conduct in tourism, including; monitoring and evaluation of a code and codes used as a form of marketing (greenwashing). Research executed by Smith and Feldman (2003) revealed that tourism, in comparison with other industries, is the least developed in the usage of codes of conduct and far from widespread.

In the textile industry, research on codes of conduct in production and consumption shows that the focus of these codes lays on the production of the textile products. However, the phases before the production are not taken into account. One can think of for example growing of cotton or making of thread. In the textile industry a complexity is also acknowledged in the supply chain, due to the

involvement of different stakeholders. Finally, also problems exist in the transparency and monitoring of codes of conduct in the textile industry (Bushmovich et al., 2001).

In order for tourism companies to use codes of conduct as a tool to implement CSR, focus on economical, social and environmental aspects is needed. To reach effectiveness in codes of conduct and to deal with problems on codes in the tourism industry, research is carried out on codes of conduct in the tourism and textile industry.

## **1.2 Problem Statement**

More industries apply CSR in their business through the use of codes of conduct. Codes of conduct have seen an increase in recent years. However, research revealed that CSR and the use of codes of conduct in the tourism industry are least developed and far from widespread, compared to other industries (Smith & Feldman, 2003).

To improve tourism codes of conduct in their use and development, it is important to analyse and compare codes of conduct from the tourism industry with an industry that is more advanced on codes, the textile industry. A comparison between these two industries gains profound insight in the differences and similarities on the development and working of the codes of conduct. Based on the findings of this comparison, an analysis is executed. The results lead to the outcomes which need to be integrated in a framework for effective codes of conduct for the tourism industry.

This research is a preliminary research on Corporate Social Responsibility. The Retour Foundation, as a social organization, critically follows the developments within Corporate Social Responsibility (CSR). As part of a broader research into CSR in the tourism industry, Retour currently focuses on codes of conduct in the tourism industry. To contribute to the development on CSR in relation with codes of conduct, this preliminary research is performed as an inventory on codes in the tourism industry.

## **1.3 Scientific Objectives and Research Questions**

The main objective for this research is *to identify outlines for a framework for effective codes of conduct in the tourism industry, by a comparative and analytical study on codes of conduct in the tourism and textile industry, in order to identify differences for the development of codes of conduct in the tourism industry.*

First, research is performed on existing codes of conduct which are examined. As a consequence, a comparative study is executed on the codes of conduct from this research. Third, an analysis is performed on existing codes of conduct in the tourism and textile industry, based on the most important issues, which are social and environmental aspects. Eventually this leads to outcomes for a framework, a tool for the tourism industry to make use of when developing a code of conduct.

Furthermore, based on the main objective the following research objectives also apply to this research:

- To examine and compare codes of conduct for the tourism and textile industry
- To analyse codes of conduct for the tourism and textile industry

The following research questions aim to achieve the objectives and desired outcome:

1. To examine and compare codes of conduct for the tourism and textile industry
  - *What is available in codes of conduct in the tourism and textile industry based on the most important issues; social and environmental?*
  - *What are the main findings on codes of conduct in the tourism industry?*
  - *What are the main findings on codes of conduct in the textile industry?*
2. To analyse codes of conduct of the tourism and textile industry
  - *What are outcomes from a comparison between the two industries?*
  - *What are the main differences in the codes of conduct that are compared?*
  - *How are these main differences rationalized?*
  - *How can the results be implemented in a framework?*

## 1.4 Methods

There are two main aspects within this research, the comparison of the codes of conduct and the analysis on the differences of tourism and textile codes of conduct. The examination and comparison of codes of conduct is based on the general understanding of codes of conduct and the inventory of codes of conduct in both the tourism and textile industry. The information is collected through literature review based on relevant scientific articles. The search for existing codes of conduct is performed through Google Web Search. Overall, search terms as *environmental/ social codes of conduct for tourism/ textile* are used. The search for codes of conduct in tourism and textile was random. Furthermore, I have been selective in the existing tourism codes of conduct for the tourist. Although the main focus of codes of conduct lies on industry focused codes, also tourist codes were included. Still, a selection took place since many codes of conduct for tourists exist. Through random selection, the final result for tourism codes came at twenty-seven, but more codes of conduct exist. The second part of this research is based on an analysis of the main findings of codes of conduct. This is an analysis of the main findings and differences between the codes of conduct of the tourism industry and the textile industry.

The data for this research, in order to execute the analytical and comparative study is secondary data. The data is collected through the documents, scientific articles and information gathered from the secondary sources. The latter relates to information that is gathered from websites of companies. Online web search tools like Google are used to gather information and search for codes of conduct and additional information.

## **1.5 Report structure**

The first section of this research provides a theoretical framework. Relevant theories concerning this research are provided and analysed. First, a justification of the comparison of tourism and textile is presented. Next, literature on CSR, codes of conduct and effectiveness is described. In all three cases, literature is analysed of both the tourism as well as the textile industry. Finally, a conceptual framework is provided in which aspects for the examination and comparison of the codes of conduct are described.

In chapter 3 the findings on existing codes of conduct are described. The findings of both tourism and textile codes of conduct lead to a comparison of these codes. Through these differences, an analysis takes place between the two industry codes of conduct. This finally leads to a critical review on the codes of conduct in the tourism industry.

Conclusions and recommendations on any further research of this topic are described in chapter 4. First, conclusions on the problem statement and research questions are provided. Next, the conclusions provide a start for a framework for effective codes of conduct. Followed from this, recommendations are given on possible future research on excluded aspects in this current research.

## 2. Theoretical Framework

Recent years have seen the rise and development of codes of conduct. Codes of conduct are a tool to educate and influence the behaviour of tourists at their destination or employees within an organization. They are a widely used tool by different industries and are characterised by two points. First, as mentioned above, codes aim to influence behaviour and attitudes. Second, almost all codes of conduct are voluntary (Mowforth & Munt, 2009). In the tourism industry, codes of conduct are used among different stakeholders involved in the supply chain (Cole, 2007).

With the use of these different codes of conduct, various problems exist. In the tourism industry problems arise in for example monitoring and the variety of codes due to the multiple sectors involved in tourism. The textile industry also recognizes problems in monitoring of codes, but also the transparency of a code. Furthermore, problems exist in the different sectors of the supply chain of textile e.g. the production phase, which are not included in codes of conduct. In order to reach outlines for a framework, a document with criteria and aspects for effective codes of conduct in the tourism industry, first it is important to clarify the basis for this comparison. Therefore, several theories are examined on the supply chain, Corporate Social Responsibility and codes of conduct, to know what it entails and how they are used. Furthermore, these theories are elaborated on both the tourism and textile industry, since these two industries are compared for this research. Finally, effectiveness is analysed, based on the relation of effectiveness with codes of conduct.

### 2.1 Supply Chain

The supply chain is defined as “an integrated process wherein a number of various business entities (i.e., suppliers, manufacturers, distributors, and retailers) work together in an effort to: 1) acquire raw materials, 2) convert these raw materials into specified final products, and 3) deliver these final products to retailers” (Beamon, 1998, p. 281). Moreover, a supply chain is characterized by a forward flow of goods/ materials and a backward flow of information (Zhang, Song & Huang, 2009; Nordas, 2004; Beamon, 1998). Next to the general definition, a supply chain implies a ‘two-party relationship’ between the suppliers involved in the chain (Zhang et al., 2009). All the organizations in a supply chain have a relationship with other entities, like governments, suppliers or distributors (Zhang et al, 2009). This two-party relationship is divided in horizontal and vertical relationships. The horizontal relation refers to homogeneous players of the supply chain on the same level, which generally have overlapping capabilities. The vertical relation indicates the heterogeneous players, which do not have overlap capabilities (Zhang et al, 2009). With a vertical relation a much wider perspective exist with consideration of all stakeholders (Seuring, 2004). Fisher (1997) examined a supply chain based on a

product, starting with important characteristics for a company's product; product life cycle, demand predictability, product variety and market standards for lead times and services.

Both the tourism and textile supply chain are analysed on corresponding characteristics. Consequently, the two industries are examined on similarities and differences in the supply chain, in order to justify the comparison of the tourism industry with the textile industry.

### 2.1.1 Tourism Industry Supply Chain

The tourism industry has a wide range of suppliers and components. Through a supply chain, these suppliers and components are linked together (Page, 2003). Zhang et al (2009) developed one general definition for tourism supply chain, which is based on different literature in the tourism industry on supply chains:

“a network of tourism organizations engaged in different activities ranging from the supply of different components of tourism products/services such as flights and accommodation to the distribution and marketing of the final tourism product at a specific tourism destination, and involves a wide range of participants in both the private and public sectors” (p. 347).

Within the supply chain of the tourism industry, as mentioned above, many components are involved. It is important to acknowledge that these components are not only the 'obvious'; transportation, accommodation and excursions, but also components at the destination; e.g. local restaurants and bars, waste disposal, the infrastructure or handicrafts (Zhang et al, 2009; Tapper & Font, 2004; Page, 2003). Remarkable for the tourism industry is that the supply chain goes the opposite direction, in contrast to the other industries. The tourist travels 'upstream' for leisure experiences, towards their product at the destination. They choose a product and destination, but also the retailer. Consequently, after choosing the booking medium and possible packages with a tour operator, the actual 'holiday package' is assembled (Tapper & Font, 2004; Page, 2003; Leiper, 2008). Figure 1 shows a typical supply chain of the tourism industry.

Figure 1 A Typical Tourism Supply Chain



Note: From Page, 2003

The supply chain also refers to a two – party relationship either horizontal or vertical, as indicated earlier. The tourism supply chain is characterised as a high demand uncertainty and complex dynamics, based on the competition among different providers. Furthermore, the tourism industry is complex, due to the involvement of a wide range of sectors (Zhang et al, 2009). Not only transportation, excursions and accommodation, but also souvenirs or restaurants are included. For a company, this wide variety of components in the chain creates complexity. Moreover the tourism industry is heterogeneous and a ‘coordination – intensive’ industry. Different products, services and sectors are bundled together to develop the ‘final tourism product’. These three characteristics are important aspects for the vertical relationship in the supply chain. The vertical relationship refers to the relationship between different players in the supply chain, for example between a tour operator and the accommodation. However the relationship between players of the same sector of the supply chain indicates a horizontal relationship between e.g. hoteliers or airlines (Zhang et al, 2009; Lafferty & Van Fossen, 2001).

Globalisation in tourism has changed the industry structure, business practices and strategies due to major developments on Information Communication Technologies (ICT) (Porter, 2001). Through the use of Computer Reservation Systems (CRSs) and the internet, the business practices changed (Buhalis & Law, 2008). Internet provides the tourist with information on airlines, holiday packages or accommodation (Buhalis & Law, 2008). Tourists now have different choices for a booking channel, which leads to a changing supply chain where certain chains get excluded, for example the travel agent. Throughout the supply chain, the tour operators have a lot of influences, because of the tourism flows at destination and facilities. Due to this, they also play an important role in sustaining the supply chain for their products (Zhang et al., 2009; Tapper & Font, 2004). In order to sustain the supply chain, a code of conduct can be developed on CSR approaches including all the suppliers of the chain (Kolk et al., 1999; Pedersen & Andersen, 2006). The focus of sustaining tourism products in the tourism supply chain mainly lay on environmental issues (Tapper & Font, 2004). Environmental issues at destination include for example waste, water scarcity, emission or pressure on nature (IDH, n.d.). However the focus on environmental issues is also important throughout the supply chain. This leads to the development of codes of conduct for tour operators or other chains on environmental aspects. Moreover, now also social issues are more addressed. Among social issues are fighting against child sex tourism (Tapper & Font, 2004).

### **2.1.2 Textile Industry Supply Chain**

The supply chain of the textile industry is characterised as heterogeneous, highly diverse and complex (Bruce, Daly & Towers, 2004). Moreover, this industry has a short product life cycle and a volatile and unpredictable demand (Bruce et al, 2004; Cooper, Rayson, Botchway & McCafferty, 2005). In most cases in the textile industry, products are sourced through suppliers, who in their turn use subcontractors. This leads to the involvement of a lot of different parties, in a relatively long supply chain, which causes the complexity. Furthermore, globalisation is a key factor in the textile supply chain, due to the many companies that move the manufacturing towards countries with lower labour costs like East Asian countries (Bruce et al, 2004; Graafland, 2002). These characteristics lead to issues and attention towards

first and most important, social aspects like working conditions, child labour or wages. Larger brand companies address these issues in their supply chain, through codes of conduct. These codes are developed for labour standards in the manufacturing countries, mainly overseas low wage countries. However, even with the use of codes of conduct, still working conditions are poor. Mainly, the working conditions and labour standards are frequent problems (Van Yperen, 2003). Second, a focus on environmental aspects exists. The environmental impact of the textile industry is significant throughout the supply chain. Most typical are water pollution, waste or emission during the production stage (IDH, n.d.; Van Yperen, 2006; Smith & Feldman, 2003).

Graafland (2002) describes the supply chain of textile as complicated and existing of several stages. In this, the start of a textile chain lies with the raw materials like design, collection and samples. From the raw materials, next the production of textile takes place. This includes the cotton production, knitting, bleaching and dyeing. The following stage is the garment assembly, the cutting and stitching of the fabric, followed by the distribution and sale of the products (Graafland, 2002; Nordas, 2004; Seuring, 2004). Figure 2 shows a textile supply chain. For all the stages of the textile chain, Graafland (2002) argues that it is possible to apply each stage towards different countries. Characteristics of textile industry indicate a vertical relationship in the supply chain. The different players involved in the supply chain are linked with each other, for example the production of materials and the production of the piece of clothing (Seuring, 2004).

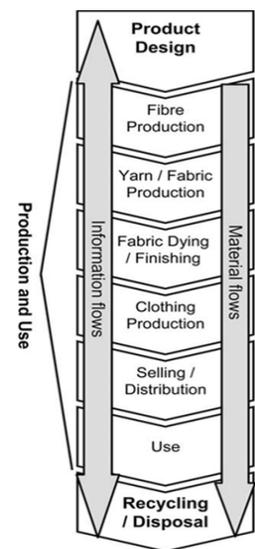
The textile industry is often combined with the clothing industry, since textile and clothing are closely related. This is both in terms of trade policy, as well as technological (Nordas, 2004). Furthermore, textile provides input to the clothing industry, creating linkages. Next to the linkage between textile and clothing, scholars sometimes refer to these two as apparel industry (Nordas, 2004). Throughout this research the term textile industry is used to indicate textile.

### 2.1.3 Comparison Tourism and Textile

As seen in the previous two paragraphs, both tourism and textile have several similar as well as different characteristics to define their industry. Leiper (2008) discussed multiple methods for defining the tourism industry. With this, he came with seven different approaches to identify an industry. From these seven approaches, two approaches are important for the comparison between tourism and textile industry. These two are the cooperation among suppliers in markets and strategic management. Furthermore, other differences and similarities that became apparent through the examined theory are described.

First, cooperation in an industry is discussed. Leiper (2008) described cooperation as widely practiced, especially for business organizations participating in an industry. For the tourism industry, Leiper

Figure 2 Textile Supply Chain



Note: From Seuring, 2004

acknowledged multiple (sixteen) cooperation's between suppliers. All these different forms are based on vertical cooperation, for example the linkage between tourist and travel agent and that of the travel agent towards tour operators. The textile industry is also characterized by vertical cooperation between suppliers in their supply chain, for example the production phase and the processing phase of material. Second, the strategic management of industries is analysed through the industrial chains of tourism and textile. For this industrial chain, two components are acknowledged, i.e. upstream and downstream. The supply chain of the tourism industry operates in reverse direction, the tourist travels 'upstream' towards their leisure experience. For the textile industry, or any other industry, products and goods are transported downstream (Leiper, 2008). In case of the textile industry, the focus lies on the start of production of material and other aspects of textile and then working towards the customer. Continuing on the industrial chains of tourism and textile, third an important similarity exists between the two industries. Both tourism and textile focus on environmental and social issues in their supply chain. The main issues acknowledged in tourism are the environmental problems and for the textile industry the social issues, due to a labour intensive industry. However, the tourism industry also focuses on social issues due to e.g. sex tourism, as well as textile focuses on environmental problems related to manufacturing textile. These issues stand central in both industries, which is shown by their attention on sustaining and improving this, through for example codes of conduct. Fourth, the focus of the industries is different. The textile industry is product oriented. They provide tangible products that a customer can touch and see when purchased. The tourism industry is service oriented and most of their products are intangible. Tourists book a holiday based on the presentation and information provided by e.g. tour operators. The tourism products are produced once the tourist is at the destination. This means that the tourism industry is depending on information and the way this information is presented and provided to tourists (Zhang et al, 2009). Fifth, the tourism industry deals with the involvement of many different components, while textile is labour intensive due to a lot of outsourcing. The product of the tourism industry has a high service component; a holiday experience for a tourist involves a higher amount of people. Textile is a labour intensive industry where a company sources their products through suppliers, who in their turn use subcontractors. This makes it more difficult for a textile company to keep track of the complete production. Finally, in order for the tourism industry to have a future, it is important to focus on sustaining companies and destinations. Although textile also focuses on sustaining their industry, here it is more a matter of sustaining environmental problems like the use of chemicals, water pollution and protection of employees (IDH, n.d.)

The reason for the comparison between the tourism and textile industry, even though the supply chain shows differences between the two industries, are the important similarities on the products both industries have. Tangible or intangible products, these industries show similarities in important issues which are present in both industries. Both industries take high responsibility for social and environmental issues. These critical aspects are the main focus in codes of conduct developed by these industries. Therefore, this research examines, compares and analyse codes of conduct on the environmental and social issues of both industries. These issues mainly address problems at the destination, for the tourism industry the end of a supply chain and for textile the production phases, the beginning of the chain. However, environmental issues of both industries will also be addressed on other parts of the supply chain.

## **2.2 Corporate Social Responsibility and Codes of Conduct**

Codes of conduct are a widely used tool and a key instrument of Corporate Social Responsibility (CSR). Jenkins (as cited in Lund – Thomsen, 2008) clarifies this relation of codes of conduct with CSR as a tool for companies to manage their supply chain in a socially and environmentally responsible way. Many scholars also refer to this link as the corporate codes of conduct (Jenkins, 2001; Kolk & Van Tulder, 2005; Fennell & Malloy, 2007; Levis, 2006 and Raiborn & Payne, 1990). Levis (2006) explains this as “self-regulatory instruments that address the issue of their social, environmental and human rights externalities” (p. 50).

CSR is a concept that companies can apply in their business. It is a corporate self regulation with focus on the so called ‘triple bottom line’, which refers to people, planet and profit (Mancama, 2010). Furthermore, through for example codes of conduct, companies are able to emphasize on CSR practices within their organization (Monshausen & Fuchs, 2010 and Jenkins, 2001). Different scholars elaborate on CSR on a theoretical level. In order to gain insight on CSR, several theories and characteristics of various scholars are analysed. Through the provided theory, the relation of CSR with codes of conduct is also explored to gain understanding of this connection. Moreover, a distinction is made between CSR practices in general and CSR in the tourism and textile industry to become aware of the specific CSR aspects that stand central in these industries.

### **2.2.1 Corporate Social Responsibility Practices**

The notion Corporate Social Responsibility first appeared in the beginning of the twentieth century in the United States (Frederick, Post & Davies, as cited in Kolk, Van Tulder & Welters, 1999). After its rise, CSR diminished during the Second World War, to re-emerge in the mid-1950. Since then, CSR has grown over the last couple of years (Garriga & Melé, 2004). The growing importance of CSR, worldwide, is shown through the development of the international standard ISO 26000 (Guidance of Social Responsibility). ISO 26000 is a voluntary guidance for organizations in CSR, adds value to existing work on CSR and extends the understanding and implementation of CSR (ISO, 2010). The growth of CSR has led to many theories, terminologies and approaches (Garriga & Melé, 2004). As a consequence, this has resulted in combinations of different theories and approaches and misunderstood terminologies among different scholars. Votaw (as cited in Garriga & Melé, 2004) describes this as “corporate social responsibility means something, but not always the same thing to everybody” (p. 51). Scholars approach CSR differently and elaborate on diverse aspects of CSR, e.g. corporate social performance, focus on social integration (Wood, 1991), the economic aspects (Friedman, 2007) or, for example, social responsibilities of business (Davis, as cited in Garriga & Melé, 2004). Next to the concept ‘Corporate Social Responsibility’, also corporate social responsiveness and corporate social performance are frequently used (Wood, 1991; Carroll, 1991; Kolk et al., 1999). For this research, theories are addressed that focus on multiple approaches within CSR, e.g. economic, social and environmental, but also ethical aspects.

In order to create clarity in CSR, Garriga and Melé (2004) positioned different theories of CSR in four groups/ approaches; instrumental theories, political theories, integrative theories and ethical theories. The instrumental theories refer to the economic aspects, which are considered in the relationship between business and society. With political theories, the authors explain that CSR is “focusing on a responsible use of business power in the political arena” (p. 63). Carroll (1991) refers to this as legal responsibilities for businesses. He describes the importance of obeying the law and to ‘play’ the rules of the game. To include legal responsibilities is the “society’s codification of right and wrong” (Carroll, 1991, p. 42). The integrative theories focus on the integration of social demands. With this, it is argued that a business depends on society for its growth, existence and continuity. Last, the ethical theory refers to the relationship between business and society, and the focus of the ethical requirements within this relationship (Garriga & Melé, 2004).

Van Marrewijk (2003) distinguishes three CSR approaches. First, and most important, is the shareholder approach. This approach is in line with the group ‘instrumental theories’ from Garriga and Melé (2004). Friedman (2007) refers to this approach as “the only one responsibility of business towards society is the maximization of profits to the shareholders within the legal framework and the ethical custom of the country” (p. 53). Kolk, Van Tulder and Welters (1999) discuss the profitable aspects in the history of CSR. Already in the beginning of the twentieth century was there mention that in a business it should not only be about profit making. From this, the charity principle arose where the more fortunate people take care of less fortunate in a society (Kolk et al., 1999). Later, the charity principle became known as ‘corporate philanthropy’, to be a good citizen (Kolk et al., 1999; Carroll, 1991). Second, Van Marrewijk describes the stakeholder approach. Freeman (as cited in Van Marrewijk, 2003) indicates that not only the shareholders perspective of an organization is important, but also the stakeholders interest. Third and last is the societal approach, which is also seen as a broader view on CSR. Here, business is responsible for the society in which they operate (Van Marrewijk, 2003).

The relation of Corporate Social Responsibility with codes of conduct is analysed by Kolk, Van Tulder and Welters (1999). Wood (1991) stated that Corporate Social Responsibility is the basic idea of business and society interlinked with each other, rather than two separate entities. In this linkage, codes of conduct are seen as a form of agreement between a business/ company and the society (Pedersen & Andersen, 2006). This link is the reason for codes of conduct to focus on CSR (Kolk et al., 1999). In order for codes of conduct to improve CSR, Kolk, Van Tulder and Welters (1999) say that codes intent to influence the behaviour of business within a society, through rules, guidelines or recommendations. Codes of conduct can be designed as a tool for a single company to address different approaches of CSR. However a company can also adopt and implement a code of conduct for all suppliers in the supply chain to focus on CSR and issues in CSR practices (Kolk et al., 1999; Pedersen & Andersen, 2006; Van Yperen, 2006). For all industries apply that human rights, environment and labour standards are at the centre of CSR practices (Monshausen & Fuchs, 2010). Moreover, both internal as external stakeholders need involvement as a key reason of CSR (Joseph & Shanmugha Velayutham, 2010). For the usage of codes of conduct, these approaches should be included, in order for a company to focus on CSR. In paragraph 2.3 the codes of conduct are further analyzed.

When analysing CSR theories it can be concluded that most important characteristics are the involvement of stakeholders, both internal and external. Aspects like economic, social, political/ legal and ethical approaches are central in different CSR practices. These are the aspects that are covered by codes of conduct to emphasize on CSR within a company. In order to gain more insight in specific sectors and their focus on CSR, both the tourism and textile industry are analysed.

### **2.2.2 CSR Practices in the Tourism Industry**

By now, it is clear that the main attention of Corporate Social Responsibility goes toward environmental, social and economic aspects within a company. However, for the tourism industry, it seems they have to bear in mind some aspects outside of their business. They need to focus on other aspects of the supply chain, concerning the destinations that are sold, environmental impact and societies of the tourism products (Henderson, 2007). Tourism is a service which is provided by people and supply experiences in visited countries, including transportation, accommodation and entertainment (Zhang et al., 2009; Henderson, 2007; Tapper & Font, 2004). Therefore, tourism companies not only focus on their own company, but also seriously focus on the destinations that are sold by the company (Henderson, 2007) and other components in the supply chain. Nicolau (2008) explains how CSR in tourism contribute to social forces through economic and non- economic mechanisms. Economic mechanism relate towards a company's performance as well as the effect this performance has on the society. The non-economic view is the contribution of CSR towards a society on, for example, fund raising (Nicolau, 2008). Furthermore, CSR practices include fundamental principles of sustainability to ensure the sustainability of tourism on tour operation, airline and the hotel sector (Henderson, 2007). However, research executed earlier by Smith and Feldman (2003) revealed that the tourism industry was the 'least developed industry' for both CSR initiatives and codes of conduct. Especially the usage of codes for CSR was minimal in the tourism industry. Moreover, through the executed research, focus points for the tourism industry (environmental and social issues) stand central (Smith & Feldman, 2003; Tapper & Font, 2004).

For tourism companies in the Netherlands to focus on CSR and to sustain their company and supply chain, the Dutch Association of Travel Agents and Tour Operators exist (ANVR, 2010). This association focuses on sustainable corporation in the tourism industry (*DTO – Duurzaam Toeristisch Ondernemen / Sustainable Tourism Entrepreneurship*). Next to profit and continuity, organizations focus on environmental and social aspects. An organization takes responsibilities and takes care of all decisions that are taken on social and environmental level (ANVR, 2010).

### **2.2.3 CSR Practices in the Textile Industry**

In the textile industry, CSR is seen as an important practice. This is due to the labour intensity and the impacts this sector has on the environment. Research executed by Van Yperen (2006) clarifies that the textile industry emphasizes on 'social' aspects of CSR as well as the environmental impacts this sector

has (Smith & Feldman, 2003). In order for companies to deal with these issues, CSR is implemented to prevent these issues, for companies to have a 'licence to operate' and for the satisfaction of the consumers. Unlike the tourism industry, where a branch organization focuses on CSR for companies, textile has a branch organization (Association of the Netherlands Textile Industry, VTN) which is however more acting as a 'voice' for the interests of companies (VTN, n.d.). In order for textile to focus on CSR and implement this in their company and supply chain, codes of conduct are developed which is achieved through standards and conventions, like ILO, UN declaration and ISO. Alongside worldwide standards and conventions also CSR standards are developed which act as a guideline for companies. These include for example World Business Council on Sustainable Development or OECD Guidelines for Multinational Enterprises. These CSR guidelines are approaches where social, environmental and economical aspects are included (Van Yperen, 2003). In conclusion, codes of conduct in textile are developed mainly on standards, conventions and CSR guidelines.

Gunay and Gunay (2009) acknowledge the value of consumers of textile towards these standards. Furthermore, Gunay and Gunay (2009) expound on other characteristics for the textile industry to be dominating on the social and environmental aspects of CSR. First of all, the textile industry deals with intensive labour power. Second, two issues are acknowledged in this sector, i.e. safety and health. Third, the negative impact on the environment that may be caused by this industry is recognized.

For CSR to be effective in the textile industry, Cooke and He (2010) emphasize on the importance of strong ethical and moral commitment from business community and good regulatory institutional environment. In the textile industry, for example in China, short – term relationship between buyer and supplier are very common. This is due to competing prices and quality among companies, but also more outsourcing of manufacturing and moving towards low wage countries (Cook & He, 2010; Bruce et al, 2004). For this reason, the involvement of textile companies in CSR on e.g. labour, commitment and environment is so important.

#### **2.2.4 Conclusion**

Since codes of conduct are an important tool for Corporate Social Responsibility, it is only logic to analyse this practice. Overall, CSR focuses on the 'triple bottom line', people, planet and profit, also referred to as social, environmental and economical aspects. Characteristics for CSR practices are economical, social, ethical and legal aspects. Codes of conduct are used as a tool to implement CSR within a company. To include CSR, the characteristics and approaches of CSR are inserted. In case of the tourism industry, the branch organization Dutch Association of Travel Agents and Tour Operators focus on implementation of CSR in tourism companies. The textile industry does have a branch organization. However this association acts as a 'voice' for textile companies. The focus of textile companies on CSR is reached by including standards and conventions in codes of conduct. Finally, the distinction between CSR in tourism and textile reveal important industry characteristics, which need to be considered. For the tourism industry these are the visited destinations, the product for tourism. Moreover, codes of conduct and CSR in the tourism industry are minimal and needs more attention. Furthermore, not only a

company itself, but also other aspects of the supply chain needs to be included. The textile industry clearly indicates the importance towards the environmental issues and labour aspects. But also the commitment of other companies, like suppliers, on CSR is important.

## **2.3 Codes of conduct**

Codes of conduct go as far back as the 1970/ 1980's when "international social and environmental behaviour of multinational companies was very controversial" (Kolk & Van Tulder, 2002, p. 1). International organizations like ILO (International Labour Organization), the United Nations and OECD (Organization for Economic Cooperation and Development) were one of the first on the idea of codes of conduct for multinational corporations (Kolk & Van Tulder, 2002; Jenkins, 2001). In the case of the tourism industry, the main focus of codes was to raise awareness and influence behaviour among organizations, both internally (employees) and externally (tourists) (Fennell & Malloy, 1998). It was not until the 1990's that, during the United Nations Conference on Environment and Development, the Earth Summit that was held in Rio, the focus of environmental concerns of the industries went towards the implementation of codes of conduct. This has been recorded in Agenda 21. In order to reach sustainable development, the development, adoption and implementation of codes of conduct by industries is desirable. Chapter 30 of Agenda 21, '*Strengthening the Role of Business and Industry*' state that: "business and industry, including transnational corporations, should be encouraged to adopt and report on the implementation of codes of conduct promoting best environmental practices" (UNEP, 1995, p. 3; UN, 1993). To gain understanding in codes of conduct, first a definition is given on what codes of conduct stand for. Consequently, codes of conduct are analysed on development, voluntary initiatives and ethics.

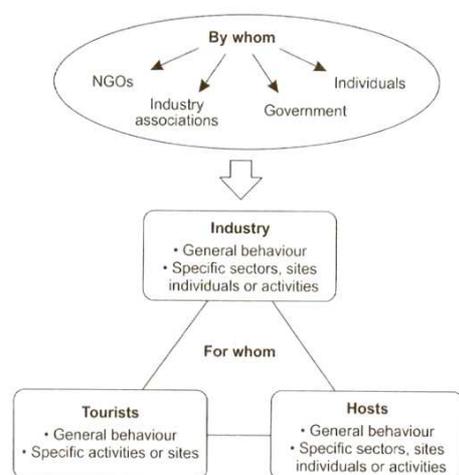
### **2.3.1 Definition of a Code of conduct**

Codes of conduct are generally a voluntary initiative, self-imposed and designed to act as a form of self-regulation (Mason and Mowforth, as cited in Mason, 1997). Through a code of conduct, the culture of an organization is represented and they communicate their ethics both internally to employees and externally to clients and the public (Malloy & Fennell, 1998). Consequently, this leads to codes of conduct as a tool to raise awareness and influence behaviour. In the tourism industry, this is an approach towards the tourist, industry and host. The textile industry focuses on consumers, companies and producers (Bushmovich et al., 2001; Fletcher, 2008).

### **2.3.2 Development of Codes of Conduct**

The development of codes of conduct in the tourism industry is subdivided according to codes 'developed by whom' and 'for whom' (Fennell and Malloy, 2007). Figure 3 provides a schematic overview of the development of codes of conduct.

Figure 3 Codes of Ethics: By whom and for whom



Note. From Fennell & Malloy, 2007, p. 44

Genot (1995) acknowledges three groups by whom codes of conduct in the tourism industry are developed; government, NGO's and industry associations. Furthermore, Fennell and Malloy (2007) recognize a fourth group, codes developed by individuals, which refers mainly to tourism scholars, with a focus on influencing behaviour. The target group of codes of conduct for the tourism sector are the industry, tourists and hosts (Mason & Mowforth, as cited in Fennell & Malloy, 2007). The visitor is the most significant target group, measured by the amount of codes of conduct. In 1994, the World Travel and Tourism Research Council (WTTRC, as cited in Mason, 1997) already listed around 80 codes for the tourist. Even though the tourist is most addressed by codes of conduct, this research focuses on codes of conduct developed for the industry. In order to

reach sustainable development among different target groups (industry, tourist, host), it is important to focus first on the business, industry and transnational corporations. Agenda 21 explains that industry, business and transnational corporations play a crucial role in the economic and social development. Furthermore, it is important that industry, business and transnational corporations should participate in activities from Agenda 21, in order to reach sustainability (UN, 1993). In conclusion, the focus of this research lies on codes of conduct developed by NGO's, industry associations, government and possible individuals for the industry.

The development of codes of conduct acknowledges four different types of 'authors'. A large amount of codes is written by NGO's and concerned individuals, while it was only later that the government and industry became active in codes of conduct (Mason & Mowforth, as cited in Mason, 1997). With governments, they are involved in all levels of codes of conduct, whereas industry codes make a distinction between codes of conduct at national, regional or international level (UNEP, 1995). National codes indicate cross-sectoral development at a national level. Regional codes refer to sustainable development in tourism, applicable to all sectors of the industry. Finally, international codes implicate the ICC's (international Chamber of Commerce) *Business Charter for Sustainable Development*. The ICC was one of the first to establish an international code of conduct for industries and had been widely distributed. In order to contribute to the report *Our Common Future*, ICC developed the Business Charter, for organizations to improve their environmental performance. The Business Charter for Sustainable Development includes sixteen principles on environmental management that are crucial aspects for the sustainable development of organizations (ICC, n.d.). Next to national, regional and international industry codes, UNEP (1995) identifies 'sector – specific' codes. These codes refer to, for example codes of conduct for a hotel chain or tour operators.

As mentioned before, in comparison to codes of conduct for the tourist, less codes of conduct are developed for 'the industry'. However, codes of conduct do exist for the industry. In earlier research

executed by Mason and Mowforth (as cited in Fennell & Malloy, 2007) the industry is evaluated. Appendix 1 provides a table in which key elements of codes of conduct for the tourist, host and industry are described. Main characteristics for the codes of conduct developed for the industry are; the codes originate from coordinating bodies like WTO, IATA or ASTA; next to the industry, also the government, NGO's and individuals support and authorize over the codes of conduct; and the codes are mainly focused on the industry, but in some cases also on specific sectors (Mason & Mowforth, as cited in Fennell & Malloy, 2007).

In the textile industry, Bushmovich et al. (2001) discuss codes of conduct that are developed in order to inform consumers and are used as a marketing tool for producers. These codes are developed on an international, national and branch level. In most cases, codes of conduct are drawn up by companies themselves (Fletcher, 2008; Van Yperen, 2006). The main focus of these codes is to improve labour rights and working conditions. However, in contrast to the tourism industry, the textile industry does not focus on codes of conduct for the 'host' or in their case the locals who work plantation, the production phases of textile. This is one of the acknowledged problems of codes in the textile industry. Other than the problems in textile, codes of conduct show similarities with codes for the tourism industry. This involves the level (national, regional and international) on which codes of conduct are developed and for who codes are developed (consumer, produces and companies).

### **2.3.3 Voluntary Initiatives and Codes of Conduct**

Codes of conduct are divided in two categories, voluntary codes and regulatory or non-voluntary measures (Fennell & Malloy, 2007). Regulatory approaches are explained by Parker (as cited in Fennell & Malloy, 2007) as "more authoritative and designed to limit and restrict the activities of stakeholders operating in various sectors" (p. 36). Stonehouse (as cited in Mason, 1997) indicates that regulations refer to some form of legal status. In this, Mason (1997) distinguishes regulations from codes of conduct, even though codes try to regulate the tourism. Codes of conduct are (usually) voluntary, act as a form of self regulation and tend to be self – imposed (Mason & Mowforth, as cited in Mason, 1997). Voluntary initiatives are defined by the World Tourism Organization (WTO, 2002) as economic, environmental and social aspects that target at different sectors. Within voluntary initiatives, it is important to acknowledge two elements. The "initiator is not obliged by law to propose and run the initiative and target groups are not obliged to apply or join" (WTO, 2002, p. 7). Some examples of these voluntary initiatives are e.g. certification schemes, awards, codes of conduct or self – commitments (WTO, 2002). UNEP (1995) clarifies that voluntary codes of conduct are not enforced nor being enforceable. Furthermore, they expound on the effectiveness of voluntary codes towards the environment. Carter et al. (as cited in Fennell and Malloy, 2007) argue that voluntary codes are more effective, due to their ease of use and flexibility.

This research focuses on voluntary codes of conduct, developed for the industry. This means, that business/companies, or other chains from the supply chain, can voluntary join the code of conduct and

are not being enforced by, for example, an organization, NGO or government. Voluntary codes of conduct are more common and tend to be more effective than regulatory or non – voluntary codes.

#### **2.3.4 Ethics**

Codes of conduct are often also referred to as codes of ethics. Ethics play an important role in codes of conduct. Ray (as cited in Fennel & Malloy, 2007, p. 21) defines a code of ethics as followed: “a systematized set of standards and principles that defines ethical behaviour appropriate for a profession. The standards and principles are determined by moral values”. Raiborn and Payne (1990) further elaborate on the morality of a code as to what is morally ‘right or wrong’, a differentiation based on the distinction between the letter of the law (legality) and the spirit of law (morality). It is important for an organization to reach the highest possible level of morality within a code of conduct/ ethic, in order to have a high standard to strive for.

Fennell and Malloy (2007) illustrate a difference between codes of conduct and codes of ethics, whereas codes of conduct are “more technical and specific to the actions of an organization or group in time and space” (p. 21). Codes of ethics are more value based and philosophical. Throughout this research the term code of conduct is used as an umbrella to capture statements of the conduct.

### **2.4 Effectiveness**

The effectiveness of a code of conduct determines whether a code influence changes in an organization or supply chain (Stevens, 1994). However, in order for a company to measure the effectiveness of a code of conduct is a whole different matter. Little research is executed to measure the effectiveness of codes, in this case for the tourism industry (Holden; Mason, as cited in Cole, 2007 and Malloy & Fennell, 1998). A survey executed by UNEP (1995) revealed the importance for measuring the effectiveness of codes of conduct. Furthermore, they emphasize on the significance for codes of conduct to be implemented. This because, implementation leads to more effective codes and in most industries this is done poorly.

The question that arises is when a code of conduct is said to be effective and more important which criteria are connected to effective codes of conduct. Even though few sources are present on the effectiveness of codes and the implementation of codes is minimal, many scholars focus on criteria and characteristics for codes of conduct to be effective. First, aspects that make a code of conduct effective are elaborated on. Second, the criteria for effective codes of conduct are discussed.

#### **2.4.1 Characteristics for Effective Codes of Conduct**

As mentioned above, UNEP (1995) explains the importance for codes of conduct to be implemented. Moreover, monitoring and reporting of the codes of conduct is discussed. In this case, it is essential to

monitor and report progresses of codes, otherwise the performance is meaningless. Genot (1995) shares this view, concluding that codes of conduct are effective and credible when the implementation, monitoring and reporting are considered. Research executed by Bushmovich et al (2001) revealed the importance of transparency and enforcement of codes of conduct, next to monitoring of codes of conduct. The transparency of a code refers to promote and the availability of information to stakeholders involved. Furthermore, a code needs to be transparent and open for participation. Problems that exist in monitoring of codes of conduct are the lack of frameworks for monitoring and the costs. Funding is essential for organizations to monitor their codes of conduct and for consumers to trust the code of conduct. With good monitoring of codes of conduct, automatically improvement in transparency of codes of conduct exist (Bushmovich et al, 2001). Raiborn and Payne (1990) acknowledge three characteristics for a viable and useable code of conduct, i.e. clarity, comprehensiveness and enforceability. With clarity, the authors signify that ambiguity, doubt and vagueness are absent. A clear code is understandable and easy to use for any type of person or organization. Therefore, a code of conduct must be well formulated. The second aspect, comprehensiveness, indicates that a code covers nearly any conduct. Although this is a wide aspect, it is however necessary to confirm the law. The last characteristic is that a code is enforceable. The authors explain that there should be descriptions for so called 'expected behaviour'. With this, behaviour is meant that is of violation of the code and punishments for these violations (Raiborn & Payne, 1990). Cole (2007) responds further on the aspect of clarity, that a code is effective when it is positively stated and avoids prohibitive language (WWF, as cited in Cole, 2007). Codes of conduct are more likely to be successful when they make sense to the users, they are clearly formulated and in a positive and direct style. Garrod and Fennell (2004) agree upon the effectiveness of a code as described by Cole. They add to this that codes of conduct should be self – explanatory (Blangy & Epler Wood, as cited in Garrod & Fennell, 2004) and avoid irrelevant and unclear information (Gjerdalen & Williams, as cited in Garrod & Fennell, 2004).

To conclude, aspects that make a code of conduct effective are based on both the content and the execution of a code of conduct. Content related is the importance for a code of conduct to provide clarity, to be comprehensive and enforceable. Moreover, language and a positive approach are essential aspects for a code of conduct. Consequently, it is important for a code of conduct to be implemented, monitored and reported.

#### **2.4.2 Criteria for Effective Codes of Conduct**

A good foundation for a code of conduct, include four ethical principles; integrity, justice, competence and utility. With integrity, characteristics like honesty and sincerity are meant to create a sound moral principle. Justice "reflects impartiality, sound reason, correctness, conscientiousness, and good faith" (Raiborn & Payne, 1990, p. 884). Competence can be defined as "capable, reliable and duly qualified" (Raiborn & Payne, 1990, p. 884). Last, utility indicates "the quality of being useful and, philosophically, providing the greatest good for the greatest number" (Raiborn & Payne, 1990, p. 884). These four principles allow codes of conduct to be individualized and flexible for the norms of a company or industry (Raiborn & Payne, 1990).

### **2.4.3 Conclusion**

Overall, there are several aspects, characteristics and criteria that determine the effectiveness of a code of conduct. Although little analysis is executed on the effectiveness of codes of conduct (Cole, 2007), many scholars discuss aspects for an effective code.

With the effectiveness of a code of conduct, I distinguish three stages; the basis for a code of conduct, the content of a code of conduct and the execution of a code of conduct. First, Raiborn and Payne (1990) identified four principles that create a solid foundation for a code of conduct. These principles include integrity, justice, competence and utility. Second, the content of the code of conduct is important. It should include clarity, comprehensiveness and it should be enforceable. Within these aspects, the language in a code of conduct should be clear and understandable. Moreover, the approach of the code of conduct needs to be positive. Last, it is essential for a code of conduct to be implemented, monitored and reported.

## **2.5 Conceptual Framework**

Several theories are examined that build on the solid foundation for this research; a preliminary research for codes of conduct in the tourism industry. In order to reach the output for this research, outlines for a framework for effective codes of conduct, a comparative and analytical study takes place. From the provided theory on the supply chain, Corporate Social Responsibility, codes of conduct and effectiveness several aspects and criteria emerge which are of importance in the comparative study of this research. First, the theory that is presented is divided in five different sections, i.e. the focus of a code of conduct, issues that are addressed, the structure of a code of conduct, legal aspects and the implementation of a code of conduct. Second, each of these five sections is subdivided by different aspects that characterise the sections. A schematic overview of these sections with their characteristics criteria is given in table 1.

### **Focus**

The focus of the codes of conduct are analysed on the scale of the code, the target group of the code of conduct and who developed the code of conduct. These aspects provide background information of the development of a code of conduct, which is necessary for the further findings and the analysis of the research on codes of conduct (Genot, 1995; Bushmovich et al, 2001; Fennell & Malloy, 2007; Fletcher, 2008).

### **Issues**

Research revealed the main issues in tourism and textile industry, environmental and social impacts. Codes of conduct are analysed on these impacts and reveal what these impacts actually involve and how they are addressed in codes of conduct. (Tapper & Font, 2004; Van Yperen, 2003; Smith & Feldman, 2003)

## Structure

The effectiveness of a code of conduct depends mainly on the foundation of a code of conduct and the content of a code of conduct. The foundation of a code of conduct includes integrity, justice, competence and utility. The content of a code of conduct relates to clarity and comprehensiveness. (Raiborn& Payne, 1990)

## Legal

One of the CSR components is legal aspects. Legal aspects relate to how codes of conduct include and are involved in the law, regulations and standards. Moreover, research results reveal the consequences the involvement of legal aspects on a code of conduct. (Carroll, 1991)

## Implementation

Many scholars discuss the importance of implementation of codes of conduct. In order for a code of conduct to be successful, implementation is required. For this criteria, implementation includes the transparency, enforcement and monitoring of a code of conduct. The enforcement of a code of conduct is analysed on the accessibility of a code for the users, whether a code of conduct is enforced or voluntary. Furthermore, the authority of the organization that developed the code of conduct is included because of the influence an organization or company can have. (UNEP, 1995; Genot, 1995; Bushmovich et al, 2001)

Table 1 Criteria for the comparative study

Criteria for the Comparative Study				
Focus	Issues/ impact	Structure	Legal aspects	Implementation
- Scale	- Social	- Foundation	- Law	- Transparency
- Target group	- Environmental	- Content	- Standards	- Enforcement
- Developed by			- Regulations	- Monitoring

Note: Based on the theory provided in this chapter

An empirical research on codes of conduct in tourism and textile lead to a number of codes of conduct for both industries. Findings are made on these codes of conduct, based on the above mentioned criteria which lead to an analysis of codes of conduct of tourism and textile industry. Results provide differences on codes of conduct of the tourism and textile industry, which eventually lead to the possibility of developing outlines for a framework for effective codes of conduct in the tourism industry.

This theoretical framework led to a justification of the comparison, insight on CSR and several delineations for the research. The comparison between the tourism and textile industry is first justified, through a short analysis and comparison on both supply chains. Through industry characteristics from Leiper (2008), a comparison took place between tourism and textile. Similarities and differences became apparent. The most important similarity, environmental and social issues and focus points, lead to the possibility to compare both industries. The main components of CSR are based on the triple bottom line, people, planet and profit; characteristics for this practice are about the economic, social, ethical and legal/ political aspects. Through an analysis of CSR on tourism and textile, shows that not only the company itself, but also other components of the supply chain should be considered, in order to reach a balance between people, planet and profit. Codes of conduct gave insight on important characteristics

for the development and aspects of a code, which led to delineations for this research. First, the analysis and comparison of the codes will focus on codes of conduct developed for the industry. The development of the codes can be done by NGO's, industries, the government or individuals. Second, the developed codes of conduct need to be voluntary. This means that the codes are not enforced, neither being enforceable.

## 3. Findings and Analysis Codes of Conduct

Both tourism and textile are confronted with important issues in their industry, both social and environmental. In order to address these issues, codes of conduct are developed. A growth in codes of conduct is noticed, since more companies make use of codes of conduct to implement CSR.

Through empirical research, I examined existing codes of conduct on environmental and social issues for both the tourism and textile industry. This chapter presents findings and characteristics for each industry, including differences which are illustrated through examples of codes of conduct. The differences between tourism and textile codes of conduct are analysed. In the first paragraph I discuss the study methods I used for this research followed by difficulties I faced during this research and results from this study. From the second paragraph I illustrate the findings, differences and analysis that are examined and described according to the criteria of the conceptual framework, as defined in chapter 2: the focus, issues, structure, legal aspects and implementation of codes of conduct. I finalize this chapter with a conclusion on the most important differences.

### 3.1 Study Methods

For the analysis of codes of conduct, I collected codes of conduct for both the tourism and textile industry. Over a period of four weeks, during the month November (2010), I executed research for codes of conduct on the internet. This secondary data is collected through online documents, scientific articles and information collected from the internet. Earlier executed research by scholars on codes of conduct provided some codes of conduct, mainly for the textile industry. Next to that, I made use of Google Web Search to find codes of conduct. The main focus on the codes of conduct lies on social and environmental issues, which lead to the main search terms (*environmental/social codes of conduct for tourism/textile*). Next to the main search terms, a general search was executed on codes of conduct. Last, titles or company names from earlier found documents and scientific articles were used to search for codes of conduct.

The research for codes of conduct in tourism led to some difficulties. First, the tourism industry has developed many codes for the tourist, which made it more difficult to find codes of conduct for the industry. The focus of this empirical research lies on codes of conduct developed for the tourism industry. However, codes of conduct developed for the tourist are included for several reasons. First, some codes of conduct are developed for both the industry as well as the tourist. Second, tourist codes are included to validate statements on the majority of existing tourist codes, made by different scholars. Another obstacle during this research was the returning of global codes of conduct (e.g. *the code* or the Global Code of Ethics for Responsible Tourism from UNWTO) because different search terms that were

used led to the most common codes of conduct. These codes kept returning instead of finding new codes of conduct, making use of different search terms.

The research for codes of conduct in textile also led to some difficulty. The usage of Google Web Search for textile was less effective, since it led to articles on codes of conduct, web-pages of organizations reporting on textile companies or consultation agencies performing research on textile and codes of conduct. Therefore, the search for textile codes of conduct required a different approach than I used for tourism codes of conduct. For textile, I collected codes of conduct through articles and earlier executed research by scholars and some consultancy agencies. This data included names of companies who developed codes of conduct and titles of codes of conduct in textile.

For the tourism industry I collected twenty-seven codes of conduct. These codes are primarily codes of conduct on environmental and social issues. However, in tourism many codes of conduct exist which cover both social and environmental issues. Moreover, codes of conduct exist which also include economic impacts and focus on people, planet and profit. For the textile industry I collected fourteen codes of conduct, of which three codes of conduct are sub - divided in two more codes of conduct. These are codes of conduct developed by a larger brand company who developed several codes of conduct for their employees and suppliers. Appendix 2 and 3 provide a table on the codes of conduct in tourism and textile. This overview lists the codes of conduct on their title, target area, target group and who developed the code of conduct. Moreover, a short description is given on what the code stands for.

## **3.2 Focus of Codes of Conduct**

For the focus of tourism and textile codes of conduct I examined their target group, who developed the codes of conduct and the scale. First, I examined the target group of the codes of conduct, followed by findings of developers of codes of conduct. Third and finally, the geographical scale of tourism and textile codes are described. These aspects provide a basic knowledge on codes of conduct.

### **3.2.1 Target Group of Codes of Conduct**

In tourism, codes of conduct are developed for the industry, the host and the tourist. Earlier research scholars revealed that most of the codes are developed for the tourists (Mason, 1997). This analysis showed that, almost half of the codes of conduct are indeed developed for the tourist. This is a notable high amount, since the basic search for this analysis of codes was not set on codes of conduct for the tourists. However, tourists play an important role in the supply chain of the tourism industry. Tourists travel 'upstream' towards the product, which is their holiday. They start the supply chain by making decisions on how their package holiday is composed. Eventually, tourists travel towards the destination where the products are produced and experienced. Tourist's codes of conduct are important in order to create awareness and influence behaviour of the tourists at their destination. Besides this, it is the tourist who creates business opportunities in the tourism industry (Payne & Dimanche, 1996). There are

also companies and associations that develop a code of conduct for both the tourist and industry, like WWF or PIRT. Next to codes for the tourists, most of the codes of conduct are developed for tour operators. Tour operators have a great influence on the supply chain. They can influence the choices that are made when assembling the 'package holiday'. Even though the tourists make major decisions in this development, the tour operators make the final choices in where a tourist ends up for e.g. their accommodation and the types of transportation or activities at the destination. However, due to globalization in tourism, the influence of tour operators is reduced, since tourists are able to book online. Furthermore, more tourists arrange their own holiday. Many codes of conduct are developed in the hope to make a change through the tourism organizations on sustainable development. AITO (Association of Independent Tour Operators) for example focuses on environmental, social and economic impacts on the destination. Through their developed guidelines they hope to gain more responsibility from tour operators on these three levels (AITO, 2010).

Codes of conduct in textile are developed for the companies and only a few codes of conduct are designed specifically for manufacturing sites. Moreover, the results of my analysis show that most codes are developed for the suppliers of the textile industry. The supply chain of textile starts with product design and production of textile. These first phases in the chain are crucial and most important in this industry. The main development of the product (garment etc), takes place by suppliers, contractors and sub-contractors. This is why most of the codes of conduct are developed for them. Companies are in control of where manufacturing and the production takes place for their product. However, the textile industry is characterised by a lot of outsourcing and therefore codes of conduct developed for and by companies can only go as far as the company can oversee. Codes of conduct developed by a company for their suppliers and contractor are more difficult to monitor and control when contractors make use of sub-contractors. This is because the sub- contractors are out of sight for the company. Furthermore, compared to tourism, in the textile industry no codes of conduct are developed for the consumer. Consumers in the textile industry don't participate in the supply chain the way tourists do. Therefore, codes of conduct for consumers are not necessary. However, consumers in textile are characterized to put pressure on a company for a focus on sustainability, but do not travel towards the destination where the production takes place. For the textile industry, consumers are willing to buy eco friendly clothing but this is only a small percentage. The reason for this is that pricing is higher and consumers do not have extensive knowledge on existing labels and codes (Bushmovich et al. 2001).

None of the analysed companies focus on consumers in their codes of conduct, although employees and business partners are included. Company codes of conduct mainly focus on the suppliers, contractors and subcontractors. Next to that, some companies also include a code of conduct to communicate their ethics towards employees (e.g. Gap Inc. and H&M).

### **3.2.2 Developers of Codes of Conduct**

In tourism, most of the codes are developed by industry associations/ NGO's and governments. The role of an NGO is to put pressure on agencies and governments on sustainability through codes of conduct.

With this, they aim to influence attitudes and modify behaviour (Mason, 2007). Furthermore, NGO's who develop codes of conduct indicate a high moral commitment on issues that affect them. They address and improve these issues by developing codes of conduct. Next, codes are also developed by tour operators themselves, although this is rare. Codes developed by tour operator's focus first on their own organization ethics and employees behaviour, for example codes of Kuoni Group or TUI Group. Next to this, tour operators also develop codes for the tourist. They provide guidelines for the behaviour of tourists before and during their visit overseas. Generally, codes of conduct are developed by industry associations. In tourism, many industry associations exist per country. It is, for example, possible for tour operators to be a member of an association or initiative and, together with other members, develop a code of conduct. An example of such an initiative is Tour Operators Initiative (TOI). TOI is an initiative of a group of tour operators who joined forces to focus on minimizing negative impacts of environmental, social and economic aspects, while at the same time optimizing the benefits. Moreover, TOI gets support from World Tourism Organization (UNWTO), United Nations Environment Programme (UNEP) and United Nations Educational, Scientific and Cultural Organization (UNESCO), who are also members of the initiative. TOI is a voluntary initiative and open to all tour operators around the world to join (TOI, 2010). A code developed by a government is for example the Queensland Government, who developed a code of conduct for inbound tour operators (Queensland, 2003).

In textile, earlier research by OECD (as cited in Van Yperen, 2006) indicate that most of the existing codes of conduct in textile are developed by the larger brand companies like C&A and Levi Strauss. Results of this research reveal that indeed most of the codes are developed by the larger companies, due to an increasing pressure from stakeholders (Van Yperen, 2006). Examples of these stakeholders are consumers who require sustainable products and governments who focus and enforce on labour and environment laws towards companies. Besides this, the textile industry is characterized by outsourcing to save costs and to accelerate the process of production (IDH, n.d.). In the supply chain of the textile industry, the product is transported 'downstream' towards the location where the products are purchased. The supplier buys the clothing which is assembled for a company. With most brand companies, only minimal contact exists between the company and their factories. Through codes of conduct, these brand companies create and show awareness on social responsibility towards their suppliers. Next to companies, many different initiatives develop codes of conduct for the textile industry, like the Ethical Trading Initiative and Fair Wear Foundation. These codes are developed for companies to address CSR aspects, either on a globally or regional level. Some companies are members of such an initiative and also have their own code of conduct. Remarkable is that only one code of conduct is developed by an NGO, the Clean Clothes Campaign (CCC). The CCC is an international campaign that focuses on the working conditions. Overall, the role of NGO's in codes of conduct is to raise awareness through e.g. campaigns, participation in monitoring and strengthen enforcement. Furthermore, NGO's exercise pressure on companies on sustainability and their focus on social and environmental issues in the industry.

### 3.2.3 Scale of Codes of Conduct

Tourism codes of conduct are developed for tourists, industries and hosts. Many codes exist on influencing the behaviour and creating awareness by tourists. For example a World Wildlife Fund (WWF) code developed for Arctic tourism, tour operators and tourists. Each component has ten principles. The code for tourists focuses on conservation, environmental protection, cultural respect and education (WWF, n.d.). Codes of conduct are not only developed for tourist's behaviour or tour operator's awareness at a destination. Many activities at the destination are separately covered in codes of conduct for either the tourist or tour operator. Examples are: a code of conduct for watching wildlife in Canada or whales in Scotland; a code of conduct for Kruger National Park; A trekking code of conduct in the Himalaya or a code for the protection of the Great Barrier Reef for divers. Tour operators who work with codes of conduct on any of these aspects focus on specific actions. An example is the Scottish Marine Wildlife Watching Code (SMWWC). This code is developed for anyone who wants to watch marine wildlife. With this, certain aspects are included in the code on how to behave and address wildlife, for example on the noise and speed of the boat addressing the wildlife, feeding or swimming with wildlife (SMWWC, 2005).

Geographically, it can be concluded that many of the developed codes of conduct in tourism are destination focused. More codes are developed for a specific destination, instead of codes of conduct that are globally applicable. The tourist travels towards the product, and only starts experiencing the product at the destination, which results in many codes of conduct that are developed for a specific destination. This raises the following question, whether it is possible to develop an umbrella code of conduct that is worldwide oriented. Although, universal codes of conduct exist, like the Global Code of Ethics, still separate codes of conduct are developed for destinations. Next to destination focused codes of conduct, several codes are developed for certain activities within a destination. As mentioned above, these are codes which focus mainly on impact sensitive activities. Due to all these different codes of conduct, for different destinations and focus points, the tourism industry tends to be less structured in their codes of conduct.

In contrary to tourism, textile codes of conduct are worldwide oriented. The production of textile products, the early stages of the product, takes place in overseas countries. Since many different countries are used by companies, these codes of conduct are worldwide applicable. Moreover, the initiatives that develop codes of conduct are also worldwide oriented. They focus at textile companies or other retail businesses who work with overseas countries for the production of their materials. These companies and businesses need to be able to implement the code of conduct towards their suppliers and other business partners. This means that they need to be universally applicable. An example of an organization which is not worldwide oriented, but focuses on a particular continent is Triton Textile. Triton Textile is an organization located in Asia that focuses on vendors out-sourcing in Asia (Triton Textile, n.d.). The Retail Environmental Sustainability Code is focused on retailers located in Europe. Furthermore, in textile the codes of conduct are available in many different languages based on the countries in which companies operate. This is most common with codes of conduct developed by brand companies like C&A, H&M or Gap Inc. In tourism, codes of conduct are mainly provided in English.

### 3.3 Issues Included in Codes of Conduct

Literature on existing issues in the tourism and textile industry reveals that both industries deal with social and environmental issues. In this paragraph, findings of both these issues are addressed, separately examined and analysed. First and most important in textile, the social issues are described, followed by the environmental issues, the main focus of tourism codes of conduct.

#### 3.3.1 Social Issues

In tourism, nowadays more attention is given on social issues. However, in forms of codes of conduct, social issues are mainly included in other codes of conduct. A well known social issue in tourism is child sex tourism. According to ECPAT, tourism is not the cause of sexual exploitation of children (ECPAT, 2010). However, 'sex-tourists' do make use of travel facilities. ECPAT defines that it is important for tourism to play an important role in fighting sex tourism, which is reached through a code of conduct (ECPAT, 2010). Next to that, the contractual focus of tour operators reveal that labour and employment conditions are less important than environmental issues (Tapper & Font, 2004). Examples of codes of conduct that focus on both social and environmental issues are AITO Responsible Tourism Guidelines (The Association of Independent Tour Operators), The Global Sustainable Tourism Criteria (GSCT) or Tour Operators Initiative (TOI). Concentrating on social issues that are solely addressed in codes of conduct, results of my examination reveal that only one code exist which is international operable on social issues in tourism, *the code*, also known as the Child Protection Code. *The code* is an international code of conduct, developed by ECPAT, which fights against the exploitation of children in travel and tourism. This code is a socially responsible initiative that joins forces with ECPAT, is funded by UNICEF and gets support from UNWTO (The Code, n.d.). Even though this is only one social code that is operating worldwide, *the code* is a powerful code since currently 947 companies and sector organizations throughout 37 countries are a member of *the code* (The code, n.d.).

In the textile industry, many codes of conduct are developed by larger companies like Nike or H&M. These codes involve all important issues (social and environmental), however overall textile codes of conduct highly concentrate on social issues. Social standards are included in textile due to the labour intensive industry. Besides that, the textile industry is historically a much older industry than tourism which developed rapidly since the last fifty years (Molenaar, 2007). In the Netherlands, attention to social issues go back to 1870 with the law that was introduced to protect the rights of the child (*'Kinderwetje van Van Houten'*, Schenkenveld, 2003). This historical difference between tourism and textile results in a much more developed and experienced textile industry in for example labour and workers rights. Furthermore, the textile industry faces a lot of pressure from external stakeholders like the consumers. The textile industry got a lot of public attention on violations of workers' rights in the 1990s (Fletcher, 2008). Due to this public attention, textile industries got more pressure from the public to improve the labour rights and working conditions. Through the development of codes of conduct for retailers and brand companies this improvement was reached (Fletcher, 2008; Van Yperen, 2006). Company codes are, and intend to be, applicable in all chains of the supply chain, starting with overseas

manufacturing in the production phase. For example H&M (Hennes & Mauritz) developed a code of conduct, which mainly focuses on labour aspects applicable in all chains. They state: "Since we do not have direct control over this production we have drawn up guidelines for our suppliers, which together form our Code of Conduct" (H&M, 2010). In the introduction of the code they mention that this code is applicable for their suppliers, their sub-contractors and other involved business partners. Next to this general code of conduct for the supply chain, H&M also developed a code of ethics for their employees and business partners. The code of H&M is based on ILO conventions and the UN convention on the Rights of the Child (H&M, 2010).

### **3.3.2 Environmental Issues**

The main attention in tourism codes of conduct is given on environmental issues. Still, only few codes of conduct exist that solely address environmental issues. This is shown in the existing codes of conduct as well as different reviews from scholars (see for example Tapper & Font, 2004). Environmental issues in tourism get much attention, since it is an important issue in addressing sustainability. Moreover, these issues stand central in the tourism industry on how they can decrease the impact on the environment. In tourism, environmental issues are mainly addressed through codes of conduct with a general focus. Rainforest Alliance is one of few who focus mainly on environmental issues. This organization developed a code of conduct for tour operators, while using the WWF code of conduct for Arctic tourism as a source. The Rainforest Alliance code is for tour operators who operate in environmentally – sensitive areas. The main aspects in this code are about reducing consumption, waste and pollution, conservation, preservation and the usage of natural resources on a sustainable way (Rainforest Alliance, 2010).

In textile, environmental issues are only implicitly present in codes of conduct. Initiatives and brand companies that address environmental issues in their codes, do so with one or two short guidelines. Textile has seen an increase in production from 1930 till 1990, which created environmental issues. In comparison to the social issues, environmental issues in textile were only seriously recognized due to this growth. Only since the last few years have NGO's tried to improve the environmental conditions. It is for this reason that environmental issues are less addressed in codes of conduct. Besides that, environmental issues in the textile industry are more addressed through eco – labels like e.g. the European Eco label. A distinction between 'environmental labels' and 'social codes' is made by Bushmovich et al (2001). The environmental labels are developed to prevent and solve environmental problems, whereas social codes are there to improve the social conditions in the textile industry (Bushmovich et al., 2001). Eco - labels are a communication tool, marketing and educational instrument for consumers. Through eco-labels, consumers are able to identify environmentally friendly products. In forms of codes of conduct, in textile only one code exists that focuses exclusively on environmental issues. This code is the 'Retail Environmental Sustainability Code', a voluntary code developed by European Retail Round Table (ERRT). The attention of this code lays on all retail companies in Europe and includes six aspects; sourcing, resource efficiency, transport and distribution, waste management, communications and reporting (ERRT, 2010). As mentioned above, fewer codes exist on environmental

issues and instead more eco-labels exist. From the codes of conduct from this empirical research, all company codes and some initiative codes include environmental issues, although this is minimally present. The H&M code of conduct also includes environmental issues. On their website and also in forms of brochures they indicate their awareness on CSR aspects and environmental issues. Online they have listed their environmental objectives (H&M, 2010). Other examples of these initiatives and companies who include environmental issues are; BSCI, Nike, Levi Strauss & Co or United Nations Global Compact.

### **3.4 Structure of Codes of Conduct**

The structure of codes of conduct is analysed to examine the effectiveness of codes of conduct. This paragraph examines the foundation and content of codes of conduct. First the foundation of codes of conduct is described which include four ethical principles defined by Raiborn and Payne (1990) as integrity, justice, competence and utility. Second, the findings on the content of codes of conduct are examined which study the viability and usability of a code of conduct.

#### **3.4.1 Foundation of Codes of Conduct**

To gain full knowledge on the foundation of a code of conduct it is important to get more insight in the code of conduct and the developer of the code of conduct. However, although it is difficult to analyse the effectiveness of the foundation of a code of conduct based on available information, still certain aspects provide useful information. First of all, the foundation of a tourism code is linked with some of the characteristics of the legal aspects described in paragraph 3.5. In tourism only one code of conduct includes conventions, the Global Code of Ethics for Responsible Tourism from UNWTO. This lack of international standards and awareness decreases the integrity and credibility of a code of conduct. However, some codes include law and regulations in their criteria, which makes a code of conduct more appropriate in relation to justice. Second, for the development of codes of conduct in tourism, developers make use of existing codes of conduct (e.g. Rainforest Alliance using WWF as a source) which indicates awareness and utility of a code of conduct. Third, reliability of a code is found in some codes of conduct through effective monitoring and acknowledging violations through a form of 'hotline' where violations can be reported. This is used for example in codes like, *the code* from ECPAT or the Code of Conduct for Safe and Honourable Tourism from the Ministry of Tourism in India.

In textile, I noted various remarkable findings on the content of textile codes of conduct. First, all codes of conduct include standards or conventions in their criteria. These standards are official, universally applicable and indicate a good integrity and credibility for the code of conduct. Furthermore, including standards and conventions create honesty and correctness towards members of the code. Second, In order to create utility and make a code of conduct useful, many of the codes of conduct developed by initiatives like NICE (Nordic Initiative, Clean and Ethical), require compliance from a company's suppliers. In this case, a company who is a member of the code of conduct is responsible for the enforcement of

the code of conduct towards their suppliers. The consumers rarely make a distinction between a company, their suppliers and contractors, so in case of a violation the consumer holds a company responsible. As NICE explains it; “your brand pays the price in case something goes wrong” (NICE, 2009, p. 7). Third, utility is also reached through codes of conduct developed by brand companies. These codes are intended for all suppliers of a company’s supply chain.

### **3.4.2 Content of Codes of Conduct**

For the content of a code of conduct I examined the type of guidelines, comprehensiveness and clarity. In tourism, a distinction can be made between codes of conduct developed for organizations and tourists. The content in the majority of tourism codes of conduct exist of simple guidelines. These guidelines consist of approximately ten criteria which include short descriptions per criteria on what is meant with it. Codes of conduct for organizations are clear and simple but include more extensive information on the guidelines. Tourist codes of conduct are more positively stated and include educative guidelines. They are clearly formulated, easily understood and exclude too much or irrelevant information. Examples of such codes are codes of conduct for Arctic or Mediterranean Tourism developed by WWF, A Code of Conduct for Tourism in the Holy Land or the Responsible Tourism Codes from Aotearoa. Next, several codes of conduct exist that consist of some main criteria, which then are subdivided by multiple principles. This subdivision creates more clarity about the content of the criteria. Examples of these codes of conduct are from Sustainable Tourism Criteria developed by TOI or the Statement of Commitment from FTO. Also, the Global Sustainable Tourism Criteria is a code of conduct which consists of four aspects over which thirty-seven criteria are divided. With thirty-seven criteria, GSCT is immediately the most extended code of conduct in tourism. Overall, most of the codes of conduct are clearly and in a positive way formulated. Words like ‘encourage’, ‘contribute’ and ‘committed to’ are used. Some codes of conduct include more prohibitive language like ‘do not’ or ‘you must’. Prohibitive language is present in both codes of conduct for organizations and tourists and makes a code of conduct less viable.

In textile, the content of codes of conduct differs between codes developed by initiatives and codes developed by brand companies. Codes of conduct developed by initiatives mostly consist of few criteria or guidelines and mainly focus on social aspects. Overall, the criteria are clear and with explanation on the criteria. However, the criteria make use of prohibitive language, which makes a code less successful and effective. When also environmental issues are included, this is only indicated in one or two criteria. Examples of these codes are the UN Global Compact Principles or the code of labour practice from Fair Wear Foundation. Codes of conduct developed by brand companies are generally more explicit. Overall, more criteria are included which consist of more extended information on why these criteria are included and, in some cases, how these can be implemented. All the codes of conduct that are developed by brand companies focus on both social and environmental issues in the textile industry. Still, environmental issues are poorly addressed, through only one criterion. All social issues are based on standards or conventions, however environmental issues are not. The standards are more explicitly

described in paragraph 3.5. The criteria are overall shortly formulated, strict and clear. Per brand company it differs whether a criterion is written in a positive sense or if prohibitive language is used.

### **3.5 Legal Aspects of Codes of Conduct**

The legal aspects are part of the components of CSR and codes of conduct include this through the involvement and usage of laws, regulations and standards. In tourism only one code of conduct exists that includes several standards, the Global Code of Ethics for Tourism from UNWTO. They refer to several conventions and declarations like the Universal Declaration of Human Rights and the Convention of the Rights of the Child (UNWTO, 1999). Overall, in the tourism industry, standards are not included in codes of conduct whether they are for social or environmental issues. Moreover, several codes of conduct in tourism exist which require that members abide to the (local) law and regulations in which they operate in. This is meant for codes of conduct developed for tour operators. As acknowledged before, the core attention of tourism codes of conduct are environmental issues. Research executed by Smith and Feldman (2003) showed that there is a lack of any international standards on environmental issues in comparison to social standards. This might be the reason for the absence of any environmental standards in tourism codes of conduct. During this research I detected only one code of conduct that includes an environmental declaration. The Global Code of Ethics for Tourism from UNWTO includes, next to some social standards, also the Rio Declaration on Environment and Development (UNWTO, 1999). This declaration includes twenty-seven principles and focuses on international agreements and protection of the integrity of global environment (UNEP, 1992). The presence of law and regulation involvement in codes of conduct is partly related to who developed the code of conduct. Codes developed by the government generally include laws and regulations. Furthermore, tourism codes of conduct are developed and based on codes from other companies. The Rainforest Alliance has made use of the code of conduct developed by WWF, which is also mentioned as a source in the Rainforest Alliance code. The Global Sustainable Tourism Criteria is developed, based on sixty existing certification and voluntary criteria implemented around the globe.

Remarkable for all textile codes of conduct, whether they are general codes or codes developed by a company or specific codes developed by initiatives or associations, they all refer to certain standards or conventions. These conventions and standards are included in codes of conduct to address diverse CSR aspects and create international social awareness. The existing standards on social aspects like human rights are universally applicable because many phases of the supply chain take place in overseas countries. As described above, Smith and Feldman (2003) acknowledged a lack of standards on environmental issues. Only one code of conduct, the UN Global Compact Principles, focuses on an environmental standard, the Rio Declaration on Environment and Development. Due to the lack of environmental standards, they are not included in codes of conduct. The main social standards which codes of conduct are based on, are; Universal Declaration on Human Rights (UDHR); UN Convention of the Rights of the Child (CRC); UN Convention on the Elimination of All forms of Discrimination against Woman (CEDAW) or ILO Conventions (Van Yperen, 2006). All these four standards focus on social aspects in textile. Appendix 4 provides an overview on these four standards and conventions, what they

do and what they represent. The conventions of International Labour Organization (ILO) are most referred to in codes of conduct. Besides the four main standards, the analysed codes of conduct also refer to other important standards, e.g. OECD Guidelines or SA 8000. Involvement of these international standards and conventions makes a code of conduct international accessible. Furthermore, the involvement leads to more overlap in guidelines and criteria of different codes of conduct. Many initiatives, associations and companies make use of the same conventions and standards which result in common criteria on for example child labour, discrimination or working hours. Next to including standards and conventions in codes of conduct, members of a code of conduct in textile are also required to take into account and follow national laws.

### **3.6 Implementation of a Code of Conduct**

Implementation of codes of conduct is important in order to reach effectiveness. With this, the importance of transparency of a code of conduct, the enforcement of a code of conduct and the monitoring of a code of conduct is acknowledged. This paragraph analyses these three aspects on the results of the empirical research.

#### **3.6.1 Transparency of a Code of Conduct**

The transparency of a code of conduct is about the promotion and availability of information for involved stakeholders in a code. Furthermore, a code should be open and transparent for membership. In tourism codes of conduct, the transparency is lacking on different aspects. First of all, the criteria and guidelines of codes of conduct are more descriptive on *what* involved parties should do, instead of providing more explanation on *why* members should follow and work on the given criteria. As it is important for a code of conduct to provide what needs to be done, including why something is taken into account is just as important. Including an explanation on guidelines creates more openness and transparency of a code of conduct. Members know why they follow certain guidelines. Second, only in a few cases does the developer of the code of conduct provide extended information on the complete code of conduct or per guideline and criteria. Some tourism associations are generally better in providing additional information on the code of conduct, the description of the guidelines and the availability and accessibility of monitoring reports of members. Good transparency is, first of all, linked with presence and good monitoring and reporting of codes of conduct. Reporting on the implementation of a code of conduct provides information that makes a code of conduct more transparent. Monitoring and especially reporting in tourism codes of conduct is minimal present. In paragraph 3.6.3 monitoring of a code of conduct is elaborated on.

The transparency of codes of conduct in textile is generally good. In textile codes of conduct, transparency is achieved through different elements. First, the majority of the codes are extended in their explanation on guidelines. Furthermore, in these extended codes of conduct the connection with used standards is made. This is done in two ways, 1) per criteria or guideline of a code used standards or

conventions are mentioned, or 2) in additional information of a code of conduct is described which exact standards or conventions are used. Second, transparency is realized through the provided additional information with the code of conduct. In many cases, codes of conduct are available with a separate document in which additional information of the code is found. This additional information exist of definitions of used terms in the codes of conduct, implementation of the code, background information of the code of conduct or additional information per criteria or guideline of the code of conduct on why the criteria is developed and how it can be implemented. Third, and possibly most important for transparency, is the existence and accessibility of monitoring reports. Involved companies, contractors or sub-contractors are required to document their monitoring process. The initiatives and companies who developed the code of conduct either require or intend to publish these reports for other members to use as source of information. Only few developed textile codes of conduct in this research are lacking in transparency. These codes of conduct have a clear lack on information and reports. Several of these codes also reveal a weak monitoring system, or have no mention of this at all.

### **3.6.2 Enforcement of a Code of Conduct**

The importance of voluntariness of codes of conduct is based on the aspects which are earlier examined in paragraph 3.2. This includes the developer of the code and the influence and powers this organization or NGO has. In tourism, most codes of conduct are voluntary. The industry finds voluntary codes an 'attractive' alternative to enforced codes of conduct and a proactive approach (Genot, 1995). Furthermore, voluntary codes of conduct in tourism are easy to introduce in a short timeframe (Garrod & Fennell, 2004). As acknowledged before, many codes of conduct that are developed for tourists are all voluntary codes of conduct. Many tourists will follow and support the guidelines that are set in the code of conduct. However, tourists exist who deliberately choose to ignore 'enforced' guidelines. Enforcement of these codes of conduct can lead to a contradictory reaction of tourists. Furthermore, with enforced codes of conduct, observation of the members is required, which is difficult. Not only is it hard to observe the tourist, also observation at the destination is difficult, since there is no direct control. From the voluntary codes of conduct, most are developed for tourism organizations like tour operators. Developers of voluntary codes of conduct play an important role for a code to reach its goal. This research reveals that only a few voluntary codes are developed by governments. Most of the voluntary codes are developed by industry associations like AITO, TOI or ENAT. From the voluntary codes of conduct, half of the codes have a worldwide scope. It is important to question which influence associations can perform towards their target group. Few voluntary codes are developed by NGO's like ECPAT, which is a strong organization with a global reach.

In tourism, voluntary codes of conduct include words like 'encouragement', 'acceptance' and 'signing up involves'. Examples of these developed codes are the responsible tourism guidelines from AITO, Sustainable Tourism Development from TOI and *the code* from ECPAT. Next to voluntary codes of conduct also codes are included which are enforced although these are only a few. The code of conduct for tourist guides from the Hong Kong travel industry is enforced. Penalties are used when the code is violated and the Travel Industry Council of Hong Kong (TIC) enforces this.

In textile, enforcement of codes of conduct in most cases lies with the organization that includes the code of conduct in their company. These companies enforce the code of conduct towards their suppliers, contractors, sub-contractors and business partners. This kind of enforcement mainly takes place with codes of conduct developed by initiatives or associations like the Clean Clothes Campaign. In this way, many suppliers in the textile supply chain are reached. This also applies for codes of conduct developed by brand companies. They require involvement of factories that they work with. Differences exist in the type of enforcement of the codes of conduct between different brand companies. On the one hand, companies require involvement of their factories and apply sanctions when their code is violated in any way. This is done by for example Gap Inc. and C&A. On the other hand, codes of conduct from companies are enforced on good faith of their factories and contractors. They ask their factories and contractors to enforce the code of conduct to their sub-contractors (H&M, 2010). Regarding the voluntariness of codes of conduct, in textile only a few organisations or initiatives explicitly mention that their code is voluntary. In most of the codes there is no sign or description of voluntary approaches. Different scholars discuss that, at least company developed codes of conduct are voluntary (see e.g. Pearson & Seyfang, 2001 and Fletcher, 2008).

### **3.6.3 Monitoring of a Code of Conduct**

Earlier executed research performed by scholars revealed the importance of monitoring of codes of conduct. This research shows that most of the codes at least mention monitoring in their code of conduct or somewhere else in the provided information for the code of conduct. However, a distinction can be made between monitoring of codes developed for the industry or for tourists. Codes of conduct developed for tour operators and other industry business overall include monitoring. Monitoring of codes of conduct lead to more effective codes and with good monitoring issues are earlier recognized. Furthermore, good reporting of the implementation of a code of conduct leads automatically to better transparency of codes of conduct. Monitoring of codes of conduct is a prerequisite for reporting on the progress and involvement of the code of conduct. Next to that, funding is essential to be able to monitor a code. From industry codes of conduct, monitoring is done by the organization that developed the code of conduct like an association or NGO. In other cases, the tour operator itself is asked to monitor their progress. Codes of conduct developed for tourists do not include monitoring of the code, or monitoring is not mentioned. For a code of conduct to be effective, monitoring and reporting of the progress needs to be included. Already in the 90's did research reveal the importance of monitoring of codes of conduct and the lack of this in tourism industry, as well as many other industries. In order to monitor a participant of a code of conduct, it is necessary to observe their behaviour and application of a code of conduct. For tourist codes of conduct it is problematic to monitor their behaviour. Therefore, monitoring in tourist codes of conduct is lacking.

In textile most codes of conduct include monitoring. Based on who developed the code of conduct, different ways of monitoring exist. In the case of developed codes of conduct from initiatives and associations, monitoring of the code of conduct is required by the members (companies) themselves. Codes of conduct developed by brand companies have different ways to include and execute

monitoring. First, brand companies involve external organizations for monitoring of their codes of conduct. C&A developed a code of conduct and engaged SOCAM (Service Organisation for Compliance Audit Management) to monitor compliance with contractual terms, including workplace standards. Second, personnel of brand companies are trained to be inspectors in order to monitor the code of conduct. Levis Strauss makes use of their own inspectors for monitoring of their code. Last, companies develop their own monitoring programs. Nike developed several audit tools for monitoring of contractors and members of their code of conduct.

Overall it can be concluded that the implementation of codes of conduct in textile are increasing in their development, especially in contrast with tourism implementation. Previous research already revealed the importance of implementation of codes of conduct. These research results on transparency, enforcement and monitoring represents the advanced position textile codes of conduct are in.

### **3.7 Conclusion**

The findings and the analysis of the comparison on tourism and textile codes of conduct lead to important differences from the textile industry of which tourism can learn. Table 2 provides an overview of the main findings of tourism and textile codes of conduct. In this paragraph I conclude on the main findings and differences between tourism and textile codes of conduct.

First, the focus of codes of conduct is examined to gain insight on general background information of codes of conduct in tourism and textile. The differences and knowledge on codes of conduct provided, is used for the further findings of codes of conduct as well as the analysis on the comparison of codes of conduct. The results of the comparison on focus aspects in tourism and textile reveal that important differences exist in both industries on their scale, target group and who develops codes of conduct. This illustrates again that both industries are different in many aspects. Second, from the general analysis, the issues were compared. Environmental issues in tourism are already well advanced although textile has less attention on environmental issues in their codes of conduct. On the contrary, the textile industry is further developed on addressing social issues, of which tourism can gain knowledge in their development of codes. Third, due to the existing differences reported, textile codes of conduct are more developed in their structural aspects. Involvement of standards and conventions lead to correctness and usefulness of the code. The extended information of codes leads to more clarity of a code as well as more comprehensiveness. Although tourism codes of conduct also have their positive aspects in the content and foundation of codes, much can be learned from the structure and approaches of textile codes of conduct. Fourth, within legal aspects, the main important distinction between tourism and textile is the involvement of standards and conventions in textile codes of conduct. These involvements lead to more structure in a code, as well as more equal codes of conduct and international accessibility of the codes. Finally, the implementation of textile codes of conduct is more advanced than the implementation of tourism codes. Even though still adjustments can be made in textile, tourism can learn from textile in transparency, enforcement of codes, usage of standards and other regulations/conventions and monitoring either done by themselves or by external parties.

Table 2 Findings of Codes of Conduct in Tourism and Textile Industry

	Comparable Aspects	Tourism	Textile
Focus Codes	Target group Codes of Conduct	<ul style="list-style-type: none"> <li>- Most codes developed for tour operators and other tourism businesses</li> <li>- Many codes are developed for tourist (consumer)</li> </ul>	<ul style="list-style-type: none"> <li>- Main codes developed for suppliers</li> <li>- Suppliers of a brand company include their contractors, sub - contractors and business partners</li> <li>- Few Codes for the manufacturing sites</li> <li>- <b>NO</b> codes focus on the consumer</li> </ul>
	Developers of Codes of Conduct	<ul style="list-style-type: none"> <li>- Most codes are developed by industry associations/ NGO's</li> <li>- Second, several codes of conduct are developed by Governments</li> </ul>	<ul style="list-style-type: none"> <li>- Most codes are developed by larger 'brand' Companies</li> <li>- Second, codes developed by initiatives or associations</li> <li>- Only 1 code developed by an NGO</li> </ul>
	Scale Code of Conduct	<ul style="list-style-type: none"> <li>- Few worldwide codes of conduct</li> <li>- Many codes destination focussed</li> <li>- Several codes focus on certain places in a country. (government for Australia reef)</li> </ul>	<ul style="list-style-type: none"> <li>- Worldwide, although within 'brand' companies, this means the countries they operate in (where manufacturing takes place)</li> <li>- Most of the codes are available in different languages (mainly codes developed by companies)</li> </ul>
Issues Codes	Social	<ul style="list-style-type: none"> <li>- Less codes on social issues</li> <li>- Only 1 code of conduct which is directly focused on social issues</li> </ul>	<ul style="list-style-type: none"> <li>- All codes, except for one (ERRT), focus at least on social issues</li> <li>- More codes focus directly on social issues</li> </ul>
	Environmental	<ul style="list-style-type: none"> <li>- Main focus on environmental issues, however addressed through 'general' codes of conduct</li> <li>- Many umbrella codes, focus on People, planet and profit</li> </ul>	<ul style="list-style-type: none"> <li>- Less codes focus directly on environmental issues</li> <li>- Only one code is environmental focused, ERRT</li> <li>- More eco - labels on environmental issues</li> </ul>
Structure Codes	Foundation	<ul style="list-style-type: none"> <li>- Usage of other codes for development of a code</li> <li>- No usage of standards, which decreases the integrity of a code of conduct</li> </ul>	<ul style="list-style-type: none"> <li>- Codes are based on standards, which automatically creates more honesty and correctness.</li> <li>- Utility is reached through developed codes intended for all suppliers in a company chain</li> </ul>
	Content	<ul style="list-style-type: none"> <li>- Majority of the codes include 'simple' guidelines, consisting of only around ten principles</li> <li>- Several codes consist of main criteria, subdivided by multiple principles</li> <li>- Most extended Code of conduct is the Global Sustainable Tourism Criteria</li> <li>- Clear and positive language and guidelines</li> <li>- Difference in content codes for organizations and tourists</li> </ul>	<ul style="list-style-type: none"> <li>- Codes of conduct developed by initiatives mostly consist of clear and few (around ten) principles/ guidelines</li> <li>- Codes of conduct developed by brand companies are generally more explicit (for example H&amp;M or Gap Inc.)</li> <li>- Clear criteria, difference in positive language and usage of prohibitive language</li> </ul>
Legal Aspects	Law, standards and regulations	<ul style="list-style-type: none"> <li>- <b>Only one</b> code is committed to standards (UNWTO code)</li> <li>- Some codes make use of other companies developed codes (e.g. Rainforest Alliance that uses WWF as a source)</li> <li>- Several codes include requirement of abiding the (local) law and regulations</li> </ul>	<ul style="list-style-type: none"> <li>- All codes developed are based on certain standards or conventions.</li> <li>- Most common are ILO, UN Declaration of Human Right</li> <li>- Also OECD guidelines and SA 8000 is referred to in codes</li> <li>- Developers of codes also require involvement in national laws</li> </ul>

	Comparable Aspects	Tourism	Textile
<b>Implementation</b>	<b>Transparency</b>	<ul style="list-style-type: none"> <li>- More describing of what to do per guideline, instead of more explanation on why to do it</li> <li>- Overall associations good transparency in; description guidelines, existing information, availability and accessible reports</li> </ul>	<ul style="list-style-type: none"> <li>- Most companies and initiatives have good transparency on different levels: The code and explanation Additional information (like definitions, information per criteria) Monitoring document</li> <li>- Few codes of conduct with 'bad' transparency</li> </ul>
	<b>Enforcement</b>	<ul style="list-style-type: none"> <li>- Most codes of conduct voluntary. However, this is less than half of the codes of conduct</li> <li>- Few codes enforced (e.g. Code for tourist guides)</li> <li>- Several codes do not mention anything about voluntariness</li> </ul>	<ul style="list-style-type: none"> <li>- Scholars write about all codes being voluntary in textile, however codes themselves most of the time do not say anything about voluntary</li> <li>- Only few mention voluntariness of code</li> <li>- In most cases enforcement lies with the company that applies a code of conduct, towards their suppliers, contractors and sub contractors</li> <li>- Enforcement of companies towards their suppliers is mainly from codes developed by initiatives</li> <li>- Codes developed by brand companies require involvement of factories etc. Some apply sanctions with violation (Gap, C&amp;A)</li> </ul>
	<b>Monitoring</b>	<ul style="list-style-type: none"> <li>- Overall, most codes developed for tour operators include monitoring</li> <li>- Codes developed for tourist <b>don't</b> include monitoring or do not mention it</li> <li>- Monitoring overall done by organization that developed code of conduct. Otherwise the tour operator does monitoring itself</li> </ul>	<ul style="list-style-type: none"> <li>- Brand companies work on different ways to include monitoring. Examples: Own monitoring organisation (C&amp;A) Own Inspectors (Levis Strauss) Own monitoring programs (Nike)</li> <li>- Monitoring from initiatives codes, mainly require monitoring of companies themselves</li> </ul>

Overall, tourism codes are less structured than textile codes of conduct. This because tourism codes of conduct are developed everywhere, for everything. Each country develops their own codes and codes are developed by NGO's, associations or governments. There is no direct structure in the codes of conduct in tourism. In textile more structure exists in their codes of conduct through the involvement of standards. Initiatives develop globally applicable codes of conduct. These codes are advanced in their guidelines and include social standards in their code of conduct. This provides more structure in codes, since it is easier to follow. Textile codes of conduct are more advanced in their functioning and development, due to choices they make, standards they follow and structures they have in their codes. Furthermore, as an important aspect for the effectiveness of codes of conduct, the implementation of tourism codes of conduct can learn from textile implementation. Textile is well advanced in implementation, which is important for a code of conduct to remain credible and effective.

## **4. Conclusion and Recommendations**

In this research, I compared codes of conduct in the tourism and textile industry which revealed many interesting differences. These differences between the tourism and textile industry made the results useful and important learning tools for tourism. In this chapter I conclude on the examined and compared codes of conduct. This chapter will first summarize the most important differences between tourism and textile codes of conduct. Then, the analyses for these differences are presented. Finally, I end this conclusion with recommendations for an effective framework. In the second part of this chapter I provide recommendations for further research in codes of conduct as well as to pursue the development of a framework for effective codes of conduct in tourism. These recommendations are a directive for Retour for further research on certain aspects of codes of conduct.

### **4.1 Conclusions**

Research executed by scholars on tourism codes of conduct revealed that in tourism, codes of conduct are least developed in comparison to other industries. Findings of this research guide tourism codes of conduct, to upgrade their value and to create a framework for the development of effective codes of conduct. What seemed a challenging and difficult comparison in the beginning, turned out to be a worthwhile comparison. The many important differences between tourism and textile led to interesting findings and differences for the tourism industry in their development for codes of conduct.

The main and most important differences between tourism and textile codes of conduct are first of all the issues that are addressed in codes of conduct. Tourism has its main attention on environmental issues and less focus on social issues in the industry. Textile on the contrary, focuses mainly on social issues and much less on environmental issues. Second, the geographical focus of codes of conduct in tourism differs from textile codes of conduct. In tourism, codes of conduct are destination focused, while in textile the codes of conduct are globally applicable. Third, a difference exists in including standards and conventions in codes of conduct. Except for one code of conduct, tourism does not include any standards or conventions in their code of conduct. Fourth, the implementation of codes of conduct in tourism can learn from textile implementation. The tourism industry is weak in the implementation of their codes of conduct and can learn from textile in monitoring and transparency of codes of conduct. Overall, these differences lead to one general conclusion that textile codes of conduct are more advanced and structured in the development and content of codes of conduct.

How can we explain these differences? The first and most important differences are explained by the historical difference between tourism and textile. The textile industry has a longer history than the tourism industry. Such an old industry indicates a much more experienced industry in the industrial chain and additional issues to the industry. Next to the historical importance, pressure of external

stakeholders led to a focus on social issues. As acknowledged before, these social issues stand central in the textile industry and relate to, for example, child labour, discrimination or wages. Public attention and pressure from external stakeholders like consumers, lead to improvement of labour rights and working conditions in the textile. Also, demands of workers for better working conditions led to the development of labour law. Important players in this labour law are, among others, the International Labour Organization (ILO). ILO is an international organization which is responsible for drawing up and overseeing international labour standards (ILO, 2010). Organizations like ILO, who develop conventions on working conditions, are included in codes of conduct in the textile industry. While including these standards in codes of conduct, textile shows awareness on working conditions and makes the code universally applicable.

In tourism, historical writings exist. Thomas Cook opened the first travel agency in England in the mid-nineteenth century and organized the first group trip. With this, Cook is the 'founder' of the travel industry. However, it took many years before tourism took off. Only since the last fifty years has tourism become a really growing and important industry (Molenaar, 2007). In tourism, the main attention lies on the environmental issues and sustaining the industry. Sustainability in tourism came into the attention in 1987 with the Brundtland Report. Due to a growing concern of the natural resources and human environment, the Brundtland Commission was created. The long history from textile has taught and made the textile industry a more developed industry in their supply chain and additional issues, than tourism is right now. Tourism can benefit from this by learning and include some of the actions undertaken by textile. This applies mainly for including and addressing social issues in the tourism industry.

Next to this, the supply chain of the tourism and textile industries shows important differences. In the tourism supply chain it is the tourist who travels towards their product, which is their holiday. Within the textile supply chain, the product is developed and 'travels' towards the consumer. This contradiction leads to different focus points in both industries on, for example, the scale or the target group of the codes of conduct. For both industries is the destination an important focus point in the supply chain. In textile, the codes of conduct are universally applicable and tourism develops destination focused codes of conduct and far less global codes of conduct exist. Of all the different destination codes of conduct, eventually they all include the same important criteria on environmental issues. A few examples of global codes of conduct are *the code* from ECPAT or the Global Code of Ethics for Responsible Tourism from UNWTO. *The Code* is a social code of conduct, while the Global Code of Ethics is more focused on environmental issues with little attention towards social aspects. For tourism codes to be more effective and structured, development of global codes of conduct is required. This can be reached through either developing new global codes of conduct, or by expanding and improving the content and structure of the existing global codes. Besides this, many tourism codes of conduct make use of other codes of conduct to develop their own criteria. This is shown in the codes of conduct developed by WWF on the Arctic and Mediterranean. These codes of conduct include the same criteria. Furthermore, also the Rainforest Alliance makes use of the code of conduct from WWF, which focuses on tour operators who operate in 'environmental sensitive areas'. These examples indicate that tourism easily can introduce more global focused codes of conduct.

### **Framework for effective codes of conduct**

The framework for effective codes of conduct is a tool for the tourism industry to make use of, when developing a code of conduct. The framework contains important aspects that need to be included in a code, for a code of conduct to be effective. An optimal framework for effective codes of conduct in tourism will comprise integration of social and environmental standards. Furthermore, an optimal framework will include a broad scope for universally/ globally applicable codes of conduct.

Next to the two most important aspects for a framework, the following conclusions can be drawn on aspects that require improvement and inclusion for an effective code of conduct in tourism. First, social issues that exist in tourism need to be more addressed in codes of conduct. Second, the implementation of a tourism code of conduct requires attention and improvement. Implementation is sub – divided in monitoring and reporting of a code and the transparency, which is a consequence of good reporting.

## **4.2 Recommendations**

The main objective for this research is to identify outlines for a framework for effective codes of conduct in the tourism industry, through a comparison and analysis on codes of conduct in the tourism and textile industry. Eventually, differences are identified which lead to aspects for the development of codes of conduct in the tourism industry. However, more research can be executed on this topic to gain more knowledge and insight on codes of conduct in tourism. Based on this knowledge, results from my research and to pursue the development of the optimal framework, I make recommendations for possible future research on this topic. These recommendations are divided into two groups; 1) framework for effective codes of conduct; 2) further investigation on codes of conduct.

### **Framework for effective codes of conduct**

The basis is laid for a framework for effective codes of conduct for the tourism industry. I included the most important and necessary findings of the comparison. However, the aspects in the framework need to be included in codes. Furthermore, the framework needs completion. Based on this, I make the following recommendations for the framework for effective codes of conduct.

First, *expand and improve addressing social issues in codes of conduct*. Environmental issues in tourism stand central, but nowadays social issues get more attention. However, in forms of codes of conduct, this is only minimal. Tourism is characterized by a high service component and involves a high amount of people. This attention towards social issues will improve the working conditions.

Second, *improve the implementation of codes of conduct*. An effective code of conduct needs to be implemented, monitored and reported. The implementation of codes of conduct in tourism can be improved, paying attention to at least the following aspects. First, does funding exist to monitor a code?

Second, what are the possibilities to monitor, through e.g. monitoring programs, monitoring organizations (extern) or own personnel as inspectors?

Third, *set off research on social and environmental standards* which can be included in codes of conduct. Inclusion of standards in codes of conduct is effective, because it leads to more structure and international accessibility in a code.

Fourth, *establish a global applicable code of conduct*. A global code of conduct can be established by either making use of existing codes of conduct, like the Global Code of Ethics from UNWTO, or by developing a new universally applicable code of conduct. Making use of existing codes of conduct requires adjustments and improvements based on aspects described in the framework for effective codes of conduct. Implementing global codes of conduct in tourism makes a code more effective and creates more structure.

Fifth and finally, *finalize and establish a framework for effective codes of conduct in tourism* that will serve as a tool for tourism organizations to develop effective codes of conduct. My research laid the foundation for the framework and aspects that I already included. Further research leads to the development and completion of the framework. Possibilities for future research are described in the following section.

### **Further investigation on codes of conduct**

Certain aspects appeared during my research ask for more in-depth research for more information and knowledge with regards to development and insight of codes of conduct. I make the following recommendations based on the aspects that emerged.

First, *set off an in-depth research on codes of conduct* to compare with codes from another industry. A detailed comparison of two or three codes of conduct from tourism with e.g. textile is required to gain more profound knowledge on differences and integrated aspects for the framework. More insight can be gained through in-depth interviews with the developers of the selected code of conduct. Results from this in-depth interview can be combined with the findings from my research to develop a framework for effective tourism codes of conduct.

Second, *set off research on a comparison between tourism codes of conduct and eco – labels* for knowledge and outcomes on the development of these two tools. For this research, my focus lay on codes of conduct and therefore further research on eco-labels has been excluded. Results of this comparison can lead to findings and differences that can be included in the framework for effective codes of conduct. Interesting questions for this comparison can be; is there an existing difference between tourism codes of conduct and eco-labels? How are these two tools, codes of conduct and eco-labels, used and what is their main focus and structure? Is it possible for tourism to learn more about development, issues and structure through a comparison between tourism codes of conduct and tourism eco-labels?

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## **Appendix**

Appendix 1 Key Elements of Tourism Codes of Conduct

Appendix 2 Codes of Conduct in Tourism

Appendix 3 Codes of Conduct in Textile

Appendix 4 Standards in the Textile Chain

## Appendix 1 Key Elements of Tourism Codes of Conduct

Table 3 Key Elements of Codes of Conduct in Tourism

Types of Codes	<b>Authorship</b>	<b>Audience</b>	<b>Message</b>
Visitor Codes	Predominantly NGO's and concerned individuals, but also some government bodies such as Ministries of the Environment	Domestic visitors and international visitors, especially overseas visitors to developing countries	<ul style="list-style-type: none"> <li>- Minimize environmental and socio-cultural damage to areas visited.</li> <li>- Maximize economic benefits to host community.</li> <li>- Encourage more equality in relationship between visitors and hosts.</li> <li>- Promote more responsible and sustainable forms of tourism.</li> </ul>
Industry Codes	Predominantly coordinating bodies such as NTOs and IATA, also government and to a lesser extent NGO's and concerned individuals and exceptionally tourism companies, e.g. Chateau Whistler Hotel Group	Tourism industry in general and some codes for specific sectors, such as the hotel industry	<ul style="list-style-type: none"> <li>- Appropriate training/ educating for staff.</li> <li>- Honest marketing of products.</li> <li>- Develop awareness of environmental and socio-cultural impacts of tourism.</li> <li>- Promote more responsible and sustainable forms of tourism.</li> <li>- Promote Recycling.</li> </ul>
Host Codes	Predominantly NGO's and concerned individuals, some host communities in both developed and developing countries, and a small number of host governments	Mainly host communities, especially in developing countries	<ul style="list-style-type: none"> <li>- Information and advice about visitors.</li> <li>- Minimize environmental and socio-cultural damage.</li> <li>- Maximize economic benefits to host community.</li> <li>- Encourage more equality between host and visitor.</li> <li>- Advocate more democratic and participatory forms of tourism development</li> </ul>

Note: From Mason and Mowforth, as cited in Fennell and Malloy, 2007, p 45

## Appendix 2 Codes of Conduct in Tourism

Table 4 Codes of Conduct in Tourism Industry

No.	Title Code of Conduct	Target Area	Target Group	Developed by	Short Description
1	TOI – Tour Operators Initiative (for Sustainable Tourism Development)	World	Tour Operators	Tour Operator Support of: - UNEP - UNESCO - UNWTO	This initiative encourages tour operators worldwide to commit to sustainable development and focus on minimizing social, cultural and environmental impacts. It consists of <b>three</b> main criteria, which are subdivided by several principles. TOI gets support from UNEP, UNESCO and WTO, is a voluntary initiative and open to all tour operators around the world to join. <a href="http://www.toinitiative.org/">http://www.toinitiative.org/</a>
2	AITO – Association of Independent Tour Operators (Responsible Tourism Guidelines)	World	Tour Operators	AITO: The association of Independent Tour operators	The aim of tour operators to focus on environmental, social and economic impacts on the destination. Tour operators should aim to be responsible on all three levels. The guidelines consist of <b>five</b> criteria and the association is focused on the UK. <a href="http://www.aito.co.uk/corporate_home.asp">http://www.aito.co.uk/corporate_home.asp</a>
3	Global Code of Ethics for Responsible Tourism	World	Tourism actors: - Government - Community - Industry - Tourist	UNWTO	This code of conduct is a document which focuses on responsible and sustainable development of world tourism. The focus of this code lays on guidance towards stakeholders involved in tourism, like governments, local communities, the tourism industry and its professionals, as well as visitors, both international and domestic. The code includes ten articles. <b>Nine</b> of these articles focus on aspects at the destination, the last and <b>tenth</b> article is related to the implementation of the guidelines. <a href="http://www.unwto.org/ethics/index.php">http://www.unwto.org/ethics/index.php</a>
4	Code of Conduct for Tour operators	World	Tour Operators	Rainforest Alliance & Source WWF	Guidelines for tour operators working in environmentally-sensitive areas. It includes <b>ten</b> principles, which are established with the WWF guidelines as source. <a href="http://www.rainforest-alliance.org/">http://www.rainforest-alliance.org/</a>
5	The Code (Also known as the Child Protection Code)	World	Tourism Industry	ECPAT	This code of conduct has as a purpose, to engage tour operators worldwide, including their suppliers, to prevent sexual exploitation of children at tourism destinations, through implementing of <i>the code's six</i> criteria. <i>The Code</i> is developed by ECPAT and gets support from UNWTO and UNICEF. <a href="http://www.thecode.org/">http://www.thecode.org/</a>
6	Code of Conduct for Arctic Tourism	Arctic	Tour operators & Tourists	WWF	The Code of conduct for Arctic tourism is developed to link tourism and conservation in the Arctic. This codes includes three subjects; tourism, tour operators and tourists. Each of these subjects consists of <b>ten</b> principles. <a href="http://assets.panda.org/downloads/wwf_tourism_conservation.pdf">http://assets.panda.org/downloads/wwf_tourism_conservation.pdf</a>
7	Code for Mediterranean Tourism	Mediterranean	Tour operators & Tourists	WWF	The Code of conduct for Mediterranean tourism is developed to focus on the impacts tourism has on social, environmental and cultural aspects. This code exists of <b>ten</b> principles, which are directed towards the tourist, tour operators and government authorities. <a href="http://www.monachus-guardian.org/library/medpro01.pdf">http://www.monachus-guardian.org/library/medpro01.pdf</a>

No.	Title Code of Conduct	Target Area	Target Group	Developed by	Short Description
8	Global Sustainable Tourism Criteria (GSCT)	World	Tourism business	GSTC Partnership	Global Sustainable Tourism Criteria include a set of <b>37</b> voluntary standards: in order to protect and sustain the world's natural and cultural resources while ensuring tourism meets its potential as a tool for poverty alleviation. GSCT are developed as part of an initiative led by Rainforest Alliance, UNEP, UNWTO and United Nations Foundation. <a href="http://www.sustainabletourismcriteria.org/">http://www.sustainabletourismcriteria.org/</a>
9	Caring for Australia Code of Conduct	Australia	Tourist	Take A Break	This code of conduct, developed by 'Take A Break' an online holiday portal, encourage visitors to have respect for land, water, cultural and historic sites as well as their host communities, through <b>twenty-four</b> principles. <a href="http://www.takeabreak.com.au/Files/TakeABreak_Code_of_Conduct_for_Tourism.pdf">http://www.takeabreak.com.au/Files/TakeABreak_Code_of_Conduct_for_Tourism.pdf</a>
10	Tourism Service Code of Conduct for Inbound Tour operators	Australia, Queensland	Inbound Tour operators	Government Queensland	The tourism service code of conduct for inbound tour operators focus on the inbound tour operators of Australia. It includes <b>twelve</b> principles on different aspects for tour operators. <a href="http://www.legislation.qld.gov.au/LEGISLTN/SLS/2003/03SL283.pdf">http://www.legislation.qld.gov.au/LEGISLTN/SLS/2003/03SL283.pdf</a>
11	Code of Conduct for safe & honourable tourism	India	Tourism industry	Ministry of Tourism India	The ministry of tourism in India developed a code of conduct to enable Indian travel and tourism industry to encourage tourism, prevent sex tourism and prevent crime, cultural damage and other incorrect actions/ information. In total, <b>five</b> guidelines are developed for the tourism industry to achieve safe and honourable tourism. <a href="http://www.incredibleindia.org/newsite/EditRegionFiles/pdf/Final_Code_of_Conduct_for_Safe_&amp;_Honourable_Tourism_25.06.2010.pdf">http://www.incredibleindia.org/newsite/EditRegionFiles/pdf/Final_Code_of_Conduct_for_Safe_&amp;_Honourable_Tourism_25.06.2010.pdf</a>
12	A Code of Conduct for Tourism in the Holy Land	Palestine	Tourism industry and Tourists	PIRT - Palestinian Initiative for Responsible Tourism	PIRT (Palestinian Initiative for Responsible Tourism) developed a code of conduct for tourists and tourism industry that travel or organize travels to Palestine. <b>Fourteen</b> principles are included to make a tourist more aware, and also promote and support tourism towards Palestine. For the tour operators a more sustainable approach is reached through the code of conduct, which includes <b>eighteen</b> principles. <a href="http://www.pirt.ps/index.php?lang=en">http://www.pirt.ps/index.php?lang=en</a>
13	Approved Destination Status Code of Conduct	New Zealand	Chinese visitors/ tourists	New Zealand Tourism Board Government	The Approved Destination Status (ADS) Code of Conduct sets out procedures and standards to ensure that Chinese visitors enjoy quality tour experiences in New Zealand. <a href="http://www.tourismnewzealand.com/home">http://www.tourismnewzealand.com/home</a>
14	Responsible Tourism Codes	The Pacific	Tourists	Global Focus Aotearoa (NGO)	Aotearoa, a specialist provider of information and education on global and development issues, developed a code of conduct for responsible tourism for the Pacific. This code is developed for the tourists who travel towards the Pacific. However, also tour operators are able to make use of this code in their promotion material. It includes <b>six</b> principles, each supported by several criteria. <a href="http://www.responsibletourism.org.nz/">http://www.responsibletourism.org.nz/</a>
15	The Scottish Marine Wildlife Watching Code	Scotland	Tourist	SNH – Scottish Natural Heritage	A code of conduct developed for anyone who likes to watch marine wildlife. <b>Four</b> main principles lead towards awareness on how to behave and address wildlife. Each of these four principles is grounded by multiple criteria. <a href="http://www.marinecode.org/">http://www.marinecode.org/</a>

No.	Title Code of Conduct	Target Area	Target Group	Developed by	Short Description
16	Wilderness Tourism Association Code of Conduct	Canada, British Colombia	Tour operators	WTA - Wilderness Tourism Association	Wilderness tourism operators are adopting practices that will ensure the sustainability of the industry and the natural/cultural environment on which wilderness tourism depends. This is reached through <b>eight</b> principles in the code of conduct. <a href="http://www.wilderness-tourism.bc.ca/">http://www.wilderness-tourism.bc.ca/</a>
17	Kenya Tourist Code of Conduct	Kenya	Tourists	Tour operator Rove Africa	A tour operator, Rove Africa, developed a code of conduct for their consumer, tourists who travel to Kenya. This code of conduct is developed to raise awareness and educate the tourists and consists of <b>ten</b> principles. <a href="http://www.roveafrica.net/articles/kenya-tourist-code-conduct">http://www.roveafrica.net/articles/kenya-tourist-code-conduct</a>
18	Kruger National Park Code of Conduct	South Africa Kruger NP	Tourist	SAN Parks – South Africa National Parks	A code of conduct, existing of <b>fifteen</b> principles, developed for the protection, enjoyment, education and behaviour of tourists travelling in Kruger National park. <a href="http://www.sanparks.org/parks/kruger/tourism/code.php">http://www.sanparks.org/parks/kruger/tourism/code.php</a>
19	Himalayan Code of Conduct	Himalaya	Tourist; Mountaineer & trekker	Himalayan Environment Trust	A set of guidelines developed by Himalayan Environment Trust for the mountaineer in the Himalaya to preserve the unique environment and ancient cultures of the Himalayas. It consists of <b>ten</b> principles. <a href="http://www.himalayanenvironment.org/">http://www.himalayanenvironment.org/</a>
20	Tourist Code	Morocco	Tourist	Tourism Industry association – Hospitality Centre	A code of conduct developed for the tourists who travel to Morocco, the High Atlas. This Code consists of <b>eleven</b> principles and is there for the tourist to learn/ educate, implement behaviour and minimize negative impacts. <a href="http://www.kasbahdutoubkal.com/atlas/community/touristcode.html">http://www.kasbahdutoubkal.com/atlas/community/touristcode.html</a>
21	Upolu Cay Reef Operators Code of Conduct	Australia, Great Barrier Reef	Tour Operators	Australian Government, Great Barrier Reef Marine Park Authority & Organization Passion of Paradise	This Code of Conduct is developed for tour operators who organize excursions and diving trips to the Great barrier Reef, Upolu Cay. This code ensures that operators operate in accordance with <b>eight</b> Best Environmental Practices to present the unique values of Upolu Cay to visitors in the least intrusive manner. <a href="http://www.gbrmpa.gov.au/_data/assets/pdf_file/0004/28705/upolu_cay_tourism_code_of_conduct.pdf">http://www.gbrmpa.gov.au/_data/assets/pdf_file/0004/28705/upolu_cay_tourism_code_of_conduct.pdf</a>
22	Code of Conduct for Tourist Guides	China, Hong Kong	Tourist Guides	Travel Industry Council of Hong Kong	Since tourist guides play an important role in Hong Kong's tourism industry, a code of conduct is developed by the travel Industry council of Hong Kong. This code is developed for guides to possess correct principles, provide highest standards towards tourists and encourage education and consists of <b>fourteen</b> principles. <a href="http://www.tichk.org/public/website/en/guides/code/html">http://www.tichk.org/public/website/en/guides/code/html</a> <a href="http://www.tichk.org/public/website/en/guides/code_of_conduct_e_2010_07.pdf">http://www.tichk.org/public/website/en/guides/code_of_conduct_e_2010_07.pdf</a>
23	Eco tourist and Tour operators code of conduct for Northwest Yunnan	China, Northwest Yunnan	Tourist & Tour operators	Northwest Yunnan Ecotourism Association	The Northwest Yunnan Ecotourism Association developed a code of conduct for Northwest Yunnan (China), for both tourists ( <b>ten</b> principles) and tour operators ( <b>Nine</b> principles). This Code of conduct is developed to control the impact of tourism on this area's natural and cultural resources. <a href="http://www.northwestyunnan.com/codes_of_conduct.htm">http://www.northwestyunnan.com/codes_of_conduct.htm</a>

No.	Title Code of conduct	Target Area	Target Group	Developed by	Short Description
24	FTO – Federation of Tour Operators (Statement of Commitment)	World	Tour Operators	FTO Responsible Tourism Committee	FTO, Federation of Tour Operators, developed a 'statement of commitment' for all members based on responsible tourism. This statement is about making a positive difference and a focus on sustainable development. It consists of <b>three</b> main criteria, which are subdivided by several principles. All members of FTO commit to these statements. <a href="http://www.fto.co.uk/">http://www.fto.co.uk/</a>
25	Ski TOPS (Ski Tour Operator Association) code of ethics	America and Canada	Tour Operators	Ski TOPS	Members of Ski TOPS involve their business in the developed code of ethics consisting of <b>seven</b> principles, which focus on activities from the businesses like tours, prices, commitment or communication. <a href="http://skitops.com/codeofethics.htm">http://skitops.com/codeofethics.htm</a>
26	KATO Code of Conduct	Kenya	Tour Operators	KATO – Kenya Association of Tour Operators	The Code of conduct developed by KATO is there to ensure that all members of the Kenya Association of Tour Operators trade honestly. The Code covers trading in its widest sense – between members of KATO, and overseas agents and Principals and between members of KATO and their clients. Of the three main groups on which this code is focused, around <b>six and seven</b> criteria are developed. <a href="http://www.katokenya.org/">http://www.katokenya.org/</a>
27	ENAT Code of Good Conduct	World	Tourism business and organizations	ENAT – European Network for Accessible Tourism	The ENAT (European Network for Accessible Tourism) developed a code of conduct for tourism business and organizations for the recognition of efforts to promote accessible travel and tourism. The code is only accessible for members of ENAT, however involvement for members is optional. The Code consists of <b>eight</b> guiding principles which businesses and organisations follow, so as to make travel and tourism accessible for all visitors who experience access difficulties. <a href="http://www.accessibletourism.org/">http://www.accessibletourism.org/</a>

## Appendix 3 Codes of Conduct in Textile

Table 5 Codes of Conduct in Textile Industry

No.	Title Code of Conduct	Target Area	Target Group	Developed by	Based on Standard	Short Description
1	Retail Environmental Sustainability Code	Europe	Retailers in Europe	ERRT – European Retail Round Table		This code of conduct is developed by ERRT (European Retail Round Table) for all retailers in Europe. The focus lies on promoting sustainable production and consumption and this is done by undertaking actions or through supporting their members' actions in this field. The code consists of <b>six</b> criteria, is voluntary and open to all European retailers. <a href="http://www.errt.org/uploads/Retail%20Environmental%20Sustainability%20Code%20-%20June%202010.pdf">http://www.errt.org/uploads/Retail%20Environmental%20Sustainability%20Code%20-%20June%202010.pdf</a>
2	Code of Labour Practices for the Apparel Industry (including sportswear)	World	Suppliers of the apparel industry	Clean Clothes Campaign (CCC), an international NGO	ILO	The Clean Clothes Campaign is an international campaign which focuses on improving the working conditions in the apparel industry. The developed code of conduct is based on ILO conventions and also makes use of codes from other organisations like ETI (Ethical Trading Initiative). The code applies to all companies' contractors, s suppliers or subcontractor. In total <b>nine</b> criteria are included in the code for the labour conditions. <a href="http://www.cleanclothes.org/resources/ccc/corporate-accountability/the-ccc-model-code">http://www.cleanclothes.org/resources/ccc/corporate-accountability/the-ccc-model-code</a>
3	The BSCI Code (Business Social Compliance Initiative)	World	Suppliers of the textile supply chain	BSCI - Business Social Compliance Initiative	ILO, United Nations, OECD, UN Global Compact	BSCI is an initiative of European retail companies and initiated by Foreign Trade Association (FTA). The BSCI Code of Conduct aims to attain compliance with certain social and environmental standards. In total, <b>ten</b> criteria are included in this code. The majority of the criteria are assigned to social aspects. <a href="http://www.bs-ci-eu.org/index.php?id=2020">http://www.bs-ci-eu.org/index.php?id=2020</a>
4	FLA Workplace Code of Conduct	World	Manufacturing sites	FLA – Fair Labour Association	ILO	The Fair Labour Association developed a code of conduct for its members (brand companies, NGO's) for the empowerment of labour and the meaningful protection of workers' rights. In total <b>nine</b> principles are in this code. <a href="http://www.fairlabor.org/about_us_code_conduct_e1.html#languages">http://www.fairlabor.org/about_us_code_conduct_e1.html#languages</a>
5	The Code of Labour Practice	Asia, Eastern Europe & North Africa	Suppliers of the garment industry	FWF - Fair Wear Foundation	ILO, UN Declaration of Human Right	The code of conduct developed by the Fair Wear Foundation focuses on promoting human labour conditions in the supply chain of garment industry. The code contains <b>eight</b> internationally accepted and respected criteria, which need to be implemented in the factories. The criteria are based on ILO and UN conventions and per criteria FWF includes on which conventions the criteria are based. <a href="http://fairwear.org/">http://fairwear.org/</a>

No.	Title Code of Conduct	Target Area	Target Group	Developed by	Based on Standard	Short Description
6	The ETI Base Code (Ethical Trading Initiative)	World	Suppliers of <b>all</b> sectors, including textile	ETI – Ethical Trading Initiative	ILO	The ETI Base Code is developed to promote and improve working conditions in the supply chain of all supplier sectors, including the textile industry. In total, <b>nine</b> criteria are included and moreover, the code is internationally recognized as code of labour practice. <a href="http://www.ethicaltrade.org/">http://www.ethicaltrade.org/</a>
7 A	Code of vendor Conduct	World	Garment factories	Gap Inc.	ILO, Universal Declaration of Human Rights	The Code of Vendor Conduct is developed by Gap Inc. for all the factories (or other subcontractors or agents) that produce goods for them. The document includes <b>four</b> legal, social and environmental standards that are set for garment factories around the world. Through these four standards, multiple guidelines are included <a href="http://www.gapinc.com/GapIncSubSites/csr/documents/COVC_070909.pdf">http://www.gapinc.com/GapIncSubSites/csr/documents/COVC_070909.pdf</a>
B	Code of Business Conduct	World	Companies Gap Inc	Gap Inc.	---	The Business Code of Conduct ( <b>eight</b> principles) is developed for all Gap Inc. companies around the world. The code is a commitment towards Gap Inc. shareholders, customers and all personnel. It is a foundation for promoting a responsible and ethical work environment. <a href="http://www.gapinc.com/public/documents/Code_English.pdf">http://www.gapinc.com/public/documents/Code_English.pdf</a>
8	Global Sourcing and Operating Guidelines - GSOG	World	Suppliers of Levi Strauss & CO	Levi Strauss & CO	ILO, Universal Declaration of Human Rights	Levi Strauss & Co (LS&CO) focuses on 'local empowerment' of female workers to implement compliance criteria. The emphasis lies on awareness raising issues like HIV/ AIDS prevention, education, access and stimulation of local entrepreneurship. GSOG is divided in two parts; country assessment guideline and business partner terms of engagement. The country assessment guidelines assess ( <b>four</b> principles); human rights, health and safety and environmental aspects. The 'Terms of Engagement' (TOE) focus on labour, health and safety, and environmental requirements and consists of <b>thirteen</b> principles. Overall, GSOG helps improve the lives of workers manufacturing products of LS&CO, make responsible sourcing decisions and protect the commercial interests of LS&CO. It is a cornerstone of sourcing strategy and of business relationships with hundreds of contractors worldwide <a href="http://www.levistrauss.com/sites/default/files/librarydocument/2010/4/CitizenshipCodeOfConduct.pdf">http://www.levistrauss.com/sites/default/files/librarydocument/2010/4/CitizenshipCodeOfConduct.pdf</a>
9 A	H&M Code of Conduct	Europe & Asia	Suppliers, subcontractor business partners	H&M	ILO, Universal Declaration of Human Rights	The first code of conduct developed by H&M is for all suppliers, sub contractors and business partners of H&M, mainly operating in Asia and Europe. This code includes <b>eight</b> principle subdivided by multiple criteria, and is there to ensure that products are produced under good working conditions. <a href="http://www.hm.com/gb/corporateresponsibility__responsibility.nhtml">http://www.hm.com/gb/corporateresponsibility__responsibility.nhtml</a>
B	Code of Ethics		H&M Employees & Business partners	H&M	---	The second code of conduct is developed by H&M, the code of Ethics is developed for H&M employees and H&M suppliers. This code of ethics is about the policy that H&M implements in their company. H&M creates awareness among their employees and suppliers on these policies. <a href="http://www.hm.com/gb/corporateresponsibility__responsibility.nhtml">http://www.hm.com/gb/corporateresponsibility__responsibility.nhtml</a>

No.	Title Code of Conduct	Target Area	Target Group	Developed by	Based on Standard	Short Description
10	Code of Conduct for the supply of merchandise	World	Suppliers Contractors	C&A	ILO	The Code developed by C&A offers C&A the opportunity to support the development of ethical and social standards throughout the C&A supply chain through <b>ten</b> principles. Aware of different norms and values in the countries where suppliers operate some of the criteria are universally valid. The role SOCAM (Service Organisation for Compliance Audit Management) plays in this code of conduct is to monitor compliance with contractual terms covering ethical workplace standards. <a href="http://www.c-and-a.com/aboutUs/socialResponsibility/ethics/afford/">http://www.c-and-a.com/aboutUs/socialResponsibility/ethics/afford/</a>
11	NICE Code of Conduct (Nordic Initiative, Clean and Ethical)	World	Company, Suppliers, subcontractor	NICE	ILO, UN Global Compact, Universal Declaration of Human Rights	NICE developed a code of conduct, based on UN global Compact. The guidelines show how to ensure continuous improvement towards ethical, responsible and sustainable manufacturing – in relation to specific challenges and dilemmas for that industry. In total <b>thirteen</b> criteria are developed, particularly the first ten principles are of importance of textile. <a href="http://www.nicefashion.org/en/index.html">http://www.nicefashion.org/en/index.html</a>
12 A	NIKE, INC. Code of Conduct	World	Factories & suppliers	NIKE	Code is based on standard. There is no mention of which standards	Nike developed a code of conduct ( <b>eleven</b> principles) for their factories, in which the minimum standards are included that each factory should meet. The main focus of the code is on the labour aspects, although NIKE also includes environmental aspects. With this, the focus lies on waste, emission and health. <a href="http://www.nikebiz.com/responsibility/">http://www.nikebiz.com/responsibility/</a>
B	Code of Leadership	World, NIKE Inc factories	Factories	NIKE	---	The Code of Leadership ( <b>nine</b> requirements), developed by NIKE, articulates the steps for a factory on how to put the values and actions of the code of conduct into practice. Furthermore, how to measure their efforts and compliance is also included. This code is developed for the contracted factories of Nike. <a href="http://www.nikebiz.com/responsibility/">http://www.nikebiz.com/responsibility/</a>
13	United Nations Global Compact principles	World	Companies of all sectors, including textile	UN Global Compact	ILO, Universal Declaration of Human Rights, Rio Declaration on Environment & Development, UN Convention against corruption	The United Nations Global Compact developed <b>ten</b> principles on human rights, the environment and anti – corruption. These ten principles are arisen from the standards and conventions of ILO, Universal Declaration of Human Rights, Rio Declaration on Environment & Development, and UN Convention against corruption. The Global Compact is a voluntary initiative and worldwide companies can apply who deal with human rights, labour or environment issues. <a href="http://www.unglobalcompact.org/">http://www.unglobalcompact.org/</a>
14	Social Compliance Code of Conduct	Asia	Vendors	Triton Textile	SA 8000	Triton Textile is an organization which focuses on guidance for vendors with out-sourcing in Asia. All employees are SA 8000 certified, and through a developed code of conduct, Triton Textile attempt to reach social compliance by all vendors. In total <b>eleven</b> requirements are developed. <a href="http://www.tritontextile.com/">http://www.tritontextile.com/</a>

## **Appendix 4 Standards in the Textile Chain**

### **Universal Declaration on Human Rights (UDHR)**

The Universal Declaration on Human Rights was adopted by the United Nations in 1948 and is the most universally recognized definition of human rights. In total, thirty articles represent this declaration and it covers economic, social and cultural rights, as well as civil and political rights. Many companies follow these standards when focused on CSR and labour intensity. <http://www.un.org/en/documents/udhr/>

### **UN Convention of the Rights of the Child (CRC)**

The Convention of the Rights of the Child is the first legally binding international instrument which focuses on the full rights of a human. Next to the human rights, civil, cultural, economic, political and social right, in 1989 children were included. Moreover, it was decided that children should get a special convention through which it would be made clear to the world that children also have human rights. The convention stands for children's rights that have everywhere; the right to survival; to develop to the fullest; to protection from harmful influences, abuse and exploitation; and to participate fully in family, cultural and social life. <http://www.unicef.org/crc/>

### **UN Convention on the Elimination of All forms of Discrimination against Women (CEDAW)**

The Convention on the Elimination of All forms of Discrimination against Women was adopted in 1979 by the UN. The convention exists of thirty articles and it defines what constitutes discrimination against women and sets up an agenda for national action against such discrimination. <http://www.un.org/womenwatch/daw/cedaw/>

### **ILO Conventions**

ILO, International Labour Organization, is the international organization responsible for drawing up and overseeing international labour standards. ILO has issued over 200 conventions on working conditions and eight of these refer to four fundamental labour rights; freedom of association and the right to collective bargaining; a ban on forced labour; a ban on child labour and a ban on discrimination in the workplace and in professions. <http://www.ilo.org/global/about-the-ilo/lang--en/index.htm>