



Aussenhandelsvereinigung  
des Deutschen Einzelhandels e.V.

**AVE Declaration**  
**Concerning**  
**a Code of Conduct for the Procurement of Goods to**  
**Ensure Protection of Welfare Standards**

1. The *Foreign Trade Association of the German Retail Trade* (AVE, Cologne) whose members are retailing companies and associations, represents the foreign trade interests of its members.
2. *Ensuring* respect for human life and dignity, improving social standards, and protecting the environment are among humanity's most important tasks. Sustainable development of the economy and attendant social progress can be realised only if the natural foundations of prosperity are respected.
3. *Desirous* of participating in this process, the retailing companies of the FTA have adopted a Code of Conduct for the procurement of goods. The aim is to exercise a positive influence on the procurement markets without engaging in protectionist behaviour, helping to protect basic human rights and safeguard the environment.
4. *In accordance* with the Conventions of the ILO, the Code of Conduct aims at attaining certain minimum standards. The following requirements are of special importance:
  - Prohibition of forced labour and prisoner labour that violates basic human rights.
  - Establishment of and compliance with a regulatory framework for occupational health and safety.
  - Prohibition of child labour, especially the exploitation of children under conditions resembling slavery or harmful to their health.
  - Prohibition of workplace practices, conditions and working hours which violate human rights and labour law.

- Assurance of fair remuneration adequate to local conditions and the level of development, allowing a minimum level of satisfaction of basic material needs.
  - Prohibition of discrimination on the basis of race, skin colour, sex, religion, political convictions or social background.
  - The right to form associations and to conduct collective negotiations for a minimum democratic consensus.
5. *Aware* that existing problems are very complex and that some influence can be exercised, within a framework of appropriate measures, AVE members undertake to promote observance of the above requirements by fixing and implementing appropriate rules and monitoring their trade partners as well as their subcontractors for compliance.
6. *Observance* of the Code of Conduct will rely on dialogue, cooperation and a consensual approach that respects the trading partners' responsibility.

When a violation of the Code of Conduct is determined, member companies will immediately enter into negotiations with the affected suppliers and search for ways to resolve the problem, taking into consideration the interests of the employees and avoiding the effect of a boycott. If suitable solutions cannot be found within a reasonable period of time, this is a reason to terminate further business relations.

7. *Any action taken by the members of the AVE in no way prejudices* the responsibilities of
- governments of industrialised countries and the EU in their pursuit of cooperation with developing countries and a trade policy of open markets
  - governments of developing countries and the sovereign competence of countries in establishing regulations for the improvement of their circumstances, in particular local social and environmental conditions.
8. The AVE is *prepared*, within its legitimation for action, to submit the substance of this declaration to public discussion and political decision-making processes.

Cologne, 22 November 1999

rö/sozstand/AVE Declaration