

ATLANTA AGREEMENT

(A RETYPED COPY)

PARTNERS' AGREEMENT TO ELIMINATE CHILD LABOUR IN THE SOCCER BALL INDUSTRY IN PAKISTAN

WHEREAS, the communities surrounding Sialkot, Pakistan are the centre of the global market for soccer ball, producing over half of the world's hand-stitched balls each year for export to customers around the world;

WHEREAS, the International Labour Organization's (ILO) minimum age convention (NO. 138), 1973, provides that no one under the age of 15 years shall be shifted to employment or work in any occupation but permits a ratifying Member whose economy and educational facilities are insufficiently developed, after consultation with employer and workers concerned, to initially specify a minimum age of 14 years;

WHEREAS, Pakistan has ratified the ILO Minimum Age (Industry) (Revised) Convention, 1937 (No. 59);

WHEREAS, for purposes of this Agreement, "Child labour" shall be deemed to be present in Pakistan whenever children under age 14 are working in conditions that interfere with schooling, or that are hazardous or otherwise injurious to their physical, mental, social or moral well-being;

WHEREAS, the International Labour Organization set up the International Program on the Elimination of Child Labour (IPEC) to assist all elements of society, including government, industry and labour to work together to develop programs and strategies to end child Labour and to that end a Memorandum of Understanding between the Government of Pakistan and the International Labour Office was signed on 21 June 1994 and extended on 21st August 1996;

WHEREAS, the United National Children's fund ("UNICEF") has been operating in Pakistan pursuant to the current Basic Cooperation Agreement between the Government and UNICEF, entered into force on 24th November 1995 and the Master Plan of Operations 1996-98, in order to secure and promote the rights of children as identified and articulated in the Convention on the Rights of the Child, ratified by the Government of Pakistan in November 1990;

WHEREAS, the Sialkot Chamber of Commerce and Industry (SCCI), the All Pakistan Sporting Goods Association and other interested business organizations located in the Sialkot District, Punjab Province, have created a Steering Committee on Child Labour (SCCL), to coordinate the efforts of the business community in Sialkot to contribute to end Child Labour in Pakistan by supporting the efforts of its members and their customers to eliminate Child Labour from the manufacture or assembly of soccer balls, and others products for which Sialkot is internationally know;

NOW THEREFORE, this agreement is entered into as of February 14, 1997, by and among the International Labour Office (ILO) represented by IPEC, UNICEF and SCCI, (collectively, the "Partners") for the creation of a Project to Eliminate Child Labour in the Soccer Ball Industry in Pakistan (the "Project"):

I. Goals of the Project.

A. Elimination of Child Labour in Soccer Ball Production

The primary goal of the Project is (i) to assist manufacturers seeking to prevent Child Labour in the manufacture or assembly of soccer balls in Sialkot district and its environs; (ii) to identify and remove children from conditions of Child Labour in the manufacture or assembly of soccer balls and provide them with educational and other opportunities and (iii) to facilitate changes in community and family attitudes to Child Labour, including in the soccer industry. The partners acknowledge that the success of the Project depends on integrating the implementation of these elements and receiving the support of other

institutions operating in the region, most particularly the Government of Pakistan. The target timetable for realizing this goal has been set by the partners at 18 months.

B. Elimination of Child Labor in Other Local Industries.

The Partners recognize that efforts to eliminate Child Labour in the soccer ball industry in Pakistan can best succeed if they are complemented by similar efforts in others local industries and by the creation of meaningful new opportunities for children in this district. It is the hope of the Partners that the development of the Project shall encourage other sectors of the business community in Sialkot, the Government of Pakistan and other important institutions in Pakistan to explore how they might do more to contribute to the end of Child Labour.

II. Elements of the Project

The project shall consist of two basic program elements (collectively, the "Programs"): Prevention and Monitoring Program. Manufacturers engaged in the production and assembly of soccer balls shall be invited to join a voluntary program of prevention and monitoring (the "Prevention and Monitoring program").

1 Registration of Contractors, Stitchers and Stitching Facilities.

By joining the program, participating manufacturers shall publicly commit to a series of actions designed to prevent the practice of stitching by children under 14 years within 18 months, by requiring the formal registration of (i) all contractors responsible for overseeing stitching on behalf of the manufacturers, (ii) all stitching location such that they are clearly identifiable and open to unannounced inspection and (iii) all stitchers, including documentation verifying that they are over 14 years.

2 Establishment of Internal Monitoring Systems.

Each participating manufacturer agrees to establish an internal monitoring department to verify that it is in compliance with the program and to designate a senior manager with responsibility for this function. Each participating manufacturer agrees that its monitoring department shall provide training to employees to enable them to monitor the age of stitchers and to prepare periodic reports on its monitoring efforts.

3 Agreement to Independent Monitoring.

Participating manufacturers also agree to have their compliance with the Program verified by an independent third party (the "Independent Monitoring Body") who shall provide periodic reports to the Coordinating Committee and to the World Federation of Sporting Goods Industry (for dissemination to their customers and consumers in Europe, the Americas and Asia). These reports shall be made public.

4 Coordination with Social Protection Program.

Participating manufacturers commit to work closely with the ILO and other organizations involved in the Project to integrate their efforts to remove children from conditions of Child Labour with the effort to provide such children from educational and other opportunities. These other efforts are described more fully in the description of the Social Protection Program shall have the following section.

Social Protection Program.

The Partners recognize that a comprehensive program must be developed (the "Social Protection Program") to ensure that the elimination of Child Labour does not create new and potentially more serious dangers to the affected children or their families. This program shall have the following elements:

1 Protection of Children Removed form Child Labour by Providing Educational and Other Opportunities.

The Partners acknowledge that it is essential to identify children at risk of Child Labour in the manufacture or assembly of soccer balls and provide them with appropriate education and facilities. Some combination of the following initiatives shall be developed to address the needs of these children:

(i) Rehabilitation.

A rehabilitation initiative shall target children under 14 removed from the soccer ball industry to support their placement into appropriate education programs.

(ii) Education.

An educational initiative shall also seek to discourage children at risk of becoming engaged in Child Labour from abandoning the educational system by upgrading the relevance and value of educational opportunities currently available to them.

(iii) In-kind Assistance.

An assistance initiative shall seek to provide appropriate in-kind forms of support to facilitate the participation of children in educational programs.

The Partners agree that the development and implementation of these initiatives shall require the close cooperation of industry to ensure that children engaged in Child Labour are properly identified and that they promptly receive the education opportunities.

2. Changing Community Attitudes toward Child Labour in the Soccer Industry.

The Partners also acknowledge that sustaining the elimination of Child Labour shall require more fundamental changes in community attitudes and family approaches toward work. They agree that some combination of the following initiatives shall be developed to facilitate this change:

(i) Awareness Raising.

An awareness-raising initiative shall target communities in Sialkot which serve as important sources of child workers and educate local community leaders (including members of the business community), religious leaders, parents and children of the importance of education for all children and the serious health and developmental consequences of sending children to work instead of school.

(ii) Income Generation.

An income generation initiative shall offer families the opportunity to replace the income lost when children have been removed from the soccer ball industry by means that do not require Child Labour. Such opportunities shall include, but not be limited to, replacing stitchers under age 14 with qualified members of their families who are older than 14 years.

III. Administration of the Project.

A. Coordinating Committee.

The Partners agree to establish a Coordinating Committee to administer implementation of the Project.

1 Membership on the Coordinating Committee.

The Coordinating Committee shall consist of an authorized representative of each of the Partners as well as other members that the Committee may decide to invite. Each Partner shall designate one individual to serve as its representative on the Coordinating Committee. The Partners have invited Save the Children Fund (UK) ("SCF"), an independent international non-governmental organization, to serve as a member of the Coordinating Committee, in recognition of SCF's significant experience working to advance the interests of children in Pakistan.

2 General Responsibilities.

General responsibilities of the Coordinating Committee shall include:

- i. facilitating communication among the Partners to ensure that all elements of the Project are proceeding in an orderly and efficient manner;
- ii. promoting cooperation among the Partners in providing technical and other resources to assist in the development or implementation of the Project;
- iii. identifying individuals and organizations qualified to implement the various elements of the Project and delegating responsibility for implementation to

them;

iv. assuring the proper integration of efforts to prevent Child Labour with efforts to provide meaningful educational opportunities to affected children and alternative income generation opportunities to their families;

v. making public on a regular basis, status reports on the Project and on its success;

vi. encouraging foreign companies, in particular members of the World Federation of the Sporting Goods Industry and the Soccer Industry Council of America, to support this Project; and

vii. encouraging manufacturers in other business sectors operating in Sialkot to join in efforts to eliminate Child Labour.

3 Approval of Social Protection Program Plan.

The Coordinating Committee shall approve a plan that articulates the programmatic priorities for the Social Protection Program and proposes non-governmental organizations to implement them within a time frame that is consistent with the Prevention and Monitoring Programme. The Coordinating Committee shall be responsible for overseeing the implementation of the Social Protection Program plan, including approving the disbursement of funds.

4 Approval of Terms of Reference.

The coordinating Committee shall review and approve the Terms of Reference for the Prevention and Monitoring Program; provided, however, that the members of the Coordinating Committee other than SCCI may delay the implementation of the Program if they agree that this is necessary to protect the best interests of the children who are the intended beneficiaries of the Social Protection Program. The rationale for any such determination shall be made public.

5 Approval of Independent Monitoring Body.

The coordinating Committee shall select an internationally credible Independent Monitoring Body to verify the compliance of participating manufacturers with the Terms of Reference of the Prevention and Monitoring Program. The Coordinating Committee shall be responsible for overseeing the performance of the Independent Monitoring Body, facilitating the distribution of its public reports and approving the disbursement of Project funds for its work.

6 Management and Decision Making.

The Chairpersonship of the Coordinating Committee shall rotate among the Partners every six months, with the ILO representative serving as the Chair of the first six months and the order of subsequent chairs determined by lot. Except as otherwise provided for in Section III.A.4 above, the Coordinating Committee shall decide all matters by consensus.

B. Specific Responsibilities of ILO.

1. Determination of Programs and Implementing Agents.

In consultation with the Coordinating Committee, ILO shall be responsible for proposing for approval by the Coordinating Committee a plan that articulates the programmatic priorities for the Social Protection Program and proposes non-governmental organizations to implement them within a time frame that is consistent with the Prevention and Monitoring Program. This plan shall be presented for approval by the Coordinating Committee within two months following the execution of this agreement.

2. Enlisting the Participation of the Government of Pakistan.

The Partners acknowledge that the basic education of the children of Pakistan is ultimately the responsibility of the Government of Pakistan. Attempts to eliminate Child Labour shall only succeed in Sialkot if the Government makes a sustained commitment to increase the resources available to educate children. ILO shall make every effort to secure additional resources from the Government of Pakistan to improve educational opportunities for all children in Sialkot and to assist in the implementation of the Social Protection Program.

3. Financial and Technical Support.

ILO agrees to make available over the next 24 months no less than US\$ 500,000 in IPEC

programmatic funds contributed by the Government of the United States of America to support the Social Protection Program element of the Project and to provide technical advice and support for the establishment and implementation of the Prevention and Monitoring Program. In addition, ILO shall make available appropriate technical resources, staff assistance and expertise to support the Project and to facilitate the operations of the Coordinating Committee.

C. Specific Responsibilities of SCCI.

1. International Support for the Project.

SCCI agrees to work with the World Federation of the Sporting Goods Industry (WFSGI), whose members represent over 12,000 sporting goods manufacturers, distributors and retailers around the world, and the Soccer Industry of America (SICA), the trade association that represents the U.S. soccer industry, to determine how their members can demonstrate their support for the Project and encourage Pakistani manufacturers of soccer balls to participate.

2. Development of the Terms of Reference.

SCCI agrees to work with the members of the Coordinating Committee to propose a definitive version of the Terms of Reference for the Prevention and Monitoring Program, which shall be made available to the public.

3. Selection of the Independent Monitoring Body.

SCCI agrees to work with the members of the Coordinating Committee to identify and propose an internationally credible Independent Monitoring Body for approval by the Coordinating Committee.

4. Financial and Technical Support.

SCCI has indicated the all costs associated with the development and implementation of the Prevention and Monitoring Program, including the costs associated with constructing new stitching facilities, establishing internal monitoring departments within participating manufacturers and complying with the terms of reference for the Program shall be borne by the companies participating in the program. In addition, SCCI has agreed that participating companies shall contribute funds to finance verification of their compliance by the Independent Monitoring Body. This amount is expected to total no less than US\$ 250,000 over the next 24 months.

5. Contribution of SICA.

SCCI has informed the Partners that the Soccer Industry Council of America, the trade association that represents the U.S. soccer industry, has agreed to contribute US\$ 100,000 over the next 24 months on behalf of SCCI to support elements of the Social Protection Program approved by the Coordinating Committee.

D. Specific Responsibilities of UNICEF.

1. Awareness Campaign on Child Labour.

In consultation with the Coordinating Committee, UNICEF will develop an awareness campaign to educate parents, employers, community members and children in Sialkot on ways to protect against the exploitative and hazardous conditions associated with Child Labour. At the national and provincial levels, UNICEF will advocate with parliamentarians and policy makers to revise laws, improve enforcement and monitor violation of rights of children at risk of Child Labour.

2. Determination of Programs and Implementing Agents.

In consultation with the Coordinating Committee, UNICEF shall present a plan in collaboration with ILO for approval by the Coordinating Committee which articulates the programmatic priorities for the Social Protection Program and proposes non-governmental organizations to implement them within a time frame that is consistent with the Prevention and Monitoring Program and other elements of the Project. This plan shall be presented for approval by the Coordinating Committee within two months following the execution of this agreement.

3. Enlisting Participation of the Government of Pakistan.

The Partners acknowledge that the basic education of children of Pakistan is ultimately the responsibility of Pakistan. Attempts to eliminate Child Labour shall best succeed in Sialkot if the Government makes a sustained commitment to increase the resources available to educate children. UNICEF will work with ILO and other members of the Coordinating Committee to improve educational opportunities for all children in Sialkot and to assist in the implementation of the Social Protection Program.

4. Financial and Technical Support.

UNICEF agrees to make available over the next 24 months no less than US\$ 200,000 for the Project. UNICEF shall make available appropriate technical resource, staff assistance and expertise to support the Project and to facilitate the operations of the Coordinating Committee.

E. Other Provisions.

1. Respect for Logos, Trademarks, etc.

Nothing in this agreement shall be construed to permit any member of the Coordinating Committee to use or permit to use the logos, trademarks or service marks of any other Coordinating Committee member or of WFSGI, of SICA, or of any WFSGI or SICA member or affiliate, without obtaining the express consent of the organization owning the rights to the logo or mark. In addition, SCCI shall be responsible to ensure that the logos, trademarks or service marks of any of the members of the Coordinating Committee are not used by WFSGI, by SICA or by any WFSGI or SICA member without the express consent of the organization owning the rights to the logo or the mark.

2. Resolution of Disputes.

The Partners shall make every effort to resolve amicably by direct informal negotiations any disagreement or dispute which may concern the commitments they make as part of this Agreement. Where any such agreement or dispute cannot be resolved by mutual agreement, it shall be settled by arbitration in accordance with UNCITRAL Arbitration Rules as at present in force. In no event, however, shall this mechanism be employed to resolve disagreements or disputes between members of the Coordinating Committee when making decisions about the design or implementation of the Project.

IN WITNESS WHERE OF, the Partners to this Agreement do here by signify their agreement as of 14th day of February, 1997.

For and on behalf of the International Labour Organization

By /s/ Kari Tapiola

Kari Tapiola

Deputy Director General

For and on behalf of United Nations's Children Fund.. UNICEF

By /s/ Stephen H. Umemoto

UNICEF Representative for Pakistan

For and on Behalf of the Sialkot (Pakistan) Chamber of Commerce and Industry

By /s/ Khurshid Soofi

Kursrhid Soofi

Chairman, Steering Committee on Child Labour