Primarily a regulatory device, RUGMARK can do little to promote development directly. The larger problems of rural poverty and patterns of exploitation which give rise to child labour can only be addressed through other means. A recent increase in the Indian Government allocations toward combatting child labour suggest that is may also be marshalling greater resources for the issue (see 2.23).

2.3 Describe the roles of different levels of RUGMARK management.

In both India and Nepal, a Board of Directors governs company operations and is responsible for all policy setting, based on the RUGMARK Foundation's constitution. In India, the Board is headed by a Chairperson who, in addition to directing the Board in dealing with all major issues, acts as a liaison with government and international agencies. In Nepal, the position of Chairperson has not been formalized and a Convenor fulfills similar duties to that of the Indian Chairperson.

In India, an Executive Director is responsible for the operations and administration of RUGMARK, including overseeing the inspection and certification process. An Administrator assists the Executive Director. Both employees work from the head office in New Delhi. A regional office in Varanasi, located within the carpet-making region of Uttar Pradesh state, is run by a Regional Coordinator who directs a team of 12 inspectors and assistant inspectors. In Nepal, an Executive Director, yet to be appointed, will assume responsibility for the operations and administration of RUGMARK. Headquarters in Nepal are in the Kathmandu Valley, with sub-offices in other areas planned for the future. RUGMARK Nepal has four inspectors.

2.4 Describe RUGMARK Governance.

RUGMARK in India is governed by a Board of Directors under the chairmanship of Ms. Maneka Ghandi. The six members of the Board include:

- two members from the NGO, South Asian Coalition on Child Servitude (SACCS)
- two members from carpet manufacturers and exporters
- one member from the Indo-German Export Promotion (IGEP) programme (who also acts as a Permanent Advisor)
- one member from UNICEF India

In Nepal, revisions to the governance of RUGMARK are currently being introduced based on recommendations from international agencies. A Chairperson will be elected and the nine-member Board of Directors will include:

- four members from carpet exporters
- four members from recognized NGOs
- one neutral (standing) member (a recognized figure)