An Executive Director will be selected by the Board in consultation with UNICEF and the Asian American Free Labor Institute.

2.5 How is RUGMARK monitored?

In producing countries, the main object of monitoring is the presence/absence of child labour on carpet looms. This is carried out by an inspection force of 12, whose procedures are described under 2.6, below.

In Germany, the structure of the RUGMARK operation is still evolving. The objects of monitoring there are to determine the degree of market penetration by labelled carpets, to assure the validity of actual labels affixed to individual carpets. Both these things are accomplished with the assistance of the importers' association. Each label carries a numerical code issued at the point of origin, specifying the exporter, manufacturer and the loom owner. These numbers are forwarded to RUGMARK in Germany, where they are entered on a computer database. In theory this means that false labels could be identified as such because of their serial number. However, it would not ensure against the possibility of genuine numbers being copied on several false labels.

2.6 How is child free labour guaranteed in the different activities of carpet making under the RUGMARK scheme?

RUGMARK can offer no absolute guarantee of child-free labour. It relies on a system of random, unannounced inspections to deter its licensees from breaking their undertaking to prohibit the use of children on looms under contract. The number of inspectors has grown from four, one year ago, to 12 at present but could be increased. Fairly elaborate precautions are taken to ensure inspection staff do not fall under the influence of licensees (inspectors are paired differently for each assignment, and receive their instructions only moments before they set out on an inspection visit). Of the 12,604 registered looms, 6,770 have now been inspected and 660 children were discovered working at 381 looms.

The legality of family-based carpet work presents a challenge to the system, since the presence of children at home looms is not an offence. In 1986 the Indian parliament approved a new Child Labour Prohibition and Regulation Act. The Act prohibits children from being employed in certain hazardous occupations and processes, but the Act does not apply to so-called family-run workshops. Children are prohibited from working in large factories, but otherwise they are free to work elsewhere without limit of age. When children are found on home looms, inspectors check that the children are attending school, and then confirm this with a visit to the child's teacher.

It has also been suggested that exporters could abuse the system by registering only some of the looms under contract and maintaining child workers on others. However, the standard output of a single loom is fairly well established, and using export statistics RUGMARK staff in India determine that the number of registered looms is what one would expect given the volume of exports.