

IKEA STATEMENT

COTTON FROM TURKMENISTAN

July 2017

IKEA has been running a limited and closely framed project in Turkmenistan, with the ambition to create a positive change for the cotton industry on a general level in the country. The project has involved a limited group of farmers, one supplier in a specific part of Turkmenistan producing one to two products only, in order to develop and have full control of the supply chain in line with the IKEA supplier code of conduct. Our presence in the country has enabled us to train farmers and build competences and awareness on the importance of labour rights.

IKEA and third party audits have continuously been conducted to ensure compliance with our supplier code of conduct, IWAY. On the ground assessments at the farms have been conducted during the cotton season, when workers were present on the fields. No breaches have been found during the assessments and audits.

We regard the project as such to be a success, and we have learned a lot. We are thankful for the good dialogue we have had with stakeholders in Turkmenistan. We have had the possibility to work on the ground and with implementation of ILO conventions and BCI principles with stakeholders all the way out to the cotton fields.

However, the overall development in the country in terms of reports on forced and bonded labor doesn't progress in the right direction. Also, our ability to influence the industry outside the scope of this project moving forward is limited. IKEA has taken the decision to not extend the project. We want to see more concrete development examples of the decent work agenda in the entire cotton industry, in addition to an increase in transparency and openness of monitoring working conditions by independent international and local civil society organizations.

We still believe in the approach we have had, and that the decision to be present was right at the time. We do not exclude the possibility to restart the project and come back, should the situation improve.

From September 1, 2015, all cotton in our products comes from more sustainable sources. This means that the cotton is grown with less water, chemical fertilizers and pesticides, while improving working conditions and higher gross margins for farmers. IKEA will continue to work with different development projects within the global cotton industry to convert conventional cotton to more sustainable grown cotton. IKEA has until further notice a ban on cotton from Turkmenistan (except for cotton from the project above) and Uzbekistan, and does not allow cotton from those countries in our products.

For more information, please contact Ikea.rangesupply.media@ikea.com

