

# Commodity Group

## Stone and Paving

This commodity group covers stone and concrete hard landscaping products.

### **What are the risks/issues associated with this commodity group**

The quarrying, processing and trade of natural stone for hard landscaping products is quite complex. Nowadays the majority of the UK imports come from countries as India, China and Brazil where affordable stone is exported through the use of often uncontrolled supply chains.

Major concerns from the Indian natural stone industry regard the use of child labour. It is reported that nearly 20% of workers in Indian quarries are children, some as young as six. Accusations of human and labour rights violations also focused on bonded labour and exploitation of migrant workers, unsafe working conditions and poor living facilities. At the same time environmental damage, air and water pollution caused by quarrying activities continue to have negative impact on local communities.

Many suppliers importing Indian natural sandstone, however, are not engaged in monitoring how their stone is produced. Independent checks are vital to ensure that Indian sandstone coming into the UK is not linked to abuses of human rights and buying from an independently verified source is the only way to be sure that the imported natural stone has been ethically sourced.

Chinese stone quarries are typically state owned and operated or state owned and run by others. There is no direct relationship between the quarry and UK supplier with contracts at factory level or purchase in the open market. As such, although access to the quarry may be possible there is little influence over working conditions. Depending on the scale of supply to a UK buyer, there is a degree of influence over the factories which are audited on behalf of the major UK suppliers. Issues have been raised at this stage of the supply chain

## **Trade Associations**

**Stone Federation of Great Britain** – Trade association for the UK Stone Industry.

**British Stone** – Trade body promoting stone from British Quarries.

**Interlay** – Independent trade association for the Paving Industry.

**Britpave** – British Industry Concrete Paving Association.

**Interpave** – Concrete Paving Products Association

**Quarry Products Association** – Trade body for the quarrying and aggregates

**BALI**– British Associate for Landscape Industries

## **Certified schemes covering responsible procurement**

**Stonemarket Ethical Partnership Scheme** is an UK alliance of retailers, trade unions and NGO's working collectively to tackle the questions posed by ethical trade for sourcing of natural stone. The Scheme was launched by Stonemarket, member of the ETI, and some of its stockists committed to import, manufacture and stock only ethically sourced stone.

**Fairstone** is an environmental and social standard for natural stone industry from developing and emerging markets. Created in 2007 by the German CSR consultancy Win-Win, Fair Stone Partners are importers from Germany, Swiss and Belgium, working with supply chain from China, Vietnam and Turkey. This standard is currently part of public procurement tender in a number of German cities, i.e. Munich. The Fairstone Standard focuses on ILO Conventions as well on safety and health at the workplaces, organizational and supply chain management, and environmental protection. Partners and suppliers are regularly subjected to a control system based on self-assessment, control by Fair Stone and independent audits.  
<http://fairstone.win-win.com/fair-stone/standard/>

Fairstone also provide the internet based software **Tracing Fair Stone**, used to monitor supply chain activities and trace each stone back to the production facility, either by entering the order number or by scanning the QR-Code which is attached to each packaging unit. Each order is entered into the system by the Fair Stone Partner. The supplier adds missing information and updates each production step, from the processing in the factory to the shipment to the arrival at the final customer.

## **Investigations into Supply Chain**

ESCIC have investigated labour and working conditions in the countries where the natural stone is sourced and the degree of social responsibility of UK suppliers.

Many stone companies cite the lack of transparency in their supply chain as a reason for inaction against human rights' violation. They typically buy their sandstone

from open markets, where it is virtually impossible to trace the origin of the stone. However, there are companies, like Marshalls (first stone importing company to join the ETI) that are responsive to the social and environmental issues linked to the stone imported in UK.

Marshalls has developed an exclusive relationship with a single stone processing company, which purchases its stone from a small selection of known quarries. At this site, proper personal protective equipment is used, adequate wages are provided and child labour is strictly banned. There is more to do, but the difference between this operation and other sites is already dramatic.

The only way that natural stone suppliers can guarantee that their products are ethically sourced is by actively managing their supply chain. Regular independent auditing is essential to ensure that safety, environmental and human rights laws are upheld in quarries producing stone for the UK market.

## **Proposed Actions for mitigation**

Crossrail recommends that contractors should specify and source hard stone and paving products from suppliers with any recognised ethical sourcing schemes / initiatives such as SEDEX, ETI, and BES6001 and should provide assistance for the development of ethical sourcing policies.

## **Result of Mitigation**

Engaging with suppliers who can demonstrate that they have own written company ethical sourcing policy and can provide evidence to support compliance with the policy and the minimum requirements of the ETI base code.

Working with suppliers who do not have own written company ethical sourcing policy but would like to improve their methods of operation and could benefit from guidance from main contractors. In turn they can provide the same support to their supply chain.

This will reduce the risks associated with engaging a supplier who does not operate in an ethically or responsibly acceptable manner and improve the quality of living for labourers in developing countries while reducing the environmental impact associated with quarrying.

## **Residual Supply chain risks**

In some developing countries there is a risk of inadvertently funding arms for terrorist and illicit activities.