Latest SLCP Impact Report finds over $20 million USD unlocked through audit harmonization

The Social & Labor Convergence Program's 2022 Impact Report showcases the progress made to reduce audit duplication, key trends in working conditions, and an enhanced methodology for calculating the savings unlocked through converged assessments.

A year after the publication of The Global Fashion Agenda (GFA) Monitor 2022 that called for audit harmonization as a means to promote respectful and secure work environments, SLCP – a GFA Impact Partner – is releasing their annual Impact Report in the week of the Global Fashion Summit in Copenhagen to draw attention to progress made and to urge more companies to ditch their proprietary audits for converged assessments.

The report details the rapid scaling of SLCP's converged tool – the Converged Assessment Framework (CAF) - with the number of facilities completing an SLCP assessment increasing by 65% from 2021 to over 7,250 facilities worldwide in 2022.

In the report, SLCP also shares the findings of research conducted on its behalf by Manaus, a social impact research consultancy, to review the methodology the multi-stakeholder initiative uses to calculate the savings generated through adoption of SLCP's tool. Following a detailed data review, in-depth interviews, and a survey of over 400 factories, the updated methodology indicates that SLCP adoption in 2022 saved facilities $23 million USD in duplicative audit costs.

In addition to highlighting the total resources unlocked, the SLCP report demonstrates other key impacts of SLCP adoption, including:

- Over 50% of SLCP signatories reported that facility ownership of data in the SLCP model has enabled better buyer-supplier relationships;
- Manufacturers reported that savings generated through SLCP adoption are most likely to be redirected to investments in the workplace, new programs or services to workers, and investments in new technology;
- SLCP data is supporting supply chain finance programs that incentivize strong performance on human rights' criteria.

As well as focusing on impact, the SLCP report presents some of the key findings in SLCP assessments in terms of trends in working conditions. Similarly to last year, over 91% of all SLCP assessments conducted in 2022 included at least one legal non-compliance, with an average of 8.7 non- compliances per assessment. This data indicates the continued need for stakeholders to focus efforts on improving working conditions, instead of wasting resources on repetitive auditing.