# 2016 ANNUAL REPORT

#### Clean Clothes Campaign

# Schone Kleren Campagne

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## **Annual report 2016**

# Schone Kleren Campagne Clean Clothes Campaign

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## Introduction

The year 2016 was especially important for our campaigning on compensation for the survivors of fatal factory tragedies and for the families that lost their loved ones in those disasters. Families affected by the fire in Tazreen Fashions in November 2012 and the collapse of Rana Plaza in April 2013, both in Bangladesh, finally saw the compensation processes finalised. Moreover, we could also close our four-year campaign to convince German retailer KiK to pay up to the survivors and families of workers killed in the Ali Enterprises fire of September 2012. Although full justice for the families affected by these disasters has not yet been achieved, and the money does not make the pain of losing a loved one go away to begin with, these were important victories. They showed the power of perseverance and international solidarity working across the divide of production and consumption countries.

International cooperation itself was another priority during 2016. By broadening and institutionalising our network in Europe and Asia – with other regions to come – we have been strengthening the power of our network and making sure we are present in countries that carry the burden of different stages of the supply chain.

The Clean Clothes Campaign network aims to structurally improve working conditions in the global garment and sportswear industries and empowers the predominantly female workers in those industries.

- We put pressure on companies and governments for them to ensure that the rights of manufacturing workers in global supply chains are respected and implemented.
- We work in solidarity with organised workers in global supply chains who are fighting for their rights, and we take action on concrete cases of workers' and activists' rights violations.
- Furthermore, we raise awareness on working conditions in the garment and sportswear industries, and we mobilise people to undertake individual and collective action.

Whereas 2016 was a year of victories, it was also a year of continued campaigning and other related activities. For one, we continued responding to urgent appeals from workers whose rights at work have been violated, and we teamed up with them to work toward solutions behind the scenes or in public. We also focused on trying to prevent new factory incidents by monitoring the initiatives in Bangladesh that aim to improve the safety in garment factories. Activists in over 40 cities around the world, who protested and demanded that factories be made safe, clearly demonstrated that our attention to workers' safety will not go away, even though the horrible incidents of 2012 and 2013 might be losing the spotlight. As we approached the end of 2016, we were determined as ever to continue our struggle for workers' safety, fair wages, freedom of association and all other aspects of decent working conditions in the garment industry.



# Activities and campaigns Living Wage

Garment workers often earn monthly income at or below the level of the local minimum wage (where one is set at all), and this is typically much less than one would need to sustain a decent living standard. Ensuring that garment workers get paid a living wage is therefore one of Clean Clothes Campaign's primary objectives.

We advocate for wages that allow garment workers to buy food for themselves and their families, pay rent, cover the cost of healthcare, clothing, transportation and education, and have some savings for when something unexpected happens. Moreover, a wage meeting those criteria should be earned in a standard working week of no more than 48 hours.

In 2016 we addressed a frequently encountered belief that "made in Europe" stands for fair fashion. That is by far not the case, as we demonstrated with the examples of Poland, Czech Republic and Albania. Our fact sheets on those three countries showed that garment workers in Europe work for extremely low wages and are forced to work overtime, which might not even be paid. While the European garment industry tries to distinguish itself by emphasising the high quality of its products and supplying a number of luxury brands, workers producing this high end clothing often earn minimum wage or even less. In 2015, the monthly minimum wage was EUR 312 in Poland and EUR 390 in the Czech Republic. Workers stitching clothes for brands such as Hugo Boss and Calvin Klein stated that they would have to earn three times the minimum wage to make ends meet.















We focused on living wage in other parts of the world as well. Among other activities, several organisations from the Clean Clothes Campaign network participated in a conference on living wage in Asia, which was organised in Islamabad, Pakistan, by the Dutch and German governments. Apart from stressing the importance of a living wage, our activists and campaigners drew attention to the unresolved case of compensation for the families affected by the Ali Enterprises fire of 2012. The National Trade Union Confederation (NTUF), the Pakistan Institute of Labour Education and Research (PILER) and Ali Enterprises victims' association proposed a resolution that was unanimously adopted by all participants during the closing plenary. It called for the calculation of compensation to be based on the living wage that workers/victims would have been entitled to in September 2012.

#### **Worker safety**

All too often garment workers still have to work in unsafe working environments. The collapse of the Rana Plaza factory in Bangladesh in 2013 made that painfully clear, as did two preceding deadly factory fires in 2012 in Bangladesh and Pakistan. Therefore ensuring that factories are safe as well as bringing about proper compensation for the workers and families affected by deadly factory incidents are among the most important parts of our work.



#### **Broken Promises: our campaign to make H&M factories safe**

Together with three labour organisations based in North America, Clean Clothes Campaign is a witness signatory to the Bangladesh Accord on Fire and Building Safety (hereafter: the Accord). The Accord was established after the Rana Plaza collapse of 2013 to make factories in Bangladesh safe. We regard it as a part of our role to monitor the progress brands make under the Accord. For that reason the four witness signatories published a report in September 2015 on factory remediation in H&M supplier factories in Bangladesh, particularly in the field of fire safety. In January 2016 we followed up with a memo that revealed persistent and considerable delays in ensuring fire safety in H&M supplier factories. Over one-half of researched factories still did not even have safe fire exits at that point. The wake-up call that the initial report was meant to be had led to some progress, but certainly not enough, and thousands of workers remained at risk in unsafe factories. This was once more highlighted by a fire at an H&M supplier factory (Matrix sweaters) less than a week after our memo was published.



Aiming to push H&M to speed up remediation of its factories, we announced a Broken Promises campaign together with the International Labor Rights Forum. By the beginning of April, we launched a campaign website, and we called for worldwide demonstrations around the time of H&M's Annual General Meeting on 3 May – if H&M would not have considerably sped up the installation of fire doors and improvement of unsafe exits by that time.

Shortly before the deadline, H&M showed a new level of transparency in sharing information about its efforts in Bangladesh.

A third memo, published on 2 May, revealed that H&M had made progress, but the majority of researched factories were still lacking safe fire exits. On and around 3 May over forty H&M shops around the world therefore found activists on their doorsteps. Activists showed their concern about fire safety in Bangladesh garment factories in many creative ways. Some dressed up as firemen or safety inspectors and were informing H&M costumers of the need for safe factories. There were also workers' and union representatives' demonstrations organised in Dhaka, Bangladesh.



# Dangerous delays: the lack of transparency of the Alliance for Bangladesh Worker Safety

The Accord is not the only safety initiative in Bangladesh. The Alliance for Bangladesh Worker Safety (Alliance) was established in 2013 as a corporate-led alternative for companies who refused to sign the groundbreaking, legally binding Accord. While the Accord is a multi-stakeholder initiative with an important role for workers' representatives and a high level of transparency, the Alliance is more similar to the pre-Rana Plaza models of corporate responsibility programmes. It is controlled entirely by the companies themselves and has limited and selective reporting.

In November we published a report together with the Accord's other witness signatories, showing that the Alliance for Bangladesh Worker Safety grossly overstates the progress its factories make in repairing safety defects. Not only was progress in remediating safety defects too slow, but the Alliance also lacked transparency and was labelling factories as 'on track' when they were actually behind schedule. This lack of transparency contrasts with the detailed inspection reports published by the Accord. Sam Maher, who worked on the report for Clean Clothes Campaign, stated: "The workers employed in Alliance factories have no independent way of monitoring how safe they really are at work and must continue risking their safety to make our clothes."

The Guardian published an article conveying the report's key findings, and the Alliance reacted with statements and claims that the four witness organisations debunked in a joint response

#### Other safety concerns: boilers

After a fire and structural collapse at the Tampaco Foils Ltd. factory in Bangladesh on 10 September, the four Bangladesh Accord witness signatories responded with a statement.

Although the factory did not produce garments, the incident was an important signal as to the danger of boiler explosions, the alleged cause of the fire. We highlighted that boiler safety is also a key issue in the garment sector, with numerous boiler explosions in Bangladesh, including incidents in November 2014 (Shanta Expressions Ltd.: one dead, four injured), December 2015 (RN Garments: eight injured), and January 2016 (Active Zipper: two injured).

We pointed out that none of the current safety initiatives in the garment sector, including the Accord, cover the issue of boiler safety, and we urged for this caveat to be addressed.



### Compensation for families affected by factory tragedies: Rana Plaza and Tazreen

Three to four years after the factory tragedies in Ali Enterprises (Pakistan, 11 September 2012), Tazreen Fashions (Bangladesh, 24 November 2012) and Rana Plaza (Bangladesh, 24 April 2013), the work on compensating the affected families was still not fully done.

In 2015, trust funds were established for the Rana Plaza and Tazreen families, and 2016 was a year of finishing procedures and looking back to learn lessons from the tragedies. Global stakeholders, including Clean Clothes Campaign representatives, gathered in Kathmandu in March for the Lessons Learned Meeting on Access to Remedy for Workplace Injury in the Garment Supply Chain. Participants discussed past experiences and future strategies.

Although the survivors and the families who lost loved ones in these tragedies had to wait for years before they received compensation and the road to full justice is still long, the fact that the process finally ended and the survivors' and affected families' rights were recognised constitutes a major victory.

But we did not let that stop us from focusing on these cases, and we marked their anniversaries with public statements and calls for justice. On the eve of the third anniversary of the Rana Plaza building collapse we published an update on the efforts and demands of workers, governments, trade unions, activists and brands to improve the Bangladesh garment industry, and we followed with a statement reiterating our solidarity with the families affected by the catastrophe.

We also issued a statement of solidarity on 24 November, the anniversary of the Tazreen factory fire, and we highlighted that the affected families want more than money. They demand that those responsible for the deaths and injury of their loved ones are held to account. We urged the government to speed up the legal processes already underway.

We continue to emphasise that these processes and struggles show the importance of establishing national compensation systems – in line with international standards – for work-related death and injury.

#### A four-year fight for compensation: Ali Enterprises

Four years on, the survivors of the 2012 Ali Enterprises factory fire and families affected by this tragedy were still fighting for long-term compensation. The surge of activity in the second half of 2015 had helped to bring parties to the negotiating table, with ILO providing facilitation, but there was still a clear need for continued pressure for the case to be resolved. Protests and shows of solidarity took place in Pakistan and across the region in April 2016, and local stakeholders, Clean Clothes Campaign, global unions and other actors continuously lobbied, campaigned and negotiated.

With the fourth anniversary approaching both the negotiations and campaigning intensified, and finally, two days before the tragic anniversary, an agreement was signed. KiK committed to long-term compensation amounting to USD 5.15 million. This is meant to cover the loss of earnings, medical and allied care, and rehabilitation costs of the injured survivors and dependents of those killed in the disaster.



# Gender

Women and girls are the force behind fashion, from production to purchase. It is mainly women cutting the cloth for our shirts, stitching the seams of our trousers, gluing soles onto our shoes, sandblasting our jeans.

And it is mainly women browsing the boutiques and stores, fashioning their own style from the clothing they buy. The time is ripe for women to exert their power to fundamentally change the fashion industry.

Despite facing great obstacles, women workers are raising their voices to demand better working conditions and respect for their rights. And women consumers can – and ever more want to – take action to ensure that the women who make their clothes are treated fairly.



# **Women Power Fashion**

In the Women Power Fashion campaign, funded by the Dutch National Postcode Lottery, Clean Clothes Campaign and Mama Cash cooperated with networks of local and national unions, labour rights groups and women's organisations in South Asia's key garment-producing countries: Bangladesh, India, Pakistan, and Sri Lanka. The project included an awareness-raising campaign in the Netherlands (see the 'Outreach and advocacy in the Netherlands' section of this report) as well as a range of trainings and meetings about labour rights and safety in South Asian countries. The latter aimed at making workers more aware about safety issues and better equipped to deal with them.

In collaboration with the local partners, Clean Clothes Campaign worked on safety toolkits that meet workers' needs in the different countries involved. Safety toolkits in Pakistan, for example, contained practical tools to increase safety at work, such as face masks to protect workers against the dust and ear plugs to protect them against the noise. They also included information meant to stimulate workers' participation in trade unions and decision-making mechanisms so that they can influence their factories' policies. In Sri Lanka, as another example, emphasis was placed on enabling women to get home safely after work or union meetings.

Raising awareness, skills and confidence in workers' organising as well as engaging in individual negotiations and collective bargaining processes was another important focus of this project. Throughout South Asia, women received training on these topics, aimed at empowering them to stand up for themselves. The project also provided general support for strengthening unions and women's organisations in the region.

# Urgent appeals

An urgent appeal is a request for Clean Clothes Campaign to support garment workers in concrete cases of rights violations. When Clean Clothes Campaign takes up an urgent appeal, we develop a strategy together with local partners, and we frequently form broader international coalitions.

We always first try to find a "behind the scenes" solution together with the sourcing companies, the factory management and, at times, with public authorities. Only if this approach does not work – and if local partners agree – do urgent appeals cases become subject of public campaigning.

#### Case work

In 2016 we worked on 21 urgent appeal cases in 11 countries. Investigations revealed that workers had been threatened, attacked, falsely charged with criminal offences, put under surveillance, relocated to other factories, suspended or dismissed from their factory as a result of their involvement in a trade union or for trying to establish a trade union. Those blatant attacks on workers trying to organise took place against the backdrop of poor labour conditions, including excessive (unpaid) overtime; underpayment (less than legal minimum wage); illegally withholding payments to social security schemes; no maternity leave; verbal and physical abuse and sexual harassment on the work floor; and unsafe buildings and working conditions. There were also instances of unpaid wages and other rightful payments following a factory closure.

Clean Clothes Campaign developed strategies with worker representatives on how to ensure adequate actions from international stakeholders. Representatives in countries with garment companies' headquarters contacted key brands identified as buyers from the factories in question. Where appropriate, they also ensured follow up with relevant new information to prompt the companies into action. In addition, we used complaints/dispute mechanisms associated with the multistakeholder Fair Wear Foundation and the Bangladesh Accord for Fire and Building Safety.

Those efforts resulted in seven instances of (partial) success, ranging from agreements on fair compensation and reinstatement to the EU Delegation intervening on severe violations and companies taking action.

Examples of public actions in 2016 that were related to urgent appeals include a joint statement with 15 other human rights organisations to call for an immediate and unconditional release of human rights defender Somyot Phrueksakasemsuk from detention in Thailand.

In Nicaragua, the government sent riot police to repress a peaceful protest of workers who demanded improved working conditions at the factory supplying Walmart, among others. We published a statement and sent letters to diplomatic representations in Nicaragua, supporting the workers' demands, condemning the violence and urging the release of those arrested.

We also supported the Black Monday movement in Cambodia which sprang up in response to arrests of human rights defenders, and we backed PT PDK workers in Indonesia.



Toward the end of the year we called for an end of the crackdown on unions in Bangladesh which followed the strike of workers in Dhaka who demanded higher wages.

#### Other activities

Apart from case work the Urgent Appeals team at the International Office focused on building its own train-the-trainer capacity. As a result, we were able to organise trainings in Bangladesh (for five union federations), Sri Lanka (for seven trade unions, women's organisations and labour rights groups) as well as in Eastern Europe (for 11 organisations).



We also strengthened the capacity within the Urgent Appeals Coordinators network, by providing trainings on internet security and gender and privilege issues.

The latter were also discussed at the Association for Women's Rights in Development (AWID) forum where Clean Clothes Campaign members and partners brought the Urgent Appeals system and our work on gender based violence to the forefront of attention.

# Lobby and advocacy

During 2016 Clean Clothes Campaign worked on developing shared positions within the network about some vital and widely discussed issues in the garment industry. To inform a wider public, including brands and policy-makers, about our interpretation of key concepts, we published a series of position papers.

The first position paper presents our understanding of what constitutes meaningful human rights due diligence, which is a cornerstone of the United Nations Guiding Principles on Business and Human Rights. The paper calls for a binding international treaty regulating decent work in supply chains.

Next, the position paper on transparency stipulates our expectations regarding supply chain information that brands should make public.

The third position paper is dedicated to decent work in global supply chains. It calls for the creation of an institutional framework for remedy and prevention that can be scaled up to an enforcement framework. The latter paper was prepared as input for the International Labour Conference (30 May - 11 June) which revolved around the same central theme, and where Clean Clothes Campaign was strongly represented. After the conference we reflected on its conclusions and published our response in another public statement.

Clean Clothes Campaign was present at and contributed to a range of other important meetings around the world. These included a strategic follow-up meeting on the Indonesia Freedom of Association Protocol and the high level conference launching the European Union Flagship Initiative to Promote Responsible Management of the Garment Supply Chain.

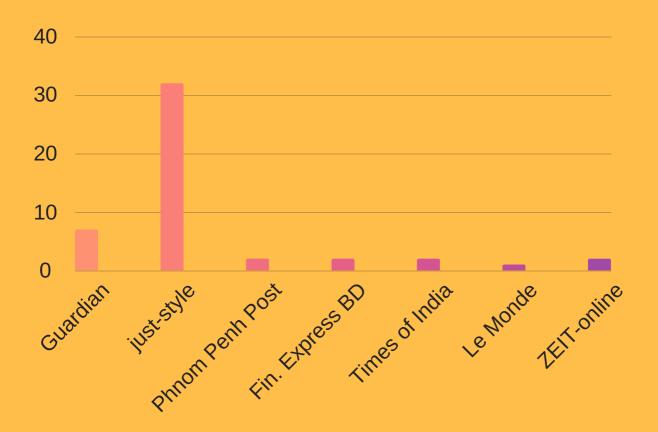
We expressed our disappointment with the lack of efforts to create real transparency in the garment sector and proposed concrete measures that the EU and its member states should take to impose a minimum of transparency in the supply chain.



# Clean Clothes Campaign in the (new) media

As in previous years, we were actively reaching out to media outlets throughout 2016 with public statements and other information. We were also regularly responding to journalists' requests for comments and facilitating communication between journalists and local activists in countries with Clean Clothes Campaign's presence. Such activities increase the visibility and effectiveness of our campaigning efforts and contribute to awareness raising on the conditions in the garment industry among the general public.

According to LexisNexis Clean Clothes Campaign appeared in nearly 140 media stories in 2016, from specialised media outlets to major titles such as the Guardian and Le Monde. A large portion of media coverage was related to our public outreach activities around events, campaigns and issues presented in this report.



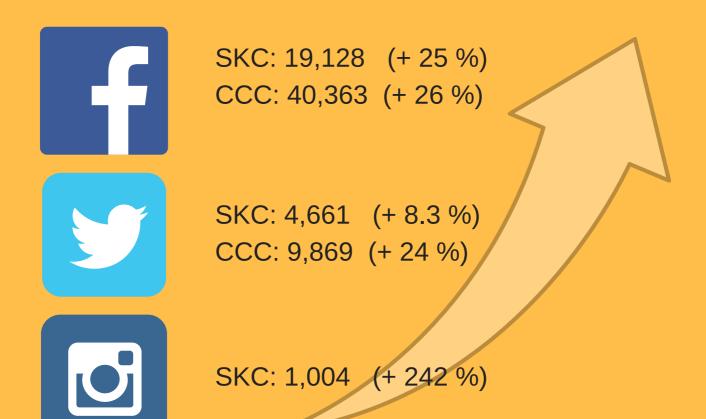
- The scope of the case and the lengthy struggle for compensation, along with international campaigning, brought significant attention to the Ali Enterprises compensation agreement.
- Although less broadly covered, the finalisation of the Tazreen
   Fashions compensation processes also received notable coverage.
- The third anniversary of the collapse of Rana Plaza additionally brought worker safety to the forefront of media attention.
   Furthermore, multiple articles referred to our criticism of the Alliance for Bangladesh Worker Safety and the worryingly slow progress in ensuring fire safety at H&M supplier factories in Bangladesh, which was the subject of our Broken Promises campaign.
- The Never Stop Pushing campaign that targeted Mizuno also sparked media interest, as did many other aspects of the garment industry not mentioned here.





In addition to having served as a credible source of information and commentary for mainstream media journalists we continued to actively reach out to our social media followers and to expand our social media audience.

Both the Dutch and the international Clean Clothes Campaign Facebook pages had about one-quarter more followers than during the previous year, and the number of Twitter followers increased significantly as well. In the case of the international handle @cleanclothes growth was comparable to that on Facebook, and our tweets earned close to 800,000 impressions and almost 11,000 engagements. Additionally, the Dutch Clean Clothes Campaign closed the year with a remarkable growth of audience base on Instagram.



# Outreach and advocacy in the Netherlands Dutch Clean Clothes Campaign

The Clean Clothes Campaign International Office and the Dutch Clean Clothes Campaign (Schone Kleren Campagne) are one foundation (stichting) under Dutch law. Therefore we are presenting selected information on campaigning in the Netherlands in the English version of the annual report, and the Dutch version includes selected information on international activities.

#### Wages in India

The Dutch Clean Clothes Campaign and the India Committee of the Netherlands researched labour conditions in ten garment factories in Southern India that supply Dutch brands, including C&A, Coolcat, G-Star, McGregor, MEXX, Scotch & Soda, Suitsupply, The Sting (Mills Brothers, Hallinger) and WE Fashion.



After speaking with 150 workers local researchers concluded that over a third of them were not even being paid a minimum wage, and none of them earned a living wage. In addition, overtime is often forced and unpaid, and intimidation is common. Research findings prompted the Dutch Clean Clothes Campaign to launch a petition calling upon Dutch brands and the government to ensure a living wage in India.



#### The Mad Rush

You are walking along the high street of Amsterdam and see a nice new pop-up store. You browse the clothes and are invited to go and try them on by the shopkeeper. But when you open the door to the changing rooms, you see something you did not expect: a sweatshop! To raise consumers' awareness about the conditions under which their clothes are made the Dutch Clean Clothes Campaign and Mama Cash ran a mock sweatshop in the centre of Amsterdam for a week in May, as part of the Women Power Fashion project. The 150 volunteers and pop-up store visitors were confronted with the heat, noise and stuffiness of a sweatshop and were impressed by this experience: "The abstract label on my clothes is now linked to a real life experience, and I think next time I go shopping I will be more conscious that my clothes are made by real people on the other side of the planet," said one of the shoppers. A volunteer remarked: "The heat, the deadlines, the pressure one feels because you see the work pile up... This made me even more aware that clothes are made by people. It's bizarre one tends to forget this."

The sweatshop in the high street of Amsterdam attracted international media attention: over 60 articles appeared in the Netherlands, Germany, France, the UK, the US and even India.



#### Campaign videos

Informing the Dutch public about working conditions in the garment industry and mobilising consumers to speak out and take action is one of the main aims of the Dutch Clean Clothes Campaign. That was the reasoning behind a range of new campaign videos released in 2016. 'Lisa's first day at work' shows 18-year-old Lisa starting to work in a restaurant kitchen where working conditions are far from ideal, which is meant to strengthen the understanding of the difficulties faced by garment workers in their working environments. One of the other campaign videos shows the life of a T-shirt before it reaches a buyer's closet.

#### The Dutch Covenant

The Dutch garment industry stakeholders and the government had taken steps toward a common initiative to make the garment industry more sustainable, and negotiations about a garment agreement ('IMVO Convenant voor Duurzame Kleding en Textiel') begun in 2015. The Dutch Clean Clothes Campaign sat at the negotiating table – together with representatives from the NGO sector, trade unions, business organisations and the government – arguing that voluntary agreements are no longer an option for our network because they had repeatedly and consistently failed in the past.

Eventually, the Dutch Clean Clothes Campaign left the negotiations, as it became apparent that the outcome would be non-binding, and the stakeholders were not willing to make sufficiently concrete commitments on living wages and freedom of association. As a result, the Dutch Clean Clothes Campaign was not among the organisations that signed and presented the Covenant in March 2016.

# Organisation

#### **Network development**

Clean Clothes Campaign made significant progress in the development of its new network structure during 2016, most concretely with the formation of regional coalitions in Asia and Europe.

The newly established European regional coalition brought together network members from Norway, Finland, Denmark, Germany, Poland, Czech Republic, Turkey, Austria, Switzerland, Italy, Spain, France, Belgium, Netherlands, UK and Ireland. The South Asia coalition includes India, Sri Lanka, Pakistan, Bangladesh and Nepal, and the East Asia coalition includes Hong Kong, Taiwan, South Korea and Japan. Network members held coalition meetings to discuss regional activities and priorities. The meetings also included training and skill-sharing on topics such as digital security and the use of online campaigning.

In addition, we laid the groundwork for the founding of the South East Asia coalition in 2017, and we expanded the Transitional Steering Board (TSB) to include a representative for Central/East/South East Europe and Turkey. The TSB held seven teleconferences and a two-day face-to-face meeting in Amsterdam. Discussion topics included the creation of a funding framework for the network, broadening of the topics Clean Clothes Campaign works on, the operationalisation and implementation of the Global Strategic Framework, conflict resolution, Strategy Board elections and network communication.

Turning to the country level, we established Country Focal Points for Bangladesh, Cambodia and Indonesia to facilitate communication with relevant stakeholders in those countries. And finally – to improve communication, information exchange and coordination within the whole network – we started producing a bi-weekly internal newsletter, and we launched Working International Groups, which allow network members to cooperate globally on specific themes and efforts.

#### Internal organisation

#### Organisation team and decision making

The Dutch Clean Clothes Campaign and the Clean Clothes Campaign International Office share the same office space and administrative support.

Clean Clothes Campaign does not have a director or a management team. Decisions on working conditions, such as salary and overtime policy, are jointly taken by the personnel.

#### **Board**

The Schone Kleren Campagne / Clean Clothes Campaign governance principles are set out in the Articles of Association. The board consists of five voluntary members:

Mr. Evert de Boer (chair)

Mr. Sjef Stoop (treasurer)

Ms. Nina Ascoly

Ms. Hester Klute

Mr. Just van der Hoeven