

FATAL FASHION IN BANGLADESH THE ACCORD ON FIRE AND BUILDING SAFETY IN BANGLADESH



ABOUT THE CLEAN CLOTHES CAMPAIGN

Dedicated to improving working conditions and supporting the empowerment of workers in the global garment industry since 1989

- educate and mobilize consumers
- lobby companies and governments
- direct solidarity support to workers

For information and support: www.cleanclothes.org

FATAL FASHION IN BANGLADESH CONTENT OF THIS PRESENTATION

- 1. Working conditions in Bangladesh: The daily grind in sweatshops
- 2. Decade of Disaster: Bangladesh accidents 2005-2013
- 3. Critical Catastrophe: Rana Plaza collapse
- 4. Bangladesh Breakthrough: The Accord on Fire and Building Safety



WORKING CONDITIONS IN BANGLADESH: THE DAILY GRIND IN SWEATSHOPS



WORKING CONDITIONS IN BANGLADESH THE DAILY GRIND IN SWEATSHOPS

- Poverty wages: minimum wage \$37/month
- Grinding hours: 12-16 hours 6 days a week
- Harassment and intimidation as management strategy to speed up production
- Unionists are fired or worse
- Most dangerous place in the world to be an garment worker

WORKING CONDITIONS IN BANGLADESH THE GARMENT INDUSTRY

- Bangladesh now 2nd largest apparel producer after China
- Export US\$17billion in 2011
- 5,000 factories
- 3 million workers
- 80% young women









DECADE OF DISASTER:BANGLADESH ACCIDENTS 2005-2013



2005 SPECTRUM COLLAPSE

64 KILLED – 80 INJURED Inditex, Carrefour, Scapino, Karstad, others



Image: CCC

June 27 2013

2006 KTS TEXTILE FIRE

61 KILLED – 100 INJURED Mermain int, ATT, Vida, Leslee Scott, others



Image: CCC

June 27 2013

2006 PHOENIX COLLAPSE

22 DEAD – 50 INJURED Export to Germany, Switzerland, Scandinavia



Image: CCC

2006 IMAM TRANSFORMER EXPLOSION

57 INJURED IN STAMPEDE K-mart, Folsom, others



Image: Google Maps

2006 SAYEM FIRE

3 KILLED – 50 INJURED IN STAMPEDE Inditex, Wet, Bershka, Kreisy, others



Image: CCC

2010 GARIB & GARIB FIRE

21 DEAD – 50 INJURED H&M, Otto, El Corte Ingles, Terranova, others

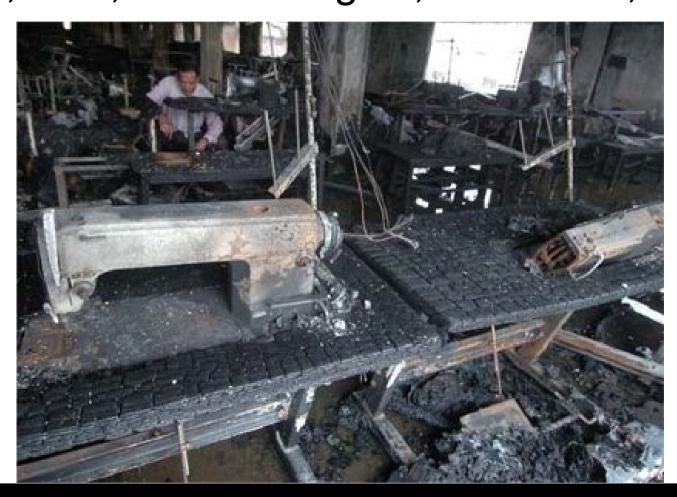


Image: CCC

2010 THAT'S IT/HAMEEM FIRE

29 DEAD – 11 INJURED Gap, PvH, VFC, Target, JC Penney, A&F, others



Image: Reuters/Andrew Biraj

2011 EUROTEX STAMPEDE

2 DEAD – 64 INJURED Tommy Hilfiger, Zara, Gap, KappAhl, C&A, others



Image: Google Maps

2012 TAZREEN FIRE

112 KILLED – 120 INJURED

C&A, Kik, Walmart, Disney, Sears, Kmart, others



Image: CCC

2013 SMART EXPORT FIRE

7 KILLED – 8 INJURED Inditex (Bershka, Lefties), KiK, New Look, others



Image: RISE BD

2013 RANA PLAZA COLLAPSE

1230+ KILLED – 2500+ INJURED Benetton, BonMarche, Mango, Primark, others



Image: Reuters

2013 TUNG HAI FIRE 8 KILLED Several European brands



Image: Reuters

DEATH TOLL IN GARMENT FACTORIES

2005-2013 (MAIN CCC CASES ONLY)

SPECTRUM	64
KTS TEXTILE	61
PHOENIX	22
SAYEM	3
GARIB & GARIB	21
THAT'S IT	29
EUROTEX	2
TAZREEN	112
SMART EXPORT	7
RANA PLAZA	1139
TUNG HAI	8
TOTAL	1468



DEATH TOLL IN GARMENT FACTORIES

2005-2013 [MAIN CCC CASES ONLY]

1468

OTHER ESTIMATIONS: 1800+

BANGLADESH FIRE DEPARTMENT:

213 FACTORY FIRES BETWEEN 2006-2009

DECADE OF DISASTERSRESPONSES AFTER SPECTRUM 2006

A horrific rash of events for garment workers in Bangladesh...factory collapse, explosion and fires... The Bangladesh garment industry is notoriously stricken with labor violations, but the recent tragedies have incited international pressure and investigations..."

Yahoo News, 2006

DECADE OF DISASTERSRESPONSES AFTER GARIB & GARIB 2010

Bangladesh Garment Manufacturers' and Exporters' Association (BGMEA):

"The teams will make surprise visits and immediately inform BGMEA if they find any factory lacking adequate safety measures...BGMEA and BKMEA will take actions against the non-compliant factories...all garment factories must keep their rooftops accessible; the rooftop doors, factory entrances, fire escapes, and emergency gates must always remain unlocked; fabrics and other flammable materials cannot be kept laying around on factory floors; and all factories must arrange fire drills on a regular basis."



DECADE OF DISASTERSRESPONSES AFTER HAMEEM 2010

Walmart and Gap response to unions and NGOs programme of inspections and renovations:

"Specifically to the issue of any corrections on electrical and fire safety, we are talking about 4,500 factories, and in most cases very extensive and costly modifications would need to be undertaken...It is not financially feasible for the brands to make such investments."

DECADE OF DISASTERS

RESPONSES BY BSCI

2006: "BSCI members have increased their efforts to improve the situation" in relation to building safety in Bangladesh in a press release about Spectrum

2013: BSCI is working "to find a solution which prevents such tragedies from happening again" in a online statement about Rana Plaza

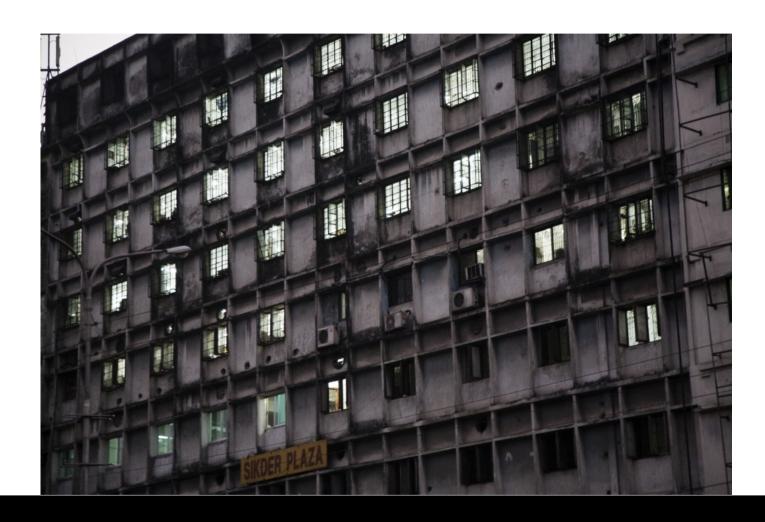


BANGLADESH GARMENT INDUSTRY THOUSANDS OF DEATH TRAPS

- Poorly constructed buildings with weak foundations; illegally added after original construction [often without permission]
- Most factories lack proper fire exists:
 - Open stairwells, which act as chimneys rather than escape routes
 - No external fire escapes
- Missing safety systems
 - No emergency lighting
 - Missing fire extinguishers
- No worker role in safety management, no unions, no or inadequate safety training
- Managers restrict access: lock doors to control workers; delay exit to avoid loss of production, hoping alarms are false



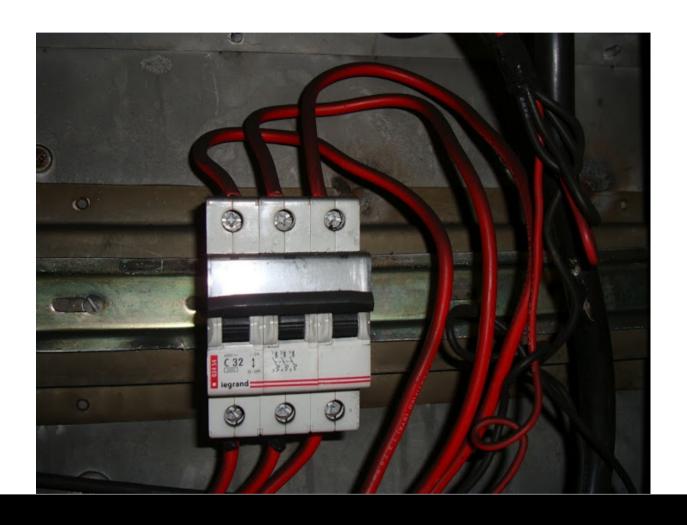
THOUSANDS OF DEATH TRAPS NOT BUILT FOR INDUSTRIAL USE



Factory front Image: CCC

THOUSANDS OF DEATH TRAPS

FAULTY WIRING



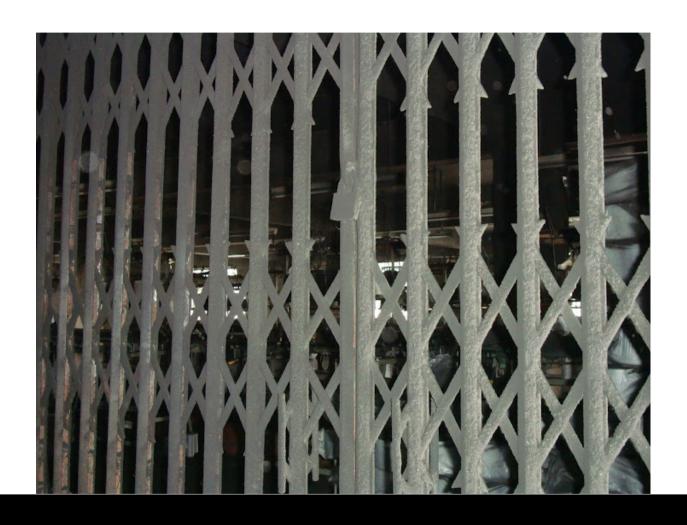
Wiring Garib & Garib Image: CCC

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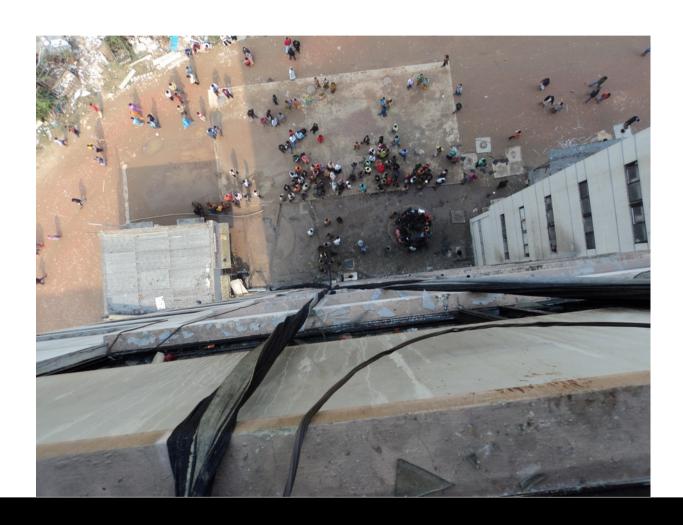
THOUSANDS OF DEATH TRAPS

LOCKED (FIRE) EXITS



Locked exit Garib & Garib Image: CCC

THOUSANDS OF DEATH TRAPS NO EXTERNAL FIRE EXITS



Improvised ropes That's It Factory Fire Image: CCC

THOUSANDS OF DEATH TRAPS

BARRED WINDOWS



Barred windows Garib&Garib Image: CCC

THOUSANDS OF DEATH TRAPS STACKS OF FLAMABLE MATERIAL



Stacked supplies Garib & Garib Factory Image: CCC

THOUSANDS OF DEATH TRAPS INADEQUATE TRAINING



Unused extinguisher Garib & Garib Factory Image: CCC

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GLOBAL GARMENT INDUSTRY A DESTRUCTIVE BUSINESS MODEL

- Brands and retailers want their products cheap & fast: and push local contractors on price and lead times
- To meet these demands factory management ignore workers' rights and safety standards to cut costs and speed production
- (Local) government looks the other way: they need the business
- Audit systems have no effect: no worker involvement and no follow up
- Result: poverty wages, long hours, oppressive conditions, dangerous workplaces
- A problem of the global apparel industry, not just Bangladesh



GLOBAL GARMENT INDUSTRY FAILING SELF-REGULATION SYSTEM

FACTORY	INDUSTRY AUDIT
TAZREEN	WAL-MART, OTHERS
THAT'S IT/HAMEEM	GAP, A&F, VF, OTHERS
GARIB & GARIB	H&M
RANA PLAZA	BSCI, OTHERS



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GLOBAL GARMENT INDUSTRY FAILING SELF-REGULATION SYSTEM

Corporate accountability built on failing audits:

Walmart's CEO, Mike Duke, in a public statement: "We will not buy from an unsafe factory."

Walmart's head of labor rights compliance, in an internal memo: "Fire and electrical safety are not currently adequately covered in ethical sourcing audits."

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GLOBAL GARMENT INDUSTRY FAILING SELF-REGULATION SYSTEM

- Industry auditing: massive conflicts of interest and no transparency
- Industry auditors don't have expertise and/or time for proper inspections: no or inadequate fire safety training, no electrical or structural expertise
- Audits are only a snapshot of conditions in the factory
- Auditors can't ask brands to raise prices to pay for repairs
- BSCI: "You can't expect too much from social audits", yet brands have claimed for years that audits are adequate to protect workers.



GLOBAL GARMENT INDUSTRY COMPANIES' DUE DILIGENCE

- Implement better purchasing practices that encourage improvement of factories
- Sign and implement the Accord on Fire and Building Safety in Bangladesh
- Disclose all audit reports of factories that are non-compliant
- Actively support freedom of association and collective bargaining
- Use their power to motive other stakeholders to protect workers rights



CRITICAL CATASTROPHE: RANA PLAZA COLLAPSE





RANA PLAZA COLLAPSE WORST DISASTER IN GARMENT INDUSTRY

- Five garment factories: New Wave Bottoms, New Wave Ltd,
 Phantom Apparels Ltd., Phantom Tac, Ether Tex
- Produced for: Walmart, El Corte Ingles, Benetton, Inditex, Children's Place, Primark, Joe Fresh (Loblaws), KiK, Bon Marche, Mango and others
- Poorly constructed building located on swampland
- Illegally added floors

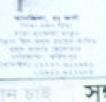


RANA PLAZA COLLAPSE WORST DISASTER IN GARMENT INDUSTRY

- Workers notice cracks in walls: express fear to management
- Management tells workers building is safe and have to work
- Building collapses the next day, crushing workers en masse
- 1130+ dead, 2500+ wounded
- Rescue and recovery takes weeks
- Worst industrial disaster in the world since Bhopal (India 1984)







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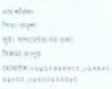




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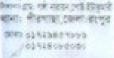




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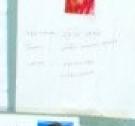
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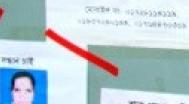


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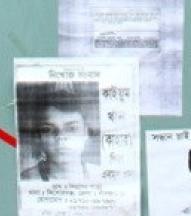








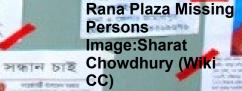
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RANA PLAZA COLLAPSE COMPENSATION TO VICTIMS AND FAMILIES

- Estimated € 54 million (based on ILO standards and a formula developed after other disasters in Bangladesh)
- Including compensation for pain and suffering, loss of earnings for families of diseased workers
- Excluding medical costs, psychological support, previous wages and legal severance payment

RANA PLAZA COLLAPSE COMPENSATION TO VICTIMS AND FAMILIES

Brands need to:

- Come forward as buyers from Rana Plaza (50+ brands)
- Engage with unions and negotiate final compensation figures
- Agree size of contributions to compensation fund
- Contribute their share to the fund

BANGLADESH BREAKTHROUGH: THE ACCORD ON FIRE AND BUILDING SAFETY IN BANGLADESH

BANGLADESH BREAKTHROUGH TIMELINE OF THE ACCORD

FEB 2010	Garib & Garib Fire kills 21: CCC launches April 11 Safety Demands
DEC 2010	(Local) Unions, CCC, WRC, propose plan after That's It fire kills 29
APR 2011	Plan promoted at ITGLWF-led meeting in Dhaka, brands reject
MAR 2012	PVH signs agreement after ABC News story
SEP 2012	GAP refuses to sign binding safety commitments
SEP 2012	Tchibo (German retailer) signs
NOV 2012	Tazreen Fashions fire kills 112
JAN 2013	Smart Export fire kills 8
APR 2013	Rana Plaza collapse kills 1139
MAY 2013	Tung Hai fire kills 8
JUN 2013	Over 60 brands sign Accord on Fire and Building Safety in Bangladesh
JUL 2013	Implementation begins

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ACCORD ON FIRE AND BUILDING SAFETY WHO'S INVOLVED

- Global unions (signatories)
 IndustriALL and UNI Global
- Local unions in Bangladesh (signatories)
 IndustriALL Bangladesh (including NGWF, BIGUF) and BIGWF, BRGWF
- 60+ global brands (signatories)
- NGOs (witnesses)
 Clean Clothes Campaign, Worker Rights Consortium, Maquila Solidarity Network, International Labor Rights Forum
- ILO (independent chair of the committee)

ACCORD ON FIRE AND BUILDING SAFETY

OVER 60 GLOBAL BRANDS SIGN





































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WHY THE ACCORD IS UNPRECEDENTED 5 YEAR ACTION PLAN FOR SAFE FACTORIES

- Accord of Fire and Building Safety in Bangladesh covers over 1000 production units
- All commitments legally binding and enforceable
- Central role for workers and unions: union access, occupational health & safety committees, right to refuse dangerous work
- Thorough, independent inspections with full public reports
- Brands must require factories to undergo all necessary renovations and be responsible for ensuring they are financed
- 5 year plan where brands/retailers must make 2-year commitment to sourcing from safe factories
- Brands must end business relationship with any factory that refuses



ACCORD ON FIRE AND BUILDING SAFETY THE PROCESS

- 12-member planning committee focused on swift implementation: 6 representatives of companies, 6 of global unions
- Implementation plan ready on 8th July 2013
- First priority: inspections and renovations to identify most urgent hazards

ACCORD ON FIRE AND BUILDING SAFETY FOUR MAIN PARTS

- Design the structure of the programme
- Rigorous inspections and remediation
- Worker involvement and transparency
- Supplier incentives to make improvements

ACCORD ON FIRE AND BUILDING SAFETY DESIGN STRUCTURE OF THE PROGRAMME

Brands:

- Classify each supplier: tier 1, 2, 3
- Participate in dispute resolution
- Cooperate with the Steering Committee who develops the structure of the program
- Fund committees and safety inspector (proportionally to production in Bangladesh, up to \$500.000 per year)

ACCORD ON FIRE AND BUILDING SAFETY RIGOROUS INSPECTION AND REMEDIATION

Inspections:

rigorous standards, public reporting and sharing (confidential) information of suppliers with independent safety inspector who is assigned by the committee

Remediation:

- require factories to implement corrective action plans
- pay workers during renovations
- ensure workers get a new job when factory is unsafe or loses orders due to condition of the building
- ensure workers can refuse work when it is unsafe



ACCORD ON FIRE AND BUILDING SAFETY WORKER INVOLVEMENT & TRANSPARANCY

- Training: require factories to train workers delivered by local unions and experts
- Set up health and safety commissions made up of 50% workers chosen by union or elections
- Complaints procedure: to be set up by safety inspector
- Public reporting on factory compliance and remediation including aggregated list of suppliers in program

ACCORD ON FIRE AND BUILDING SAFETY SUPPLIER INCENTIVES

- System for brands to threaten factories with termination of contracts when they refuse to participate
- Negotiate commercial terms to ensure it's financially interesting to maintain a safe workplace or use alternatives (loans, investment, funding)
- Maintain orders from safe factory for at least 2 years



ACCORD ON FIRE AND BUILDING SAFETY THE IMPLEMENTATION

- Goal to get repairs/renovations started in 3 months or less from July 2013 – immediate focus on checking and resolving most urgent hazards
- Binding nature of Accord gives workers the tools to ensure compliance, but there will be many battles

ACCORD ON FIRE AND BUILDING SAFETY THE FUTURE

- Legally binding commitments instead of voluntarily CSR
- Worker-led health and safety committees gives workers a say in their own safety (and working conditions)
- Union access to work floor
- Real improvements
- Safe factories



ACCORD ON FIRE AND BUILDING SAFETY SOURCES USED

- Accord on Fire and Building Safety in Bangladesh
- Worker Right Consortium
- International Labor Rights Forum
- Labour Behind the Label
- Rise BD
- Clean Clothes Campaign

FOR MORE INFORMATION

For more information and to keep track of the progress of the Accord on Fire and Building Safety in Bangladesh see:

www.cleanclothes.org



