

Brussels, 13th of April 2023

Dear Member of the European Parliament,

In 11 days, we will mark the tenth anniversary of the Rana Plaza building collapse in Bangladesh. Sweeping changes were promised in the immediate aftermath of the worst industrial disaster in the garment sector. Apart from improvements in factory safety, other needed reforms have not materialized: garment workers' wages are still at poverty levels; union busting is still rife; and EU legislation to hold brands to account is still not in place.

We are reaching out today to commemorate all the lives lost and ruined in that preventable tragedy: by asking those in positions of power and influence, such as yourself, to prevent further disregard for human rights in Bangladesh and in other parts of the world where clothing sold in the European Union is produced.

## What happened?

On 24 April 2013, the eight-story commercial building in the outskirts of Dhaka, which housed several shops, a bank and five garment factories, came crashing down – a day after large structural cracks were discovered. Whereas other businesses in the Rana Plaza building closed down, garment factory owners ignored safety warnings and workers were ordered to return to work.

They knew they were at risk but were faced with the loss of meager wages while living below the poverty line and did not have unions that could collectively voice the right to refuse unsafe work. They reluctantly entered the factories. Shortly thereafter, the entire building collapsed, killing at least 1,138 people and leaving thousands more injured. Many survivors were trapped under tons of rubble and machinery for hours or even days before they could be rescued, sometimes only by amputating limbs.

This gruesome tragedy devastated the lives of thousands of workers and their families, and it brought worldwide attention to deathtrap workplaces and rampant exploitation in the garment industry.

Notably, the German certification company <u>TÜV Rheinland</u> had audited production facilities within the Rana Plaza complex less than a year earlier as part of a "social audit" based on the code of conduct of the Business Social Compliance Initiative (BSCI), known today as amfori BSCI. The report commented on "good construction quality", and failed to note the lack of freedom of association, child labour, forced overtime and other human rights violations.

### What followed?

The global shock, together with intense campaigning by workers and activists including Clean Clothes Campaign, resulted in more political and public pressure than ever before to effect industry change. This led to ground-breaking approaches to prevention and remedy: with the establishment of the binding *Accord on Fire and Building Safety in Bangladesh ("the Bangladesh Accord")* and the *Rana Plaza Arrangement* for compensation to survivors and families of victims.

The Bangladesh Accord, now widely recognized as best practice, was launched in May 2013 as the first-ever independent and legally binding agreement between brands and trade unions to work towards a safe garment and textile industry. The Rana Plaza Arrangement was agreed upon in December 2013 but it took two more years before payments compensating for loss of income and medical costs were complete, and not all brands that had sourced from the Rana Plaza factories paid up. Moreover victims have also not been compensated for pain and suffering.

### What has happened since?

Factory safety: The Bangladesh Accord has made a significant contribution to workplace safety in the
country, bringing structural and long-lasting improvements to over 1,500 factories. It has been so
successful due to a unique combination of features: legally binding nature, power for the unions, high
levels of transparency, brands' obligations to ensure that factories have the funds to carry needed
improvements and remediation, and an independent complaints mechanism.

Renewed twice so far, the Bangladesh Accord became the International Accord in 2021, active in Bangladesh and recently expanded to Pakistan. Following, again, intense campaigning efforts, the International Accord has been signed by over 190 brands. Unfortunately some major brands present on EU markets such as IKEA, Decathlon, Levi's and Amazon still refuse to join the signatories and continue to free ride on other brands' efforts and investments. The current agreement expires in October 2023. Brands have not provided guarantees so far they will support a new agreement with equally strong safeguards, but we trust they will and call on them to do so.

- Wages: Whereas minimum wages in the garment sector in Bangladesh have been reviewed every
  five years since Rana Plaza collapse, they remain at levels that keep workers in poverty. The last
  review took place in 2018 when the wage was set at 8,000 BDT (about 69 EUR as of 30 March 2023).
  This was only half of the workers' united demand.
- **Employment Injury Insurance**: Despite the *Rana Plaza Arrangemen*t experience and the commitments to build a permanent system for employment injury compensation, it still took almost <u>a decade of work</u> to move forward. It was only in June 2022, that a pilot was launched
- Legal obligations on companies: Acknowledging the shortcomings of a system which relies on the
  good will of companies to respect human rights, several countries made strides to develop binding
  legislation on due diligence and corporate accountability. Following France, Germany and Norway, the
  EU is developing a text on Corporate Sustainability Due Diligence. However, the political process so
  far has raised concerns about whether this future law will, in fact, ensure that human rights are
  respected across global value chains.

#### What can you do?

We ask you to stand with us in remembrance of the lives unfairly lost and ruined, by showing you care about garment workers' rights through concrete actions. These can include:

- 1. Leaving a message of remembrance on the Rana Plaza Never Again website;
- 2. Calling for legislation in Bangladesh and globally to change so that survivors and affected families can access compensation for pain and suffering without going to court.
- 3. Engaging with stakeholders to turn the <u>Employment Injury Scheme</u> pilot into a permanent system guaranteeing income support accessible to all in case of occupational illness and injury.
- 4. Speaking out in support of the International Accord: its continuation past October 2023 in the form of a new, long-term, agreement on health and safety with enforceable obligations for individual brands; as well as its expansion to other countries with similar workplace safety risks;
- 5. Urging international brands and retailers to demonstrate their corporate responsibility by signing onto such legally binding agreements;
- 6. Engaging with the Government of Bangladesh and business representatives to ensure there is an enabling environment in law and practice for workers to exercise their freedom of association.
- 7. Supporting garment workers and trade unions' demands for an increase of the minimum wage in Bangladesh to at least 23,000 BDT (196 EUR).
- 8. Working to ensure a strong legal framework for corporate accountability such as the Corporate Sustainability Due Diligence Directive: with broad company scope, full value chain scope, guarantees of access to justice and effective non-judicial remedy, and no safe harbours related to commercial social auditing, certification or collective initiatives.

We thank you for your support and we stand ready to discuss this important issue with you.

Yours sincerely,

# Clean Clothes Campaign