# STILL WAITING:

## Six months after history's deadliest apparel industry disaster, workers continue to fight for compensation

Clean Clothes Campaign

INTERNATIONAL LABOR RIGHTS FORUM

# Still Waiting

## Six months after history's deadliest apparel industry disaster, workers continue to fight for reparations

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**COVER PHOTO:** Rokeya Begum shows a picture of her 18-year-old daughter Henna Akhtar, a seamstress who died in the fire at Tazreen Fashions. Photo © Kevin Frayer, Associated Press.

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## CLEAN CLOTHES CAMPAIGN (CCC)

The Clean Clothes Campaign (CCC) is dedicated to improving working conditions and supporting the empowerment of workers in the global garment and sportswear industries. Since 1989, the CCC has worked to help ensure that the fundamental rights of workers are respected. We educate and mobilise consumers, lobby companies and governments, and offer direct solidarity support to workers as they fight for their rights and demand better working conditions. The CCC is an international alliance that works to improve conditions and support the empowerment of workers in the global garment industry. The CCC has national campaigns in 15 European countries with a network of 250 organisations worldwide, and international secretariat based in Amsterdam. Members and partners include trade unions and non-governmental organisations (NGOs) covering a broad spectrum of perspectives and interests, such as women's rights, consumer advocacy and poverty reduction.

## INTERNATIONAL LABOR RIGHTS FORUM (ILRF)

The International Labor Rights Forum (ILRF) is a human rights advocacy organization dedicated to achieving just and humane conditions for workers worldwide, founded in 1986 and based in Washington D.C. ILRF works with trade unions and community-based labor rights advocates to expose violations of workers' rights, including child and forced labor, discrimination, and violations of workers' rights to organize and bargain collectively. Our field research helps to build and promote worker-driven organizations and solutions. We develop, propose, test, and assess government and corporate policies to ensure that global trade, procurement, and development practices support workers' rights. Through raising public awareness about working conditions in global low-wage industries -- especially in the garment and agriculture industries – we educate consumers to push companies and governments for change.

Rana Plaza building collapse, April 24, 2013. © Laura Gutierrez

Still Waiting

# Executive Summary

Six months after the Rana Plaza building collapse and eleven months after the Tazreen Fashions fire, the injured workers and the families who lost loved ones face immense financial hardship. In addition to the physical pain and psychological trauma, they are suffering from loss of income while continuing to await full and fair compensation from government, factory owners, and European and North American brands and retailers.

This report by the Clean Clothes Campaign and the International Labor Rights Forum is an examination of the aftermath of these two garment industry disasters in Bangladesh. We avoid using the word "accidents" because we acknowledge that these tragedies could have been prevented with proper fire and building safety measures and with respect for workers' right to refuse dangerous work. The report finds that as of yet very little compensation from the negligent parties responsible for the catastrophes has reached the survivors and the families of the deceased.

A process for delivering compensation to the families of workers who died at Rana Plaza has now begun and there are some promising steps forward on developing a mechanism that will enable this much-needed compensation to become a reality. What is missing is the commitment from the majority of brands with links to the Rana Plaza factories to pay the money needed.

In the six months since Rana Plaza, many of the brands and retailers sourcing from Bangladesh have taken some first steps towards a safer industry by forming the Accord on Fire and Building Safety in Bangladesh, which now has more than 100 signatories.[1] This is a start – but much more needs to be done. All apparel companies sourcing from Bangladesh must join the Accord and all responsible companies should urgently participate in the compensation process for Tazreen and Rana Plaza victims. There must be a commitment from all brands to ensure compensation funds are sufficient to cover full and fair compensation payments to all the victims and their families. The initial outcry after these horrific tragedies must be translated into a sustained and continuous call for change throughout the industry, a change that will ensure that the women who make our clothes finally get the respect and dignity they deserve.

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ABDUL JABAR (26) WITH HIS 18-MONTH OLD SON MASUM. HE LOST HIS WIFE, MAHFOUZA KAH-TUN (22), TO THE FIRE AT TAZREEN FASHIONS WHERE SHE WORKED.

© Kevin Frayer, AP

Family members of Rana Plaza building collapse victims. © Laura Gutierrez.

Still Waiting

# Introduction

On April 24, 2013, the Rana Plaza building in Dhaka, Bangladesh, which housed five garment factories, came crashing down, claiming at least 1,132 lives. Cracks had appeared in the wall the previous day, yet thousands of garment workers were forced to return to work in the factories housed on the upper floors.

The Rana Plaza disaster woke the world to the horrific conditions faced by the mainly female workforce employed in Bangladesh to make clothes for major European and North American brands and retailers. But this was not the first, or last, disaster in Bangladesh. Only five months earlier, at least 112 workers were killed, trapped inside the burning Tazreen Fashions factory. Investigations into the fire showed that inadequate fire defence equipment, a lack of emergency exits, barred windows and inappropriate storage of materials contributed to the high death toll. Worse, workers were prevented from leaving the factory by managers who demanded they continue working even as the fire alarm rang.

The lives of thousands of workers and their families have been devastated by these disasters, by the death of a loved one or by injuries and trauma that will scar them forever, as well as by the sudden loss of income. The appallingly low wages earned by these workers had kept them in poverty before these tragedies -- now they face destitution. Reports abound of families thrown out of their homes, children prevented from an education and women disowned by families that cannot support them. These workers and families must not be forgotten in the push for a more just and sustainable industry.

## A DEADLY INDUSTRY

Trade unions and labour rights campaigners had been warning for nearly a decade that such a disaster was not only likely but inevitable. Since 2005 when the Spectrum factory collapsed, also as a result of building cracks ignored, these groups had called for immediate action to address systematic issues such as illegal building construction; overcrowded factories; dangerous electrical systems and machinery; and the lack of fire-fighting equipment, emergency exits and training. These calls went largely unheeded by government and industry alike. In fact, as the industry grew at an unprecedented pace, owners built ever more garment factories on unstable swampland, added new floors illegally to existing structures and set up factories in buildings never intended for industrial use.

The fears over the endemic building and fire safety risks in the industry were not simply conjectures. The first recorded garment factory fire occurred on December 27, 1990, at Saraka Garments in the capital Dhaka. At least 32 workers died and over 100 workers left injured.  Since then at least 2,200 Bangladeshi garment workers have been killed and thousands more injured in at least 300 safety incidents.[2]

In the aftermath of Rana Plaza it became clear that not a single brand, retailer or audit scheme was properly incorporating building inspections as part of their standard audits. Most were not even asking for building certificates to determine whether the construction was legal.

The outcry after Rana Plaza has finally led to some positive action by brands, retailers and the government. However, this comes too late for the workers of Tazreen and Rana Plaza. All the brands linked to these factories, regardless of whether their sourcing was direct, placed by an agent or under license, or the date the factory started or stopped producing their garments, must now take responsibility by paying their share of the full and fair compensation that the wounded workers and families of those killed deserve.

### MALIHA'S STORY

"After the fire my life turned upside down. My husband immediately left me and remarried to avoid taking care of me. The accident left me with a broken leg, fractured head, and a blind eye. The money I used to earn at Tazreen helped me support my ill mother in the village. Now, I wonder everyday how to survive and feed my children who are so young."

### NOT JUST SAFETY, BUT DIGNITY

It is no coincidence that, although Rana Plaza housed a number of different businesses, it was the garment workers who were forced to work that fateful day. It's the four million garment workers who form the backbone of Bangladesh's economy, yet their lives and well-being are treated with complete disregard by employers, government and industry alike.

Bangladesh's garment workers are the lowest paid in the world. At the time of the Rana Plaza collapse the minimum wage was just BDT 3,000 (USD 38)[3] per month; estimated to be only 12% of living wage,[4] the minimum wage has not been increased in over three years despite 8 to 10% inflation rates.[5] As the industry has grown, creating huge profits for local businessmen and the multinational corporations they supply, workers have watched the real value of their wages fall against a soaring inflation rate. These low wages mean that, despite toiling up to 90 hours a week, these women are trapped into a cycle of poverty. Most struggle to provide for their families and the majority live in constant debt.

The lack of regard for the lives of garment workers was starkly evident in the circumstances surrounding the recent disasters. Numerous survivors reported being told they would be deprived of one month's wage if they refused to enter the condemned Rana Plaza building.[6] Tazreen workers were told to stay at their workstations even after they smelled smoke. Rana Plaza workers were forced to choose between the consequences of losing vital income and the risk of losing their lives. For most, feeding their children and paying rent took priority over safety.

Improving workplace safety is inextricably linked to the dire need to improve wages and trade union rights in Bangladesh. While workers remain trapped in a cycle of poverty and debt, and while they are actively





## "THE TAZREEN FIRE LEFT ME DEVASTATED."

prevented from organising to defend their rights -- including the right to refuse dangerous work -- they will continue to be forced to risk their lives for an industry that provides little respect to the women and men who toil in it.

### EMPOWERMENT OR EXPLOITATION?

Over 70% of Bangladesh's garment workers are women. The industry claims to improve the position of women, including liberating them from repressive family structures which afford them limited freedom. Yet this masks the reality in which women workers are consistently abused, insulted and exploited by predominantly male bosses. Women remain in the lowest grade jobs and even when promoted they are often paid less than their male counterparts. Most are the sole or main breadwinners for their families, adding an extra burden of responsibility onto their shoulders.

80% of Rana Plaza survivors are women.[7] Now they find themselves in a situation more desperate than ever. They have little opportunity to find work outside of an industry to which many are far too traumatised to return. Those who suffered injuries, both physical and psychological, struggle to afford the medical treatment they require before they can secure new employment. Their low wages meant it had never been possible to save any income and so in just a few months they find themselves facing homelessness and destitution.

Organisations supporting the survivors report numerous cases of women left by their husbands and in-laws who either cannot or will not support them now that they can no longer work.[8]

"The Tazreen fire left me devastated. After I was rescued, I was being treated for broken limbs, head and rib fractures. My 16 year old son is a helper at a garments factory, he earns for the family now. My youngest son is almost blind from birth; he's nine. The first thing my husband did after my accident was he got remarried with a younger wife who earned...he assumed I was going to die...and he didn't want to pay for the expenses...He left us all to fend for ourselves," said one woman.

Other survivors describe how they have been transformed overnight from breadwinners to burdens and are facing constant worry and guilt about the impact this will have on the lives and futures of their loved ones. Shanu lost her right leg and badly injured her left leg in the collapse. She is now out of a job. "I have a daughter, she is seven, back in my village," she said. "I want her to be educated, but I worry now about how I will be able to provide for her."[9]

"Ma and baba, please forgive me. I will not be able to buy medicine for you anymore. Brother, can you look after ma and baba?" reads a note found on the body of a woman at Rana Plaza.

Destitution and guilt should not be the price these women have to pay for the failure of others to make sure their workplace is safe. They urgently need full and fair compensation to be paid, to enable them to continue to support themselves and their families, and to access the medical care they desperately need.

**“I DID NOT WANT TO GO TO WORK. BUT WE WERE THREATENED BY THE FACTORY OWNER.”**

## CALCULATING COMPENSATION

Under the UN Guidelines on Business and Human Rights, companies have a responsibility not only to carry out due diligence with regard to the protection of human rights, but also to provide remedy should the worst happen. In the case of Rana Plaza and Tazreen, the deaths and injuries arose out of the failure of government, owners, and buyers to carry out due diligence, despite widespread knowledge that building safety risks are endemic in the industry. It is therefore the responsibility of all these parties to contribute to the remedy, which in this case is the provision of full and fair compensation. This includes all brands that had a direct or indirect relationship with a Rana Plaza factory or Tazreen, regardless of the length or nature of this relationship, whether production was authorised or not, or whether they were sourcing from the factory at the precise moment of the disaster.

In recognition that no proper system of compensation exists in Bangladesh, local and international trade unions and NGOs developed a formula to calculate full and fair compensation for the victims of such disasters. This formula has been used in compensation plans implemented after a number of fires and other building safety incidents.[10] It is vital to maintain this precedent for the victims of Rana Plaza, Tazreen, and all the other garment industry disasters in Bangladesh in which workers have yet to receive proper compensation.

The formula is based on internationally-recognised principles for compensation and takes into account pain and suffering and loss of income for families of the dead and injured workers.[11] It accounts for needs such as covering all costs of medical treatment and rehabilitation, burial expenses, and payment to provide education for children whose parents died or can no longer work. Until full medical assessments are carried out and the results documented, it is impossible to provide an estimate for the amount of compensation owed to injured workers, since this depends on the nature of their injuries and their employability. Since the number of injured at Rana Plaza is so significant, the compensation estimate presented in this briefing does not currently include medical costs and is therefore quite conservative.

The formula proposes that the different groups responsible for the failings that led to the disasters each contribute a portion. Based on previous cases, we are calling for brands and retailers to collectively pay 45%, the factory owner to contribute 28%, the BGMEA 18% and the government 9%.

### ROWSHANARA’S STORY

Rowshanara jumped from the third floor and still has severe pain in her back and legs. She was visibly in pain after sitting too long. She is single and gets by on loans. She has two teenage children in school she doesn’t want to force to go to work, but she worries how she’ll get by.

Affected family members. © Chaumtoli Huq, Associate Professor of Law at NYLS; Author, Law@theMargins (www.lawatmargins.com)

ROKEYA BEGUM SHOWS A PICTURE OF HER 18-YEAR-OLD DAUGHTER HENNA AKHTAR, A SEAMSTRESS WHO DIED IN THE FIRE AT TAZREEN FASHIONS.

© Kevin Frayer, AP

Inside Tazreen Fashions, the day after the factory fire. © BCWS



Chapter 1:

# Tazreen Fashions

## THE FIRE

On November 24, 2012 at least 112 workers were killed and 125 were injured when a fire ripped through the nine story Tazreen Fashions factory located in Ashulia, Dhaka in Bangladesh. At the time it was the largest garment industry disaster in Bangladesh's history.

What caused the fire is topic of debate. The first reports suggested the fire was started by an electrical short circuit[12] -- the cause of 80% of factory fires in Bangladesh.[13] Yet in their investigation into the fire the government of Bangladesh stated that it resulted from "an act of sabotage."[14] Labour rights groups were quick to criticise this claim, pointing out that the government investigation offered no explanation as to who was responsible for the sabotage or why or how it was carried out,[15] and rejecting the government's assertion that there was no possibility of short-circuiting. In fact, investigations conducted at the building show that two high voltage electricity transformers were located on the ground floor where the fire broke out and that a stock of fabric was located close to them.[16]

Less disputed are the factors that resulted in such a high death toll. Survivors report that they were ordered to keep working after the alarm went off and that managers even turned up the radio to mask the sound of the alarm.[17] When panic started to spread, workers on the upper floors found out that it had become impossible to escape through the main exit, which was located on ground level where the fire had started. The lights failed and the factory quickly filled with smoke and heat, making it almost impossible for the workers to find their way out. Survivors also reported that supervisors had locked the gates on several floors of the building.[18] Many workers jumped to their deaths trying to escape from the burning building. Others, unable to escape the blaze, were burned alive.

### NAZMA'S STORY

Nazma said she would have died had she waited ten minutes more to jump. She saw the manager locking the gate to the second set of stairs and grabbed him by the collar to stop him, but he ignored her. She cut her arms trying to get through a window to reach the bamboo scaffolding. She broke her backbone. She has three children. Her stipend was spent on medical care and her children's education. Her 14-year-old son had to leave school to go to work.

The construction and upkeep of the building also contributed to the unprecedented number of deaths and injuries. All but three staircases had been removed[19] from inside the factory; there were no emergency exits or stairways; and the size of the main entrance was too small for the number of employees. To make matters worse, the aisles and areas near the

**"NOW I WONDER EVERY DAY HOW I WILL SURVIVE AND FEED MY CHILDREN."**

exits were congested with piles of highly flammable raw materials, fabric, and half-finished clothing. Investigations also showed that there was insufficient fire defence equipment, that workers did not know how to use the equipment that did exist, that there were insufficient water sources both inside and outside of the factory and that inappropriate storage of goods and materials caused the fire to spread rapidly.[20]

### DEEPA'S STORY

Deepa worked on the third floor. She saw the fire and tried to escape to the second floor. The factory manager padlocked the door and told everyone to keep working. Workers were crying and searched for a way out. A mechanic yelled to come to the east side of the building where he had created an exit. She jumped from the third floor and fell unconscious, breaking her leg. Deepa was four month pregnant and lost her baby.

### THE FACTORY

Tazreen Fashions Limited started producing garments in May 2010.[21] At the time of the fire it was producing T-shirts, fleece vests and polo shirts for export to Europe and the US. The company reported an annual turnover of approximately USD 36 million.[22]

Employees were working on six of the floors, while three more were under construction.[23] Even so, Tazreen only had permission to operate on three stories.[24] A Workers' Welfare Officer at Tazreen Fashions told investigative reporters after the incident that "no one from the Chief Inspector of Factories and Establishment ever inspected the factory although it is in provisions of the law. Instead, sparing a small amount of money for their "expenses" was enough to get the application approved on mobile phone."[25]

Tazreen Fashions is part of the Tuba Group, a holding company which includes 13 garment manufacturers, all located in Bangladesh.[26] The group employs nearly 7,000 workers and has the capacity to produce almost 300,000 garments a day. The Managing Director of Tuba Group is Delowar Hossain. At the time of the fire, Mohamed Shahjahan was director at Tazreen Fashions.

According to Tuba Group, it is "strictly maintaining safety, health and hygiene provisions as per ILO's and Bangladesh labour law's rules and regulation."[27] A government investigation committee report submitted to the home secretary on December 17, 2012 into the fire suggested differently and even called for the prosecution of Mr Hossain for negligence.[28] Main Uddin Khandaker, the official who led the inquiry, said in an interview. "Unpardonable negligence of the owner is responsible for the death of workers."[29]

Yet, to date, no charges at all have been brought against Mr Hossain, and his company continues to produce garments for a handful of European brands. According to an interview given to Time magazine, his

A family of a Tazreen garment worker visits the Jurain graveyard. They have yet to receive the full compensation due to them.
© Laura Gutierrez

near term plan "is to partner with Chinese company in order to change his company's name so he can rekindle his relationship with American customers sometime next year."[30]

### MIRAJ'S STORY

"Once I asked the manager, how can we get out if there is a fire? The manager told me that they would build stairs outside, but they did not do anything. This was long ago."

-- Miraj, a Tazreen survivor who injured his back, arm and foot and was hospitalized for weeks.

© CCC

In recent weeks Mr Hossain has once again been under the spotlight after workers at a different Tuba Group factory held him captive for eighteen hours, following the company's failure to pay promised Eid holiday bonuses. He was released after bonuses were finally paid out to 900 workers the same day.[31]

## BRANDS

Researchers who entered the factory immediately after the fire found labels, clothing and documentation linking a host of European and North American brands to the Tazreen factory. This evidence showed that production had taken place for: C&A (Germany/Belgium), Delta Apparel (USA), Dickies (USA), Edinburgh Woollen Mill (UK), El Corte Ingles (Spain), Enyce (USA), Karl Rieker (Germany), KiK (Germany), Li & Fung (Hong Kong), Piazza Italia (Italy), Sears (USA), Teddy Smith (France), Walmart (USA) and Disney (USA). These orders were placed either directly with the factory, through the Tuba Group or through other suppliers and/or sourcing agents.

Li and Fung, Enyce, Kik, Karl Rieker and El Corte Ingles acknowledge that production was being carried out for their company. C&A admitted it had a contractual relationship with the factory at the time of the fire, although no clothing was being produced at that time. Dickies (USA) acknowledges that it had sourced from Tazreen in prior months but said it was not sourcing at the time of the fire. Similarly, Teddy Smith states that unauthorised production was placed in Tazreen prior to the fire, but that production for the brand was not taking place at the time of the fire. Walmart, Sears and Delta Apparel





**"AFTER THE FIRE MY LIFE TURNED UPSIDE DOWN. NOW I AM BLIND IN ONE EYE AND CAN'T WALK VERY WELL."**

(USA) also claim that production at Tazreen was unauthorised and therefore refuse any responsibility to pay compensation following the fire. Disney says that Tazreen was not an authorised supplier and that the storage of Disney product at Tazreen was unauthorized. Edinburgh Woollen Mill and Piazza Italia continue to maintain that no production was carried out for them at the factory, despite significant evidence to the contrary.

### MAFUSA'S STORY

"We never got our salary on time. We were always informed one day before foreigners came for an audit. We had to clean, make everything neat and we were given instructions about what we had to say like that we get our salary always on the seventh of the month and about our working hours."

-- Mafusa, a Tazreen survivor who broke her arm

© CCC

## THE WORKERS

Between 1,600 to 1,700 people worked at Tazreen Fashions. Of these an estimated 1,137 workers were inside the factory at the time of the fire, including a number of workers aged between 15 and 17 years. Most of the victims of the fire were women.[32] There were no registered factory unions at Tazreen. However, national trade union federations, including the National Garment Workers Federation (NGWF) and the Bangladesh Garment & Industrial Workers Federation (BGIWF), had registered members among the Tazreen employees.

Official reports claim that 112 workers were killed in the fire, but NGOs working with the families of the victims suggest that the real number is closer to 123. The BGMEA has reports that 70 children lost parents as a result of the fire.

Almost half of those killed in the fire were burned beyond recognition and were buried under government supervision after DNA samples were taken. Of these 99 bodies have now been identified, but names of a further 24 missing people have been submitted to the courts for investigation, questioning the official death toll of 112.[33] At least 125 workers were injured in the fire, but incident reports[34] claim as many as 300 workers could have been injured that day. These include serious burns, broken bones and other injuries sustained by jumping from the building.

> “ WE WERE ALWAYS INFORMED ONE DAY BEFORE FOREIGNERS CAME FOR AN AUDIT.”

## COMPENSATION

The total amount of long-term compensation for the injured and deceased workers at Tazreen is calculated to be at least USD 5.7 million. In addition, medical costs for injured workers need to be paid.

While families of the deceased have received as much BDT 700,000 (about USD 9,000), this does not meet the expectations for compensation under the formula developed by Bangladeshi and international unions. Up to 24 additional families have not received any payments as their relatives have not yet been identified amongst the deceased. Many injured workers report that they have not received money or that the payments are inadequate. In May 2013, six Tazreen survivors who sustained long-term injuries reported to ILRF that they had received lump sum payments of BDT 100,000 (USD 1,285) to cover their medical and recovery expenses, but most had run out of those funds within six months.

Local unions and NGOs, with the support of international campaign groups including the CCC and the ILRF, are fighting to get the government, the owner, the industry association and the brands sourcing from Tazreen to ensure that this compensation is provided.

The Government of Bangladesh is understood to have made payments of BDT 300,000 to at least 94 families of the identified deceased.[35] A High Court bench ordered the Bangladesh Health Ministry to ensure the medical costs of one victim, 16-year-old Sumaya, but the details on other injured workers receiving compensation are unclear.

The BGMEA is understood to have paid BDT 100,000 to 99 families of the identified deceased, and BDT 100,000 to 89 injured workers,[36] but reports indicate that not all injured workers have received this compensation.[37] The Bankers’ Association is also understood to have paid BDT 100,000 to 99 families of the deceased, but it is unknown if payments were also made to injured workers. All of these payments were dispersed through a government office and there remains a lack of transparency on exactly which families have received support, from whom and for what purpose.

### ANIKA’S STORY

“My mother’s name was Jarina and she worked at Tazreen. She died in the fire. At least I had my mother’s love for 14 years of my life, but my 10 year old brother did not even get this. He still cries for her in my arms and thinks that she might return. The Government gave us BDT 600,000 and BGMEA paid BDT 100,000. Caritas gave us BDT 14,000 for our educational expenses…but nothing will bring our mother back to us.”





## BRANDS AND COMPENSATION: THE PROCESS SO FAR

Since the day after the fire, local and international campaigners have been calling on brands and retailers linked to the fire to contribute to compensation for the victims.

The first step forward happened on April 15, 2013, when the companies sourcing from Tazreen were invited by IndustriALL Global Union to discuss their contributions to the long-term compensation for the injured and dead Tazreen workers. C&A, Kik and El Corte Ingles attended the meeting. The process stalled following the collapse of Rana Plaza just nine days later and the work to develop preventative measures through the emerging Accord on Fire and Building Safety in Bangladesh.

The process was reignited in September 2013, when all brands sourcing from Tazreen were invited to join the CCC and IndustriALL in a meeting in Geneva facilitated by the ILO as a neutral chair. Only C&A (Belgium) and Karl Rieker (Germany) joined the meeting. At the meeting, C&A tabled its substantial compensation initiative for the victims and demonstrated its continued commitment to finding a definitive solution. Karl Rieker, which was also in attendance also signaled a readiness to contribute and participated positively in the discussions.

The remaining companies Delta Apparel (USA), Dickies (USA),Edinburgh Woollen Mill (UK), El Corte Ingles (Spain), Enyce (USA), KiK (Germany), Li & Fung (Hong Kong), Piazza Italia (Italy), Sears (USA), Teddy Smith (France), Walmart (USA) and Disney (USA) refused to attend the meeting and continue to turn their backs on the victims of Tazreen. Of these brands, only Li & Fung is known to have made any payments to victims.

Those present at the meeting agreed to set up a task force to clarify outstanding issues relating to the compensation scheme and to look at establishing a fund to which all brands can contribute.

## BRANDS AND COMPENSATION: ACTIONS

C&A can be singled out among the brands for being the only company so far to have made both a substantial contribution towards compensation and for setting up systems to ensure funds are distributed among the victims. In collaboration with Caritas Bangladesh, C&A has provided monthly loss of earnings payments (backdated to December 2012) to 98 injured workers. These payments will continue until the workers are fit to return to work. It is also assisting these workers to re-enter employment, for example through training in other sectors for workers who do not wish to return to work in a garment factory. C&A is also covering medical costs for these workers. Through Caritas, the company has also set up a team of five – a doctor, nurse, trauma specialist and two social workers – who will conduct continued outreach to those workers with long-term injuries.

C&A has also paid a lump sum of BDT 100,000 (USD 1,285) through the BGMEA to each family of the deceased and is providing monthly payments of USD 15 to the same families. It is planning additional long-

term support for families that have lost relatives, and will pay the same lump sum to families whose relatives are identified as victims in the future. An additional monthly payment of USD 35 is being paid into a savings account for children who lost a parent in the fire. These payments will become accessible when the child turns 18. The financial support programme to children who lost parents is a joint scheme with Li&Fung. Under this scheme, the USD 15 payments were initially limited to those families with children, but C&A have stated it will extend the USD 15 payments to all families of the deceased, including those yet to identify a body.

Although by far the most significant company scheme, the C&A programme as announced so far still falls short of expectations in some key areas. The contributions paid to date are not based on relevant international standards or established best practice nor, are they sufficient to fully compensate the losses incurred by victims as a result of the fire. Local trade unions have not been consulted or involved in developing the scheme, meaning workers themselves have been excluded from having a voice in the process.

These critiques remain areas of concern for labour rights groups, yet C&A is to be commended for making important steps forward and for being willing to both take responsibility for these workers and for being open to dialogue in regard to the more controversial aspects of their scheme. We hope that this openness continues as the process moves forward.

Li&Fung states it has distributed approximately USD 261,500 in BDT100,000 (USD 1,285) payments to 89 injured workers and families of 99 deceased through the BGMEA, with a provision for families of victims who are identified in the future. In addition, with C&A, it is providing financial support to 82 children who lost parents as described in the section on C&A above.

Karl Rieker claims it has given donations through its agents and has shown a willingness to discuss an additional contribution to the compensation scheme. To date the company has yet to propose a realistic contribution to a compensation fund.

El Corte Ingles and KiK have not yet confirmed that they will pay the amounts of compensation requested.

Piazza Italia initially committed to contributing to the compensation fund prior to the April 15 meeting, but backed out on that commitment in a follow-up meeting with the CCC. Both it and Edinburgh Woollen Mill have offered a small voluntary donation to the CCC to give to victims; however, the amounts proposed, combined with their failure to participate in collective discussions on the issue, in no way meet expectations on compensation.

All the US corporations including Walmart, Sears/Kmart, Enyce (Sean John Apparel), Delta Apparel, Dickies and Disney along with French brand Teddy Smith, have refused to pay any compensation to the victims, have failed to attend the meetings on Tazreen compensation and have not been willing to engage with trade unions directly to arrive at full and fair compensation for Tazreen victims.

Tazreen Fashions factory, after the fire. © BCWS

A mother mourns the loss of her daughter at Rana Plaza. © Laura Gutierrez



Chapter 2:

# Rana Plaza

## THE BUILDING COLLAPSE

On April 24, 2013 the world watched in horror as rescue services started pulling bodies out of the devastated Rana Plaza building. This was to prove the deadliest factory disaster in the history of the global garment industry.[38]

The deaths at Rana Plaza could have easily been avoided. On April 23, 2013, the day before Rana Plaza collapsed, cracks had appeared in the walls of the building. Workers had said they wouldn't return until the building was safe, but were threatened with the loss of their whole month salary (which was due to be paid at the end of the month) if they refused to show the next morning.

"I did not want to go to work. But we were threatened by the factory owner that we would not get our salary if we didn't show up,"[39] said Rabeya, a Rana Plaza survivor.

There was also blatant misinformation. When workers arrived at work on the morning of the 24 April, they were met with a loudspeaker voice saying: "All the workers of Rana Plaza, go to work. The factory has already been repaired."[40] Just hours later, the building collapsed killing at least 1,132 people and injuring over 2,000 more. Many had to undergo on-site amputations to be freed from the rubble. Others waited days to be rescued, surviving in air gaps surrounded by their dead colleagues.

### RABEYA'S STORY

"I did not want to go to work. But we were threatened by the owner that we would not get our salary if we didn't show up... A part of ceiling fell on me and my legs were stuck between metal rods. A big wall fell on my chest, breaking my sternum. It took two hours to free myself from the trapped conditions."

## THE FACTORY

Rana Plaza housed five garment factories which produced for major European and North American retailers. The garment factories, New Wave Style Ltd, New Wave Bottom Ltd, Phantom Apparels Ltd, Phantom Tac Ltd, and Ether Tex Ltd, were located on the third through eighth floors. On the first and second floors the building housed over 100 small shops as well as a bank.

Built in 2006, originally as a six story building, it was poorly-constructed and located on a drained swamp. The original building did not have proper permits, the two floors built later were illegal. A ninth floor was under construction at the time of collapse. This all went either undetected or ignored by the western companies that had repeatedly audited the factories.

Garment workers live in concentrated housing communities. Many families live in one-room structures beside dozens of other families with whom they share common kitchen, water, and bathing areas. © Laura Gutierrez





**"WE HAVEN'T BEEN ABLE TO PAY OUR RENT... ALREADY SOME PEOPLE HAVE LOST THEIR ROOM."**

## THE BRANDS

Following the building collapse, researchers took hundreds of photos of labels and documents found in the rubble. These, combined with shipping records, show that product was made for tens of European and North America buyers either prior to or at the time of the collapse.[41]

Thus far Adler Modemärkt (Germany), Benetton (Italy), Bon Marche (UK), Camaieu (France), Cato Fashions (US), Children's Place (US), Cropp/LPP (Poland), El Corte Ingles (Spain), Loblaws (Canada), Kids for Fashion (Germany), Kik (Germany), Mango (Spain), Manifattura Corona (Italy), Matalan (UK), NKD (Germany), Premier Clothing (UK), Primark (UK), Store 21 (UK), and Texman (Denmark) have acknowledged, either directly to the CCC or through media statements, that they had recent orders or trials in a Rana Plaza factory.

Others have been less forthcoming: Walmart (US) claims that it did not permit production at one of the factories housed in Rana Plaza, but does not deny evidence found on-site proving that one of their contractors had produced jeans in one of the factories less than a year before the collapse.[42]

After YesZee (Italy) labels were found at the site, the company admitted in a phone call with the CCC that it was sourcing at one of the Rana Plaza factories through an agent. The company has since threatened CCC with legal action if its name is linked with Rana Plaza in public communications.

A Carrefour (France) label was found in the rubble, but the company continues to deny any relationship with the Rana Plaza factories. Auchan (France) has not acknowledged production but has suggested that unauthorised subcontracting was possible.

Companies that produced at Rana Plaza or worked with agents buying from factories located in the building, although claiming it was before 2012, include C&A (Germany/Belgium), Dress Barn (US), Gueldenpfennig (Germany), Lefties/Inditex (Spain), Mascot, and Pellegrini. Receipts found in the factory suggest that Lefties production was being carried out as late as October 2012.

JC Penney (US) and Lee Cooper/Iconix (US) labels were in the rubble, but the companies have not denied or acknowledged production at any of the Rana Plaza factories.

## THE WORKERS

Most Rana Plaza garment workers were younger than 30 years old and about a fifth were younger than 20. They earned in the range of BDT 3,000 to 8,000 (USD 38 to USD 102) per month depending on their post, production bonuses and seniority. Over 70% had been working there for less than a year.[43] None of the factories had a trade union, although some federations did have members there.

The precise number of workers employed in the Rana Plaza garment factories and the number working at the time of the collapse is unclear. Reports suggest that 2,438 people came out alive, twelve of whom

## "NONE OF US WANTED TO GO TO THE FACTORY THAT DAY. THEY FORCED US TO GO."

later died in the hospital;[44] these are included in the official death toll of 1,132. Another 332 people remain missing. These numbers amount to a total of 3,890 people who were at Rana Plaza at the time of the collapse. The official number of unidentified victims is currently 321; these bodies were buried after a DNA sample was taken. 550 relatives are still awaiting DNA test results to prove a match.[45]

Of the injured workers, an estimated 1,800 were taken to the hospital. 339 workers were severely injured, and had to undergo major operations and long-term treatment for severe head injuries, pelvic fractures, and backbone injuries. Some of the workers who were released from the hospital within a few weeks are still unable to return to garment work and others will never work again.[46]

### COMPENSATION

With an official death toll of 1,132 workers and using an estimate of 1,650 workers admitted to hospital, we estimate that at least USD 71 million (54 million euros)[47] will be needed to provide full compensation to the affected families.

The figure includes compensation for pain and suffering, as well as long-term loss of earnings for families of deceased workers and for injured workers not able to return to work. It does not include medical costs and rehabilitation for physically injured workers, psychological support, or payment of wages and legal severance to those rendered unemployed. All of these additional costs require further information gathering, needs assessment, and calculation.

To date 834 families have received BDT 20,000 (USD 257) from the government to cover burials costs and the dependents or legal heirs of 777 dead workers have received payments ranging from BDT 100,000 (USD 1,285) to BDT 400,000 (USD 5,140).[48] This was paid from the Prime Minister's Fund, which received donations originating from a number of governmental, non-governmental and private donors. Thirty-six amputees and paralysed workers have also received compensation from the government in the range of BDT 10 lakh[49] (USD 12,870) and BDT 15 lakh (USD 19,305) each; of these workers, two have since died in the hospital.

The government provided initial treatment costs for 1,800 workers. The hospitals and clinics which were providing free treatment to the survivors, have now started to charge fees for follow up treatment and medication. Many survivors and their families cannot afford these costs, leaving the injured without proper care and rehabilitation. To date, there has been no systematic needs assessment or information gathering on the level of injury and psychological treatment needs of each of the survivors.

The Bangladesh Garment Manufacturers and Exporters Association claims that 2,759 workers were provided their owed salaries including overtime and benefits. The payment that workers received included an average of 60 overtime hours. Hundreds of workers did not receive any wages at all. Many workers had to surrender their factory identification cards when collecting unpaid salary, and they now remain concerned that this will prevent them from accessing further compensation once it becomes available.

Workers who were injured in the building collapse. © Chaumtoli Huq

**"RUBINA WAS BEING BREASTFED WHEN SHE LOST HER MOTHER... WE DO NOT HAVE MONEY TO BUY MILK."**

## BRANDS AND COMPENSATION: THE PROCESS SO FAR

The only buyer from Rana Plaza to have provided short term relief in the form of cash payments is Primark. Prior to September 2013 it paid BDT 15,000 (USD 190) to each of 3,300 families; we assume that most families of the deceased and injured workers have received this payment. While none of the families of the missing or unidentified workers have received government compensation, some of these families received the Primark payment. In September Primark agreed to provide an additional BDT 15,000 payment to the families it had registered. Loblaw also promised to make a further payment of three month's salaries to cover short-term relief.

Primark has also confirmed that it will pay long-term compensation to Rana Plaza victims. While their proposal differs in some regards to the existing framework, it does cover loss of income and medical costs. However this long-term compensation will only be provided to those workers employed at its supplier, New Wave Bottoms.

On September 12, 2013 eight of the brands[50] attended a meeting in Geneva called by the IndustriALL Global Union and chaired by the ILO. Although no concrete commitments were made, the brands present largely indicated they were prepared to make a voluntary contribution to set up a fund to provide compensation. It was also agreed that a coordination committee would be set up to work out the details of the fund and a process for its dispersal. The remaining companies[51] have so far refused even to discuss the provision of full and fair compensation to the Rana Plaza victims. While some claim to have made charitable donations, this can in no way replace the compensation so desperately needed by the families struggling to rebuild their lives. Companies will continue to fail in their responsibilities to workers until they come to the table.

### MORIOM'S STORY

"None of us wanted to go to the factory that day. They forced us to go there... I am the only earning family member. How I will work now?"

-- Moriom, a single mother of two children who lost her right hand in the building collapse

On September 24 a brand-only meeting took place, which all the missing brands were invited to join. Three of the companies who attended the Geneva September 12 meeting, Primark, Loblaw and El Corte Ingles, were joined by Benetton as brand members of this Rana Plaza Compensation Coordination Committee. The Bangladesh government, the BGMEA, IndustriALL at global level, the IndustriALL Bangladesh Council and the CCC have also joined the committee for which the ILO acts as independent chair.

The ILO sent a high level expert delegation to Dhaka in the first week of October to discuss matters with the government and all stakeholders concerned.

Demonstration in front of Rana Plaza on the International Day of Action to End Deathtraps, June 29, 2013.

The committee has convened meetings on October 8 and October 10 that included all the parties listed above by video- and phone conference to discuss the process for establishing a mechanism for delivering compensation to Rana Plaza victims. A practical Arrangement is being developed to organize payments to Rana Plaza victims and their families and dependents for their losses. The Arrangement is intended to include an international fund to deliver compensation according to the guidance set out by ILO Convention 121 on Employment Injury Benefits.

Substantial progress has been made on all the main issues, and parties have expressed their trust that the outstanding details of the Arrangement can be concluded swiftly. The next meeting of the Committee is foreseen for October 29.

So far, however, Primark, Loblaw, El Corte Ingles and Benetton (who all are on the Committee) are actively engaging in this process.  Bon Marche has also told the CCC that it is committed to working with the Coordination Committee to establish a fund under the Arrangement and will financially contribute to the fund once it is established. Mascot has committed to paying a "six figure sum" into the fund.

CCC and ILRF welcome the commitments made by these companies, and urge all of them to stay engaged in this process and to ensure the sums contributed constitute a sufficient amount to cover full and fair compensation to all the victims.

Inditex maintains that it cannot be considered a Rana Plaza buyer because according to its records, it was not sourcing from Rana Plaza during the last 12 months. Inditex has responded to CCC that the company fully supports the Arrangement, and commits to working with the Coordination Committee with a view to extending the Arrangement to be used for other cases, and to enable the development of a structural mechanism with the government of Bangladesh for compensation of all workplace injuries.

### REZAUL'S STORY

"My wife is missing. She was a machine operator on the third floor. I have seen no officials, I talked only to a journalist. He gave me a slip saying that I had to go for a DNA test."

-- Rezaul, unemployed father of two children who hasn't received any compensation because his wife's body has not been found

© CCC

Inditex also agrees to financially contribute to the global fund that will be set up as part of the Arrangement, which will be on top of the contribution of BDT 30,000,000 already made through BGMEA, on the understanding that it does so out of a general sense of responsibility to Bangladeshi workers.

CCC welcomes Inditex's decision to support the Arrangement and to contribute financially. CCC maintains that since the violations to the building code predate the 12 month period, using this timeline is arbitrary and holds buyers responsible who were in production at time the violations occurred.

CCC, ILRF and IndustriALL have been reaching out to the other Rana Plaza buyers and are calling on them to commit to working with the brands on the Coordination Committee in supporting the setup of such an international fund and to commit to ensuring that fund is sufficient to provide full and fair compensation.

The CCC and the ILRF are also calling on Business Social Compliance Initiative (BSCI) to play an active role in providing compensation.[52] Audits of two Rana Plaza factories had been carried out under the BSCI code of conduct; both failed to reveal that the building wasn't compliant with legal standards.

Amidst rescue efforts at Rana Plaza, workers call for help. © Laura Gutierrez



Chapter 3:

# Initiatives Since Rana Plaza

In addition to the compensation initiatives detailed above, in recent months several other initiatives have taken off in the Bangladesh garment industry in the areas of safety, labour law, and wages. This section summarizes key efforts in these areas.

## ACCORD ON FIRE AND BUILDING SAFETY IN BANGLADESH

In May 2013, just weeks after the Rana Plaza tragedy, over 35 brands and retailers entered into a unique binding agreement with Bangladeshi and global trade unions, with NGOs as witness signatories and the International Labour Organization is an independent chair. Over 100 apparel brands and retailers have now signed the Accord on Fire and Building Safety in Bangladesh, committing to work together to ensure safety in almost half of the country's garment factories.

The Accord, which will run for five years, includes independent inspections by trained fire and building safety experts, public reporting, mandatory repairs and renovations financed by brands, a central role for workers and unions in both oversight and implementation, supplier contracts with sufficient financing and adequate pricing and worker training. The Accord is written in the form of a binding contract, which makes these commitments legally enforceable.

The Accord has established a foundation in the Netherlands and published a first list of factories[53] in October 2013; more factories and detailed information about them will be added at a later stage. Also in October, the Accord appointed a Chief Safety Inspector (Brad Loewen), an Executive Director of International Operations (Alan Roberts) and an Executive Director of Bangladesh Operations (Rob Wayss). The Accord is set to roll out the first factory inspections to assess for high safety risks starting on November 1, 2013.

## TRIPARTITE NATIONAL ACTION PLAN

Following the Tazreen fire, a Tripartite National Action Plan (NAP) was agreed upon between the government, business representatives and labour unions. After the Rana Plaza collapse, the ILO undertook a high-level mission to Bangladesh, which led to further development of the NAP.

The NAP aims to bring together local stakeholders to deliver actions which aim to prevent any future tragedies such as Rana Plaza and Tazreen. The NAP also includes a review of existing policies and will oversee the adoption of new legislation, in the areas of trade union rights, occupational health and safety, and fire and building safety.

Finally the NAP aims to strengthen the Bangladesh government's administrative capacity so it is better able to implement this legislation and proposes a series of practical actions including building inspections of all active ready-made garment (RMG) factories, the development and distribution of materials on rights and occupational safety and health to workers and middle managers, and the redeployment and rehabilitation of workers affected by the recent incidents.

The NAP is an ambitious programme, but to date no formal public monitoring system of the commitments made has been put in place and it

is unclear whether any tangible progress has been made on its implementation.

## LABOUR LAW REFORM

Although initiated before the Rana Plaza collapse, discussions around the development of new labour laws did benefit from the increased pressure brought to bear on the government following Rana Plaza. As such it is unsurprising that many of the new reforms in the labour law relate to health and safety.

The amended law still falls short, however, of international standards relating to Freedom of Association and Collective Bargaining. As a result, the labour law reform has faced criticism from the Bangladeshi labour movement and from international labour rights groups and has failed to meet the recommendations made by the ILO committee on the Application of Standards earlier this year.[54]

There are some advances. The new act does repeal a previous legal provision which required that lists of new trade union officers be sent to the employer prior to union registration. This has proved a serious barrier to the formation of new unions, whose officers were likely to be sacked before they were able to even register their organisation.

In large part the reform of the labour law failed to address a number of other concerns raised by both the Bangladeshi trade unions and the ILO, and leaves ample room for authorities and factory owners to discourage union organising using discretionary powers. One area of particular concern is a new clause denying severance benefits for any worker dismissed for alleged misconduct. This clause concerns union activists who worry that union activity could be misclassified as misconduct, which will in turn discourage concerted action among workers who fear they might lose their severance if dismissed.[55]

Outside of the labour law reform, there have been some signs of progress. The government has started to register new unions in the garment sector, and is slowing addressing a nearly two-year backlog in processing these registrations. This has led to roughly 35 new garment factory trade unions successfully registering during the past year. It remains to be seen whether this uptick in union registrations will continue once the global attention on the industry fades away. In August 2013, the government reinstated the NGO registration of Bangladesh Center for Worker Solidarity, restoring its legal right to operate and receive funding after more than three years of an illegal crackdown on this vital worker rights organization. The government of Bangladesh has dropped most of the three-year-old false criminal charges against workers and labour leaders who advocated for a higher minimum wage during the 2010 summer of protest. For the first time in three years these workers and organizers will be free—free from the threat of prison, free from the requirement of having to show up to court every third day, free to do their work in defence of workers' rights.

## MINIMUM WAGE REFORM

The media attention that followed the Rana Plaza collapse also highlighted the poverty wages earned in the Bangladesh industry. The hand-to-mouth existence of most garment workers is the only way to explain why they took the risk of going to work that day. In May 2013, the government tasked a six-person wage board, which includes representatives of both workers and garment owners, to develop a proposal for a new minimum wage.

A recent study by Bangladesh Institute of Labour Studies (BILS) estimated the average cost of living to be at least BDT 8,114 (USD 104) per month based on a survey in four regions of the country.[56] The trade unions have united around these calculations and proposed that the minimum wage for the lowest paid garment factory workers should rise to at least this figure. In response, the factory owners have offered a 20% increase, from BDT 3,000 (USD 38) to BDT 3,600 (USD 46), which they argue is in-line with the country's inflation since the previous wage hike in November 2010. Others challenge that such a paltry increase would not even keep up with inflation, must less provide workers with a liveable wage.[57] The BGMEA proposal sparked widespread protests in the garment sector in September, forcing at least 400 garment factories to close temporarily.

Orphans call on Children's Place to pay the compensation they owe and to sign onto the Safety Accord.



Still Waiting

# Conclusion and Recommendations

Bangladesh has long pursued the low road to industrialization, building a garment industry that has cut corners at every turn, underinvesting in infrastructure, worker safety and worker compensation. Global brands, which have continued to expand production, have helped fuel Bangladesh's low-road strategy. This strategy has secured Bangladesh its place as having the lowest paid garment workers in the world. It is also responsible for turning Bangladesh into the most dangerous place to be a garment worker.

The Clean Clothes Campaign and the International Labor Rights Forum – along with our Bangladeshi and international allies – will continue to press for dignity and respect for Bangladeshi garment workers. This includes calling for a living wage for all workers and provision of full and fair compensation to those families affected by factory disasters.

We also continue to call on all apparel brands and retailers sourcing clothing from Bangladesh to sign onto the Accord on Fire and Building Safety and to respect workers' rights to freedom of association.

Those few brands that are now contributing to a victim compensation fund are to be commended. It is time for the other brands to come forward as well. This is not about brands accepting liability; this is about brands upholding their responsibility to make a fair and transparent contribution to the exploited and impoverished workers who are – as we write this – faced with stark decisions such as having to pull their children out of school and send them to work.

Brands have a critical role to play in improving the industry. When global brands don't participate in the compensation for victims, they signal to Bangladesh's leaders that it is okay to put workers lives at risk and walk away from the consequences. When global apparel brands establish factory inspection programs that are confidential and voluntary, they communicate to Bangladeshi managers that they see no reason for workers to be informed of workplace risks. And when global brands create programs that circumvent union initiatives – as many of the North American brands that have created the Alliance for Bangladesh Worker Safety are doing – they perpetuate the understanding within Bangladesh that solutions do not require workers' having an independent voice and an equal place at the bargaining table.

In April 2013 the world said **never again** to another Rana Plaza. Yet already, 16 lives have been lost in building fires since then. If we are to avoid another colossal tragedy, all must play their part in making the changes needed to turn the Bangladesh garment industry into the sustainable, just and safe industry that these four million workers deserve.

# RECOMMENDATIONS ON SAFETY AND COMPENSATION

## BRANDS AND RETAILERS:

• All brands sourcing from Bangladesh should sign the Accord on Fire and Building Safety.

• All brands linked to the Rana Plaza factories should sign up to the Arrangement being established by the Rana Plaza Compensation Coordination Committee. Those brands who have so far failed to do so include: Adler Modemärkt (Germany), Auchan (France), C&A (Germany/Belgium), Camaieu (France), Carrefour (France), Cato Fashions (US), Children's Place (US), Dress Barn (US), Gueldenpfennig (Germany), LPP (Poland), Iconix (US), JC Penney (US), Kids for Fashion (Germany), Kik (Germany), Mango (Spain), Manifattura Corona (Italy), Matalan (UK), NKD (Germany), Pellegrini, Premier Clothing (UK), Store 21 (UK), Texman (Denmark), Walmart (US), and YesZee (Italy). These same brands must commit to collectively ensuring that the fund established under the agreement is sufficient to provide full and fair compensation to the Rana Plaza victims.

• All brands linked to Tazreen must join the ongoing negotiation process for the provision of compensation to the families of those killed and the survivors of the fire. The following brands have so far failed to do so: Delta Apparel (USA), Dickies (USA), Edinburgh Woollen Mill (UK), El Corte Ingles (Spain), Enyce (USA), Kik (Germany), Li & Fung (Hong Kong), Piazza Italia (Italy), Sears (USA), Teddy Smith (France), Walmart (USA) and Disney (USA).

## GOVERNMENT:

• Continue to play an active and positive role in the Compensation Coordination Committee.

• Develop and implement all necessary measures needed to implement the Arrangement currently being negotiated by parties involved in the Coordination Committee.

• Ensure that the commitments made by the government following the Rana Plaza tragedy are implemented, including the provision of medical treatment for injured survivors and public reporting on progress towards these commitments.

• Pay the remaining proportion of compensation owed by the government into the funds set up for Rana Plaza and Tazreen victims.

• Build on the work undertaken under the Arrangement to develop a permanent system for provision of compensation in line with ILO Convention 121 on Employment Injury Benefits.





## BANGLADESH INDUSTRY:

• The BGMEA and owners of the devastated factories must contribute their share to the compensation fund.

• All factory owners should work with members of the Accord to bring buildings up to international standards and ensure workers are informed about any changes to their work.

• Make sure all workers are paid in full during any periods of factory closure for repairs.

## WIDER RECOMMENDATIONS:

Brands and retailers, the government and the industry also need to take urgent steps towards:

• Paying a living wage to all workers, ensuring wages are paid in a timely manner and that all workers are provided with pay slips and letters of employment.

• Engaging with trade unions to ensure that all workers are able to exercise their rights to freedom of association and their right to refuse dangerous work.

• Ensure that all workers are trained in workplace safety and are able to raise any concerns regarding safety without fear of retribution.

# END NOTES

[1] Visit www.bangladeshaccord.org for more information.

[2] These figures are based on research on Bangladesh garment factory fire incidents,1990-2013, conducted by Professor Robert J.S. Ross of Clark University, the Clean Clothes Campaign, the Fair Wear Foundation, the Solidarity Center, and the International Labor Rights Forum (ILRF). ILRF compiled all findings and independently verified the incidents by confirming using reputable media sources using the LexisNexis Academic search engine. We have used the latest available figures on worker deaths and injuries for each incident. In those cases where the numbers of injured workers were reported as approximate figures, we have erred on the conservative side. For example, when "hundreds of injured workers" were reported, we have counted 100 workers, and when "dozens of injured workers" were reported, we have counted 12 workers. For 2006-2009, we use the Government of Bangladesh's Fire Service and Civil Defense Department statistics of 414 garment worker deaths in 213 factory fires during the four-year period, cited in: Chowdhury, Syed Tashin. "Dhaka blaze adds to garment sector toll." Asia Times. December 16, 2010, available at http://www.atimes.com/atimes/South_Asia/LL16Df05.html (accessed November 6, 2012). Media have reported on only a fraction of the factory fires reported by Bangladesh Fire Service and Civil Defense Department during 2006-2009. Assuming, similarly, that media have not reported on all factory fires for the periods 1990-2005 and 2010-2013, we have in all likelihood underestimated the numbers of fire incidents, worker deaths, and worker injuries.

[3] All currency conversions are at time of writing.

[4] Using the Asia Floor Wage figure of BDT 25,687 from October 4, 2013.

[5] Bangladesh Bureau of Statistics. http://www.tradingeconomics.com/bangladesh/inflation-cpi

[6] For example, Naznin Akhter Nazma told Action Aid that "The day before the factory collapsed we heard that a crack had developed on the second floor, we were told that the building was safe and threatened to withhold a month's pay if we didn't attend work." Cited in "Workers concerns about crack 'ignored by employer.' ITV. October 8, 2013. http://www.itv.com/news/story/2013-10-08/bangladesh-dhaka-factory-collapse-compensation/?page=3

[7] Solopova, Anastasia. "The ongoing tragedy: Women's voices from Rana Plaza." The Daily Star. September 10, 2013. http://www.thedailystar.net/beta2/news/the-ongoing-tragedy-womens-voices-from-rana-plaza/

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[9] The Age, June 24, 2013, as quoted in Solopova, Anastasia. "The ongoing tragedy: Women's voices from Rana Plaza." The Daily Star. September 10, 2013. http://www.thedailystar.net/beta2/news/the-ongoing-tragedy-womens-voices-from-rana-plaza/

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[13] Clean Clothes Campaign. "Bangladesh factory fire: brands accused of criminal negligence." November 25, 2012. http://www.cleanclothes.org/news/bangladesh-factory-fire-brands-accused-ofcriminal-negligence

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[15] The Daily Star. "Sabotage, really?" December 19, 2012. http://archive.thedailystar.net/newDesign/news-details.php?nid=261703



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[17] Odhikar, "A bloodstained garment sector: impunity of government officials and factory owners", December 5, 2012. http://www.odhikar.org/documents/2012/FF_Report_2012/Other_2012/52_Blood_Stained_Garment_Sector_Dhaka_RMG_EN_2012.pdf

[18] Ain O Salish Kendra (ASK). "Investigation Unit Report - Garment Factory Fires." 2012. http://www.askbd.org/web/wp-content/uploads/2012/11/ASK%20Investigation%20Report%20-%20Garments%20Factory%20Fire%20-%2024%20November%2020121.pdf.)

[19] Ain O Salish Kendra (ASK). "Investigation Unit Report - Garment Factory Fires." 2012. http://www.askbd.org/web/wp-content/uploads/2012/11/ASK%20Investigation%20Report%20-%20Garments%20Factory%20Fire%20-%2024%20November%2020121.pdf.)

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[34] Three of the four worst garment industry disasters have occurred since September 2012. The fourth was the Triangle Shirtwaist Factory fire in New York, 102 years ago.

[35] Rabeya was interviewed by an outreach committee that the Solidarity Center office in Dhaka organised with its partners.

[36] Li&Fung report that their contributions of BDT 100,000 to 89 injured workers and 99 heirs of identified deceased matched BGMEA payments. Email correspondence Li&Fung to C&A of September 18, 2013. On file with CCC.

[37] The Daily Star. "Survivors of Tazreen fire: Struggle not over yet." September 15, 2013. http://www.thedailystar.net/beta2/news/struggle-not-over-yet/

[38] Three of the four worst garment industry disasters have occurred since September 2012. The fourth was the Triangle Shirtwaist Factory fire in New York, 102 years ago.

[39] Rabeya was interviewed by an outreach committee that the Solidarity Center office in Dhaka organised with its partners.

[40] As reported by Pintu, 18, and Shilpi, 21, workers at New Wave Bottom Ltd, one of the factories in the Rana Plaza building, recalling the loudspeaker announcement they heard the morning of November 24, 2013. This testimony was collected by an outreach committee that the Solidarity Center office in Dhaka organised with its partners.

[41] We are listing all brands whose products were uncovered as having been manufactured at Rana Plaza, whether at the time of the collapse or during recent months, on the basis that any one of these brands had a responsibility to uncover and remediate structural problems which existed in the building.

[42] Greenhouse, Steven. "As Firms Line Up on Factories, Wal-Mart Plans Solo Effort." May 14, 2013. http://www.nytimes.com/2013/05/15/business/six-retailers-join-bangladesh-factory-pact.html
ABC News. "Wal-Mart Fires Supplier After Bangladesh Revelation." May 15, 2013. http://abcnews.go.com/Blotter/wal-mart-fires-supplier-bangladesh-revelation/story?id=19188673

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[44] Major General Chowdhury Hasan Sarwardy said 12 workers died later in a hospital, cited in Rashid, Muktadir and Rashad Ahamad. "Lists of injured, missing not yet completed." New Age. May 24, 2013. http://www.newagebd.com/detail.php?date=2013-05-24&nid=50219#.Ul-wRRDtezg

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[46] Centre for Policy Dialogue Bangladesh, "Independent Monitoring Report on 100 Days of Rana Plaza Tragedy: A Report on Commitments and Delivery," 3 August 2013, p.11-12. http://cpd.org.bd/wp-content/uploads/2013/08/100-Days-of-Rana-Plaza-Tragedy-A-Report-on-Commitments-and-Delivery.pdf

[47] Clean Clothes Campaign. "More than 54 euros compensation demand for victims of Rana Plaza." May 3, 2013. http://www.cleanclothes.org/news/2013/05/13/more-than-54-million-euros-compensation-demand-for-victims-rana-plaza

[48] The information in this section has been compiled from news reports and research provided by organizations in Bangladesh. These updates are based on information publicly available at the time of writing and may not provide a fully accurate picture of the constantly evolving situation of the moment.



[49] A lakh is a unit in the South Asian numbering system equal to one hundred thousand (100,000), written as 1,00,000.

[50] Clean Clothes Campaign. "Bangladesh workers must continue to wait for full compensation." September 12, 2013. http://www.cleanclothes.org/news/press-releases/2013/09/12/bangladesh-workers-must-continue-to-wait-for-full-compensation?searchterm=geneva%2C+september

[51] Brands that have so far refused to engage in the process are Adler Modemärkt (Germany), Cato Fashions (US), Children's Place (US), Cropp, Kids for Fashion (Germany), Mango (Spain), Manifattura Corona (Italy), NKD (Germany), Premier Clothing (UK), and Texman (Denmark), Walmart (US), YesZee (Italy), C&A (Germany/Belgium), Dress Barn (US), Gueldenpfennig (Germany), Lefties/Inditex (Spain), Pellegrini, Carrefour (France) and Auchan (France).

[52] Clean Clothes Campaign. "BSCI 10th Anniversary Shame over Rana Plaza." June 25, 2013. http://www.cleanclothes.org/news/press-releases/2013/06/25/bsci-10th-anniversary-shame-over-rana-plaza

[53] Accord on Fire and Building Safety in Bangladesh. Factory List. http://www.bangladeshaccord.org/wp-content/uploads/2013/10/Accord-final-report-20131007.pdf

[53] International Labour Organization. International Labour Conference, Provisional Record, 102nd Session, Geneva, June 2013. http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_216456.pdf

[54] For more analysis of the new labour law, see "The AFL-CIO Reacts to Recently Passed Amendments to the Bangladesh Labor Law of 2006." https://www.aflcio.org/Blog/Global-Action/The-AFL-CIO-Reacts-to-Recently-Passed-Amendments-to-the-Bangladesh-Labor-Law-of-2006. (Accessed October 18, 2013.)

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# QUOTE NOTES

02 Maliha's story
Worker testimony recorded by the Clean Clothes Campaign. A pseudonym is used here.

04 "I did not want to go to work..."
Rabeya's testimony was recorded by an outreach committee organised by the Solidarity Center office in Dhaka with its partners.

04 Rowshanara's story
Interview conducted by U.S. Representative George Miller, Ranking Member of House Committee on Education and the Workforce, during his May 2013 trip to Bangladesh, and incorporated in his U.S. House of Representatives floor statement submitted for the record of June 5, 2013.

09 Nazma's story
Interview conducted by U.S. Representative George Miller, Ranking Member of House Committee on Education and the Workforce, during his May 2013 trip to Bangladesh, and incorporated in his U.S. House of Representatives floor statement submitted for the record of June 5, 2013.

10 Deepa's story
Interview conducted by U.S. Representative George Miller, Ranking Member of House Committee on Education and the Workforce, during his May 2013 trip to Bangladesh, and incorporated in his U.S. House of Representatives floor statement submitted for the record of June 5, 2013.

10 "Now I wonder every day..."
Worker testimony recorded by the Clean Clothes Campaign. A pseudonym is used here.

12 Miraj's story
Worker testimony recorded by the Clean Clothes Campaign.

13 Mafusa's story
Worker testimony recorded by the Clean Clothes Campaign.

13 "After the fire my life turned upside down...
Worker testimony recorded by the Clean Clothes Campaign. A pseudonym is used here.

14 "We were always informed one day before..."
Mafusa's testimony recorded by the Clean Clothes Campaign.

14 Anika's story
Worker testimony recorded by the Clean Clothes Campaign. A pseudonym is used here.

19 Rabeya's story
Worker testimony recorded by an outreach committee organised by the Solidarity Center office in Dhaka with its partners.

21 "We haven't been able to pay our rent..."
Shurima, interviewed by Clean Clothes Campaign in "Benetton and Mango: Rana Plaza survivors risk losing their homes." August 1, 2013. http://www.cleanclothes.org/news/2013/08/01/rana-plaza-survivors-losing-homes

22 "None of us wanted to go to the factory that day..."
Moriom's testimony recorded by an outreach committee organised by the Solidarity Center office in Dhaka with its partners.

24 "Rubina was being breastfed when she lost her mother..."
Interview with Rokeya Begum recorded by Shahinur Begum, coordinator of Srambikesh Kendra (Center for Labour Education and Development) in Bangladesh, from "Perspectives: 'Children's Place' as Orphans in Rana Plaza Tragedy." October 20, 2013. http://www.lawatthemargins.com/perspectives-childrens-place-as-orphans-in-rana-plaza-tragedy/

26 Rezaul's story
Worker testimony recorded by the Clean Clothes Campaign.