Enhanced programme for monitoring and remediation in Bangladesh

Specific risks for the garment sector in Bangladesh

In Bangladesh, the garment sector is the main contributor to economic development, as it is responsible for 80% of the country’s export. Its competitive advantage depends heavily on low production costs. The garment industry offers many possibilities for local entrepreneurs, yet its volatility and downward pressure on prices put them in a vulnerable position.

All eight standards of the FWF Code of Labour practices are applicable to and relevant for Bangladesh. As instances of non-compliance with each of these standards are common, all eight of them need the attention of companies buying goods there. Child labour is a risk, Bangladesh is known for its low wages and also for the lack of a healthy social dialogue among employers and unions.

It is clear that additional action is needed, above and beyond what FWF requires of its member companies in most other production countries. For both building and fire safety and the prevention of violence against women there is an obvious need and there are possibilities to enhance activities.

1. Fire and building safety

Recent tragedies, including the Tazreen fire and the Rana Plaza collapse, followed by an analysis of health and safety issues in FWF audit reports and a fact-finding mission by FWF’s fire and building safety experts. All clearly signal that fire and building safety poses a specific and immediate risk in Bangladesh.

Building safety falls short and is not monitored properly. Regulations regarding building and fire safety have been underdeveloped and enforcement of such regulations is weak. The level of safety in factories is low, for a number of reasons, including the fact that many buildings do not have the proper (building) licenses and may have illegal additional floors which are often overloaded.

The level of fire and electrical safety is also low. A clear example is the fact that most buildings do not have enclosed staircases, which are necessary to prevent smoke from blocking the exits in case of a fire, trapping workers in the building. A large number of factories also have problems with electrical safety and do not have proper storage of chemical resources.

2. Violence against women

Violence against women is another issue that is widespread in Bangladesh. The International Labour Organisation (ILO) estimates that over 60% of women in Bangladesh face harassment on the work floor. The impact on the, often young, female garment workers can be significant and the issue is difficult to tackle, as in most parts of Bangladeshi society, women are in a vulnerable position.

National and international efforts

Early in 2013 the Bangladeshi government, social partners and the ILO signed a National Action Plan. In the wake of the Rana Plaza collapse, many brands signed on to initiatives aiming to
remediate the dangerous state of most garment factory buildings, including the Bangladesh Accord for Fire and Building Safety. Within the Accord, brands ensure that additional inspections are done and commit explicitly to participate in remediation plans.

**FWF’s enhanced programme for monitoring and remediation**

To address the issues outlined above, FWF and its member companies will implement an enhanced programme, which aims to support existing initiatives and efforts, while optimising the impact of FWF member companies’ monitoring activities. This programme enhances, rather than substitutes, the actions FWF requires from its companies in all production countries, as well as FWF’s own activities in Bangladesh. The programme addresses issues around sourcing policy, monitoring and remediation related to the issues outlined above.

Affiliates sourcing in Bangladesh are required to specify in – or as part of – their annual FWF work plan how they will implement the activities outlined in this programme. Implementation of this programme will be part of FWF’s evaluation of the affiliates’ performance during the annual brand performance check.

**Steps to be taken by FWF and its affiliates**

To keep FWF affiliates informed on the specific risks, FWF will update the Bangladesh country study and will publish a fact sheet on the specific risks to be taken into account when sourcing garment products from Bangladesh. Affiliates will be kept updated with specific webinars and mailings, as has been done since May 2013.

Since the start of the development of the enhanced monitoring programme FWF has strengthened the dialogue with its stakeholders on the specific risks covered in this programme and maintains close contact with the newly set up Accord for Fire and Building Safety in Bangladesh.

**Adapt sourcing and purchasing practices**

When any company considers sourcing in Bangladesh, it is the company’s duty to understand the risks related to the FWF Code of Labour Practices and take adequate measures to manage the risks (‘human rights due diligence’). This means including the knowledge on the specific risks outlined above in the diligence phase and adapting purchasing practices where needed.

**Step 1 Risk assessment and gathering additional information**

Affiliates should first gather additional information on the specific risks; identify how they possibly contribute to those risks through their purchasing practices; and get clarity from possible new suppliers on their response to those risks.

Under the current enhanced programme for Bangladesh, this means:

- Ensure that the responsible staff within the company has the necessary skills and sufficient influence within the company.
- Read available information on Bangladesh on FWF country page and in FWF country study.
- Understand the perspective of workers potentially affected by means of a dialogue with worker representatives from a supplier (where available).
- Gather information on views from stakeholders either directly or through information from FWF’s stakeholder network.
Gather additional information from the supplier on building licenses and latest fire safety inspection.

Gather additional information on policies and procedures to prevent violence against women, including ensuring commitment to establish a functional anti-harassment committee.

Require additional data from the supplier:

- Get clarity on subcontractors and ensure that they also are informed about the Code of Labour Practices and the need to monitor working conditions; and add name, address, FOB, production process of all production locations to the supplier list.

- Check whether the factory is located in a multipurpose and/or shared building as this may result in additional risks for building and fire safety.

- Availability of a worker committee, occupational health and safety committee and/or anti-harassment committee. If there are no functional committees to ensure management-worker dialogue, ensure the factory’s commitment to establish a committee and have management and workers participate in training.

- Analyse own purchasing practices such as lead times provided, forecasting period, policy on late changes in orders, product prices that can negatively impact the working conditions at a supplier and/or a fairly negotiated price for the order that allows the supplier to prevent negative impact on working conditions.

**Step 2 Get clear commitments from suppliers to address the specific risks and publicly commit to support the National Action Plan (invest in prevention)**

When starting negotiations with a supplier, affiliates are recommended to include references to the specific risks in the agreement with the supplier and agree that additional action to prevent, mitigate or remediate them is needed. The FWF model letter to suppliers in Bangladesh can serve as an example.

At the same time, affiliates are required to support the public statement sent out by FWF in support of the National Tripartite Plan of Action. With that they show commitment and the need for responsibilities to be shared and action taken by different stakeholders and will to align our own activities with the Plan.

**Enhance Monitoring & Remediation**

**Step 3 Facilitate and ensure access to fire and building safety inspection reports and commit explicitly and publicly to facilitate remediation**

FWF affiliates sourcing in Bangladesh are required to ensure credible fire and building safety inspections at all of their suppliers. These inspections must be based on the standards agreed on by Bangladesh’s National Tripartite Committee on Fire and Building Safety in the garment industry.

It is crucial that all actors – factories, government, customers, business associations, unions, workers – are committed to the process and feel supported. FWF affiliates are therefore required to cooperate with other customers at the same suppliers to ensure remediation of issues found during such inspections. To facilitate this cooperation, ensure coherent action and
contribute to the critical mass towards making real improvements, FWF requires its members to sign the Accord on Building and Fire Safety in Bangladesh. FWF will facilitate cooperation with the Accord’s Chief Inspector where necessary.

Affiliates must ensure they are informed on the date of the inspections and have access to the reports.

**Step 4 Additional capacity building**

*Enhance management understanding of Fire and Building safety.*

Past years have shown that factory owners/managers are insufficiently aware of their role in addressing fire and building safety issues. FWF offers workshops targeted at owners and senior management of factories to enhance awareness and knowledge of the principles of fire and building safety. Following the inspections, heightened management awareness will facilitate an effective remediation process.

The workshops have been developed by the FWF expert team, consisting of international experts on fire and building safety. FWF affiliates are required to ensure participation of all of their suppliers in Bangladesh. The workshops have been offered since March 2014.

For each participating factory, affiliates will be invoiced € 200. For factories that register but fail to show up, half of the fee, € 100, will be invoiced to the affiliate. By 1 October 2014, all current suppliers of FWF affiliates must have participated.

*Increasing awareness and emergency preparedness*

Inspections and safe buildings are not enough to guarantee worker safety. Workers are not only best placed to monitor their working conditions and signal problems as they arise, as the main users of those buildings, they also play a crucial role in preventing accidents or fires by complying with safety requirements.

Worker training, therefore, must be ensured in all factories supplying affiliates. FWF will develop such training for workers and will ensure alignment with other initiatives such as the Accord.

The training will be integrated in the existing Workplace Education Programme.

*Gender based violence*

In order to address and prevent violence against women at the workplace, increased awareness and knowledge are necessary. Each factory, moreover, should have a functional anti-harassment committee. Through the FWF Workplace Education Programme, FWF is offering training sessions for management, middle management/supervisors and workers, addressing gender based violence and workplace harassment. During the programme, anti-harassment committees are established and/or strengthened.

**Step 5 Strengthened auditing/monitoring**

Audit teams and staff of companies involved in conducting audits or follow-up visits, should be aware of the specific risks in each production country they visit and be trained to address these.

FWF Audit supervisors in Bangladesh have all been trained on building and fire safety by the FWF expert team. Members of the FWF team in Bangladesh have also participated in additional training to increase knowledge and awareness on gender based violence (ILO Gender Academy and team meetings).
Affiliates using their own or external audit teams are required to ensure that these teams possess the expertise to address all of these issues. Brand employees that visit the factory should also receive additional training. FWF is offering (online) meetings to inform member companies.

**Step 6 Facilitate remediation**

When problems are found, the FWF affiliate must take an active role in ensuring that effective and timely remediation takes place.

**Fire and Building Safety**

In some cases, the additional safety inspections may indicate that the situation in a factory presents such immediate and grave danger that workers must leave the premises. Appropriate steps have to be taken to ensure workers are removed from danger and receive compensation for loss of income in case factories are closed for repairs.

In most cases, however, the risks will be high, but remediation will be possible without sending the workers home. When fire exits are locked, for example, the remedy is relatively easy. Most of these issues, however, were found before during previous audits, resulting in little improvement because the underlying issues were not addressed. This is where remediation and training, come in.

There is a general principle built into the design of FWF’s work: jointly negotiated remediation and accepting a shared responsibility.

Affiliates are required to align/coordinate remediation with other brands sourcing at the same factory. Where necessary, FWF can represent the affiliate in communication with brands that have signed the Accord.

FWF will support and document negotiations on remediation, so they can inform further negotiations, which will need to take place at factories across Bangladesh.

**Violence against women**

Ideally there are anti-harassment committees in place in the factories to deal with problems and complaints on harassment and violence against women. FWF is working on a factory policy for dealing with complaints of sexual harassment. Where such committees are not functional, workers have access to the FWF helpline and complaint mechanism.

**Step 7 Ensure compensation of victims where applicable**

In the past, when serious incidents have taken place in Bangladesh, local stakeholders and the ILO have agreed on a compensation scheme for victims and their relatives. FWF will see if this same scheme can be used as guidance in cases where compensation is needed.