

## **P7\_TA-PROV(2013)0230**

### **Labour conditions and health and safety standards following the recent factory fires and building collapse in Bangladesh**

#### **European Parliament resolution of 23 May 2013 on labour conditions and health and safety standards following the recent factory fires and building collapse in Bangladesh (2013/2638(RSP))**

*The European Parliament,*

- having regard to its previous resolutions on Bangladesh, in particular those of 17 January 2013 on recent casualties in textile factory fires, notably in Bangladesh<sup>1</sup>, and of 14 March 2013 on the situation in Bangladesh<sup>2</sup> and on sustainability in the global cotton value chain<sup>3</sup>,
- having regard to the joint statement of 30 April 2013 by Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy Catherine Ashton and Trade Commissioner Karel De Gucht following the recent building collapse in Bangladesh,
- having regard to the Accord on Fire and Building Safety in Bangladesh,
- having regard to the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises,
- having regard to its resolutions of 25 November 2010 on human rights and social and environmental standards in international trade agreements<sup>4</sup> and on corporate social responsibility in international trade agreements<sup>5</sup>,
- having regard to the Cooperation Agreement between the European Community and the People's Republic of Bangladesh on Partnership and Development<sup>6</sup>,
- having regard to the ILO Promotional Framework for Occupational Safety and Health (2006, C-187) and the Occupational Safety and Health Convention (1981, C-155), which have not been ratified by Bangladesh, as well as to their respective recommendations (R-197); having regard also to the Labour Inspection Convention (1947, C-081), to which Bangladesh is a signatory, and to its recommendations (R-164),
- having regard to the Commission communication entitled 'A renewed EU strategy 2011-2014 for Corporate Social Responsibility' (COM(2011)0681),
- having regard to its resolutions of 6 February 2013 on 'corporate social responsibility: accountable, transparent and responsible business behaviour and sustainable growth'<sup>1</sup> and

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<sup>1</sup> Texts adopted, P7\_TA(2013)0027.

<sup>2</sup> Texts adopted, P7\_TA(2013)0100.

<sup>3</sup> Texts adopted, P7\_TA(2013)0099.

<sup>4</sup> OJ C 99 E, 3.4.2012, p. 31.

<sup>5</sup> OJ C 99 E, 3.4.2012, p. 101.

<sup>6</sup> OJ L 118, 27.4.2001, p. 48.

on ‘Corporate Social Responsibility: promoting society’s interests and a route to sustainable and inclusive recovery’<sup>2</sup>,

- having regard to the UN Guiding Principles on Business and Human Rights, which set a framework for both governments and companies to protect and respect human rights, as endorsed by the Human Rights Council in June 2011,
  - having regard to the Clean Clothes Campaign,
  - having regard to the conclusions of the ILO’s high-level mission to Bangladesh of 1 to 4 May 2013,
  - having regard to Rule 110(2) and (4) of its Rules of Procedure,
- A. whereas on 24 April 2013, more than 1 100 people died and some 2 500 were injured in the garment factory collapse at the Rana Plaza building in Dhaka, Bangladesh, making it the worst tragedy in the history of the global garment industry;
- B. whereas at least 112 people died in the Tazreen factory fire, in the Ashulia district of Dhaka on 24 November 2012; whereas eight people died in a factory fire in Dhaka on 8 May 2013; and whereas an estimated 600 garment workers had died in factory fires in Bangladesh alone since 2005, before the tragedy of Rana Plaza;
- C. whereas the owner of the Rana Plaza and eight other people were arrested and had criminal charges filed against them, on the grounds that the building had been constructed illegally and had developed massive structural problems, yet workers were forced to continue working despite their fears over safety;
- D. whereas conditions in such textile factories are often poor, with little regard for labour rights such as those recognised under the main ILO conventions and often with little or no regard for safety; whereas the owners of such factories have in many cases gone unpunished and have therefore done little to improve working conditions;
- E. whereas, in the case of the Tazreen factory, although a government enquiry committee formed by the Ministry of Home Affairs and the Parliamentary Standing Committee on the Labour Ministry came to the conclusion that criminal charges for unpardonable negligence should be brought against the owner, he has still not been arrested;
- F. whereas the European market is the largest export destination for Bangladeshi apparel and textile products, with prominent Western companies admitting that they had contracts with Rana Plaza factories for the supply of garments;
- G. whereas Bangladesh has become the world’s second-largest exporter of ready-made garments, next only to China, whereas it now has more than 5 000 textile factories, employing approximately 4 million people, and whereas clothing now accounts for 75 % of its exports;
- H. whereas the textile industry is considered to be one of the most polluting industrial sectors; whereas spinning, weaving and production of industrial fibres can undermine air quality and

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<sup>1</sup> Texts adopted, P7\_TA(2013)0049

<sup>2</sup> Texts adopted, P7\_TA(2013)0050.

release numerous volatile agents into the atmosphere that are particularly harmful to workers, consumers and the environment;

- I. whereas those working in the Rana Plaza are reported to have been paid as little as EUR 29 per month; whereas, according to the Clean Clothes Campaign, labour costs in this sector account for a mere 1 % to 3 % of a product's final price, and whereas pressure on pricing is increasing;
  - J. whereas several major Western firms have now signed up to a legally binding accord agreed by local labour organisations which aims to ensure basic standards of workplace safety in garment factories in Bangladesh, following widespread criticism of international firms working with local garment producers;
1. Expresses its sorrow at the tragic and preventable loss of more than 1 100 lives and the injuries sustained by thousands more as a result of the collapse of the Rana Plaza; extends its condolences to the victims' families and to those who were injured, and condemns those responsible for failing once again to prevent such heavy loss of life;
  2. Stresses that such accidents tragically highlight the lack of safety standards at production sites and prove that urgent action is needed to improve the implementation of ILO core labour standards and enhance respect for the principles of corporate social responsibility (CSR) on the part of multinational textile retailers;
  3. Defends the right of workers in Bangladesh to form, register and join independent trade unions without fear of harassment; considers the existence of democratic trade union structures to be a vital instrument in the struggle for better health and safety standards and working conditions, including higher wages; calls on the Government of Bangladesh to guarantee these fundamental rights;
  4. Welcomes the Accord on Fire and Building Safety in Bangladesh between the trade unions, NGOs and about 40 multinational textile retailers, finalised on 15 May 2013, which aims to improve safety standards at production sites (and which covers the arrangements for paying for such measures), in particular by establishing an independent inspection system, including public reports and mandatory repairs and renovations, and by actively supporting the creation of 'health and safety committees' involving worker representation bodies in each factory; calls on all other relevant textile brands to support this effort, including textile retailers Walmart, Gap, Metro, NKD and Ernstings, which continue to reject any binding agreement;
  5. Welcomes the Action Plan adopted by the government, employers, workers and the ILO on 4 May 2013, which commits the parties notably to reforming the labour laws so as to allow workers to form trade unions without prior permission from factory owners and to engage in collective bargaining, to assessing the safety of all active export-oriented ready-made-garment factories in Bangladesh by the end of 2013, to relocating unsafe factories and to recruiting hundreds of additional inspectors;
  6. Hopes that the Accord and the Action Plan will be implemented in a timely manner and in full; welcomes, in this connection, the approval by the Bangladesh Cabinet on 13 May 2013 of the Bangladesh Labour (Amendment) Act 2013, which includes provisions on group insurance and factory health services; urges the Bangladesh parliament to adopt this amendment without delay at its forthcoming session; also welcomes the Bangladeshi

Government's decision to raise the minimum wage in the coming weeks, and urges the Bangladeshi Government to prosecute companies that are illegally undercutting this wage;

7. Recalls that Bangladesh benefits from duty- and quota-free access to the EU market under the 'Everything But Arms' (EBA) scheme of the Generalised System of Preferences (GSP), and that these preferences can be withdrawn pursuant to Article 15(1) of the GSP Regulation in the event of serious and systematic violations of principles laid down in conventions listed in Part A, Annex III on the basis of the conclusions of the relevant monitoring bodies;
8. Calls on the Commission to investigate Bangladesh's compliance with these conventions and expects an investigation to be considered pursuant to Article 18 of the GSP Regulation should Bangladesh be found to be in serious and systematic violation of the principles laid down in them;
9. Considers deeply regrettable the failure of the Bangladeshi Government to enforce national building regulations; calls on the Government and the relevant judicial authorities to investigate allegations that the failure to implement those regulations was due to collusion between corrupt officials and landlords seeking to reduce their costs;
10. Expects those responsible for criminal negligence or otherwise criminally responsible in relation to the collapse of the Rana Plaza, the Tazreen factory fire or any other fire to be brought to justice; expects local authorities and factory management to cooperate in order to guarantee full access to the justice system for all victims, so as to enable them to claim compensation; expects multinational textile retailers that were producing at these factories to be involved in the establishment of a financial compensation plan; welcomes the steps which have already been taken by the Bangladeshi Government to support the victims and their families;
11. Calls on all businesses, notably garment brands, that contract or subcontract to factories in Bangladesh and other countries to adhere fully to internationally recognised CSR practices, in particular the recently updated OECD Guidelines for Multinational Enterprises, the ten principles of the UN Global Compact, the ISO 26000 Guidance Standard on Social Responsibility, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the UN Guiding Principles on Business and Human Rights, and to critically investigate their supply chains in order to ensure that their goods are produced exclusively in factories that fully respect safety standards and labour rights;
12. Calls on the Commission actively to promote responsible business conduct among EU companies operating abroad, with a special focus on ensuring strict compliance with all their legal obligations, in particular international standards and rules in the areas of human rights, labour and the environment;
13. Calls on retailers, NGOs and all the other actors involved, including where appropriate the Commission, to work together to develop a voluntary social labelling standard certifying that a product has been manufactured in accordance with ILO core labour standards throughout the entire supply chain; calls on companies using CSR as a marketing tool to take steps to ensure that any claims made are accurate;
14. Welcomes the support being given by the Commission to the Bangladesh Ministry of Labour and Employment and the Bangladesh Garment Manufacturers and Exporters

Association; calls for such cooperation to be strengthened and extended to other countries in the region, as appropriate;

15. Instructs its President to forward this resolution to the Council, the Commission, the European External Action Service, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the EU Special Representative for Human Rights, the governments and parliaments of the Member States, the UN Human Rights Council, the Government and Parliament of Bangladesh and the Director-General of the ILO.