



# **Spectrum: One Year After the Collapse**

**Spectrum, Bangladesh Garment Workers and Their Demands One Year After the Collapse of Their Factory**



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Clean Clothes Campaign

## **Spectrum Bangladesh workers and their demands one year after the collapse of their factory**

### **Introduction**

The document was prepared in April 2006 at the time of the one-year anniversary of the Spectrum-Shahriyar factory collapse in Bangladesh. At this time the CCC and its partner organizations in Bangladesh look back at what has been achieved with regard to the workers demands and what lessons have been learned.

Thus far (families of) Spectrum workers have received some initial relief money and injured workers have received proper medical treatment; outstanding wages and overtime have been paid, but severance payment is still due; some 100 workers are still left without employment; a voluntary relief scheme is being set up, but most companies that were sourcing at Spectrum-Shahriyar have not yet committed to contributing to this fund.

Given these outstanding issues and knowing that workers' safety in the entire sector remains at risk, as evidenced by recent additional tragedies at Bangladesh garment factories, the CCC joins unions and NGOs in Bangladesh in calling for an international day of action for workers health and safety. The following public report was compiled from various sources (including NGOs and trade unions in Bangladesh and in Europe, CCC research trips to Bangladesh, and local media reports). Any additional feedback, additions or corrections are welcome. Please send your comments to: [info@cleanclothes.org](mailto:info@cleanclothes.org).

## The Spectrum Factory Collapse

Shortly before 1 a.m. on the morning of April 11th workers in the Spectrum-Sweater factory built on top of a flood-prone former swamp in Savar, 30 km northeast of Dhaka, found their workplace, suddenly crashing down upon them. Sixty-four people died, at least 74 were wounded, some handicapped for life, and hundreds were left jobless as a result of the collapse.

On the night of the collapse, factory officials have stated that approximately 184 workers were at the factory. However, workers' who were present that night maintain that there were at least 400 employees on the night shift. This would indicate that the other workers were able to escape from the building.

On several occasions before the collapse workers had tried to report concerns regarding the safety of their building, including one worker who saw cracks in the factory wall five days prior to the collapse. He was told to keep his mouth shut and work. Spectrum was in violation not only of its construction permit, but also of many labour laws and code of conduct provisions prior to the collapse, such as violation of the minimum wage and of the legal right to one day off per week.

Spectrum, and the adjoining Shahriyar Fabric, produced orders for a wide range of European companies including Inditex (Spain), Carrefour, Solo Invest, CMT Windfield (France), Cotton Group (Belgium), KarstadtQuelle, New Yorker, Bluhmod (Germany), Scapino (Netherlands), and New Wave Group (Sweden). [For a complete list of buyers at Spectrum-Shahriyar please see <http://www.cleanclothes.org/news/05-07-13.htm>].

Not only did local public authorities fail to properly monitor safety at Spectrum Sweater, but the companies sourcing at this factory—many of whom claim to have policies and procedures in place to monitor labor practices at their supply facilities—failed to detect and remediate serious problems at Spectrum.

The Spectrum/Shahryiar collapse was no mere incident due to a construction fault, as some try to make out, but one disaster in an ongoing string of many in Bangladesh. Since the Spectrum collapse there have been a series of additional incidents, the most recent being the fire at KTS Textile Industries, Chittagong (Feb. 23; 63 reported dead, approximately 100 reportedly injured), Phoenix Building, Dhaka (Feb. 25; 22 dead, 50 injured); Imam Group, Chittagong (Feb. 25; 57 injured) and Sayem Fashions, Gazipur (March 6; 3 dead, approximately 50 injured).

### **Demands of the Spectrum workers after the collapse**

The CCC, in consultation with partner organisations in Bangladesh, had identified the following demands within a week after the collapse:

#### **1. Appropriate compensation and relief measures:**

Companies sourcing at this factory must ensure that compensation is given to the families of the dead and the injured, as well as proper medical treatment. Additional demands are payment of outstanding wages and overtime and job security for the surviving workers

#### **2. Full, independent and transparent investigation:**

A thorough investigation, with participation of local credible stakeholders, into the causes of the building collapse must take place and those responsible must be brought to justice. Such an investigation should also include looking at the failures of government, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), and companies sourcing at the factory to prevent, detect, or remediate violations of construction rules and labor laws. Many of the European companies producing at Spectrum Sweaters have codes of conduct including the right to a safe and healthy workplace, and claim to regularly audit their suppliers to ensure that these standards are met. These programs have been clearly insufficient. Companies should publicly disclose their audit reports of this facility. The BGMEA should publicly disclose

reports on their fire safety program at Spectrum Sweater. The investigation should yield a complete list of those who died in the factory collapse; all investigation findings should be publicly disclosed.

### **3. Sustainable structural measures to prevent future incidents:**

Industry, along with public authorities (at the local and international levels) must commit to launch an immediate initiative to take on the safety issues, including a structural review of multi-story buildings and facilities inspection mechanisms. The CCC recommends that an independent international oversight committee/program be formed that is charged with examining occupational health and safety regulations and their implementation (including emergency regulations) and workers' access to safe channels to communicate their concerns regarding health and safety issues.

The CCC network has pushed for these demands with the buyers sourcing at Spectrum/Shahriyar and also emphasized the necessity of a dialogue with local stakeholders (BIGUF, NGWF, BTGWL and the Workers Safety Forum, consisting of some 17 NGOs, regarding all demands including the level of compensation.

Now, one year after the collapse of the Spectrum factory, the CCC and its partner organizations in Bangladesh look back at what has been achieved with regard to the demands and what lessons have been learnt. Knowing that workers' safety remains at risk, as evidenced by the recent tragedies, the CCC joins unions and NGOs in Bangladesh in calling for an international day of action for workers health and safety.

### **What has been achieved and what remains?**

**1. Concerning appropriate compensation and relief measures for the workers and their families:**

An agreement was reached that the BMGEA would establish an office at the site of the factory collapse to undertake a census to establish a comprehensive public list of dead, missing and surviving workers (those employed and working that night, and those employed who were not working). On 28 June 2005 the trade unions and the BGMEA agreed upon an official and definitive list of 64 dead Spectrum workers. As for the injured, the NGWF reported that the number was at least 78. Both the NGWF and the BGMEA agreed that this number might be higher as some of the wounded might have returned to their villages when they could no longer work, making it difficult to trace them. Calculations also differ as to the amount of 'severe' and 'non-severely' injured workers.

During the following months the 64 families of the dead workers each received Taka 79,000 (€ 1,000) from the BGMEA and an additional legally required compensation of Taka 21,000 (€ 266) from the Labour Court.

Inditex, a Spanish company whose Zara brand was produced at Spectrum, made the first contribution of €35,000 for relief efforts during a BSCI mission to Bangladesh early June (see box). The Inditex funds, administered by the Bangladesh National Council (BNC), NGWF, the NGO Incidin and Oxfam Bangladesh, have been used to pay for medical treatment for the injured and for emergency support of workers and their families. 21 injured workers received Taka 5000 (approx. €63) each and some 600 workers who lost their jobs received Taka 2000 (approx. €25) relief money each. And Inditex donated two years wages to two severely injured workers, one who was paralyzed from the waist down and the other with serious burns on his arms and legs. Some thirty of the more seriously injured workers were hospitalised at the Trauma Centre in Dhaka, some for prolonged periods of time. Some others have been fitted with artificial limbs. Those treated are regularly assessed to monitor their recovery and to determine further treatment.

French company Carrefour acted individually and distributed €15,000 through an NGO, partly in the form of rickshaws and sewing machines, to some of the

families of the dead and injured workers. Some workers however question whether the NGO has indeed distributed all the money given by Carrefour.

The BGMEA also distributed a small amount of money among some of the workers, but because this was not carried out in consultation with the unions it remained unclear how much and whether this was money given by the Spectrum owner. The government has not contributed to any compensation received by workers.

Workers however stated that the compensation received thus far is insufficient to help the families of the injured and dead workers in the long term and is not based on any relevant criteria. It only meets their short-term needs.

#### **A Few Examples of Life After the Collapse:**

- One worker named Mohshin still has problems with his right hand and his head aches all the time. His daughter is now working in a garment factory. She is the sole provider for him, his two sons, three daughters and his wife.
- A woman whose husband died in the collapse had a baby shortly after the Spectrum collapse. Even though she received Taka 21000 compensation, this is not enough to support her and her baby for long. Her in-laws received Taka 79000 (€1000) through the BGMEA, but she has no contact with them.
- Worker Nure Alam, whose arm was amputated after surviving 14 hours buried alive following the collapse told CCC researchers that most of his medical expenses were covered, and he received Taka 21,000 (€266) but it is not enough to rebuild his life and sustain his family. *“My family has five members. I was taking care of all of them -my wife [also a worker at the factory] and son, my sister and my mother. We are both unemployed now. Now my wife has to take care of the family. I cannot do anything.”*
- Motaleb, another Spectrum survivor, has extensive wounds on arms and legs and is missing the fingers on his left hand. He has undergone five operations in all. He wants to start a business such as a grocery shop, but he would need about Taka 300,000 (€ 3,800) to 400,000 (€5,070) to do that.
- An injured worker who suffered back injuries is now wearing a back brace

- A woman who lost her husband has to support her in-laws, two young brothers-in-law aged 10 and 12 and her own daughter of seven. They all depend on her but she is currently unemployed.

Local trade unions and NGOs have called for compensation to always take into account expected lifetime earnings of the deceased or injured worker and the number of dependents. Legal action has been taken in Bangladesh for the case to be tried under the Bangladesh Fatal Accident Compensation Act-1955, which would use this as its base, on behalf of five of the workers to demand compensation under this act, amounts for which would then be established on a case by case basis and would, according to some lawyers, go up to at least Taka one million (€ 12,677).

### **Business Social Compliance Initiative (BSCI)**

The Business Social Compliance Initiative (BSCI) is an industry-controlled code monitoring initiative that aims to harmonize auditing practices and share audit reports among its corporate members. BSCI makes the dubious claims of “more efficient implementation procedures than other monitoring systems,” “saves cost and time through prevention of multiple auditing,” “optimizes working conditions” and “higher worker satisfaction” [source: BSCI website, <http://www.bsci-eu.org/content/bsciflyerweb2.pdf>]. However, companies sourcing at Spectrum, many of whom are BSCI member and claim to have policies and procedures in place to monitor labor practices at their supply facilities, failed to detect and remediate serious problems at Spectrum. Spectrum was in violation not only of its construction permit, but also of many labour laws and code of conduct provisions prior to the collapse, such as violation of the minimum wage and of the legal right to one day a week off.

Responding to local protests and international pressure, representatives of the BSCI (Business Social Compliance Initiative) brands organized a collective emergency meeting on April 21 in Brussels during which the



Spectrum collapse was discussed. A CCC representative was present for part of the meeting to clarify the CCC action proposals in relation to this case. Following the meeting BSCI released a statement pledging that they would send representatives to Dhaka in the first week of May to get more clarity on the situation. In the statement BSCI committed to working with local stakeholders to clarify the situation and decide on what further measures they should take to prevent a repeat of this tragedy in the future.

The first mission to Bangladesh, organized by the BSCI, finally took place in early June, followed by a second at the end of June and a third in September. Representatives of Inditex, Cotton Group and Karstadt/Quelle took part. Also present were Neil Kearney of the International Textile, Garment and Leather Workers' Federation (ITGLWF) and a representative of Gap. The delegations met with government officials of the Bangladesh Ministry of Textiles and Jute and the Ministry of Commerce as well as with representatives of the BGMEA and BKMEA, one of the factory owners, local unions and NGOs.

Despite its pretensions BSCI failed to respond sufficiently to the demands of the workers and to the urgency of structural preventative measures. No mention is made thus far by the BSCI of the need to seriously review and wholly redesign their present compliance system, All of their code implementation programmes completely failed to identify the many violations, including safety risks, at Spectrum/Sharyiar. The results were deadly. Founding member company Karstadt Quelle and member companies Cotton Group and Scapino have refused thus far to commit to the 'voluntary relief scheme' proposal for compensation, put forward by Inditex, also a member company of BSCI at the time of the collapse. Inditex has recently joined the Ethical Trading Initiative instead.

### **Voluntary Relief Scheme**

International pressure resulted in an initial agreement among some of the companies sourcing from Spectrum to establish a voluntary trust fund to properly compensate workers injured and the families of those killed into which all the different stakeholder groups can contribute money. The

international accounting and consultancy firm KPMG was commissioned by Inditex, at first with the support of Karstadt Quelle and Cotton Group, and in close collaboration with the International Textile, Garment and Leather Workers' Federation (ITGLWF), to draft a proposal regarding the appropriate amounts. A first draft was made available in October, after which KarstadtQuelle announced plans for an alternative 'fast track' proposal. However, no details of this 'fast track' proposal have ever been made available.

The Inditex/ITGLWF proposal is based on the following principles, which the CCC endorses:

- For the families of those killed – full salary from April 11, 2005 till the date of payment of compensation; a lump-sum payment reflecting the wages and family composition of the victim; and a life-time pension based on the wages and family composition of the victim and adjusted annually for inflation.
- For those injured – full salary from April 11, 2005 till the date of payment of compensation; a lump-sum payment based on the age, injuries and wages of the victim; and a pension based on the level and duration of disability of the victim, his wages and family composition and adjusted annually for inflation.

It is further important to note that under Islamic law in Bangladesh, part of the compensation for male workers will be given to the parents of the dead workers and a portion will be given to the worker's wife. Because this could be a potential source of conflict in families receiving compensation, the NGWF and the BNC have agreed to mediate in these situations.

In February 2006 the proposal was sent to all companies sourcing at Spectrum/Shahriyar and at this moment the trade unions in Bangladesh, assisted by Incidin (a Bangladeshi NGO), are finalizing the data-collection needed to make the final calculations for each of the families of the dead and for each of the injured at the Spectrum disaster based on their wages, family

composition and injury level. The scheme will be overseen by a board of trustees assisted by two committees, one made up of the different contributors and the other comprised of BGMEA and Bangladeshi trade union representatives, which will advise the trustees on the disbursement of funds. On the financial side estimates have been made of the likely overall costs of the scheme. It is estimated that the total cost of the Voluntary Relief Scheme will be about Euro 1.2 million.

It is now up to the companies to make a public statement saying that in principle they are ready to participate in the scheme to be set up along the lines of the Inditex-ITGLWF proposal and participate at a meeting proposed to discuss further details of the fund once all research is completed. The final contribution could be calculated according to a number of variables, including but not limited to:

- length of commercial relationship with Bangladesh
- total volume of production sourced in Bangladesh
- length of commercial relationship with Spectrum/Shahryar
- total volume of production sourced at Spectrum/Shahryar
- total turnover (garments)

How to set the final formula and how to interpret or expand these variables will be on the agenda of the roundtable meeting.

**Commitment of buyers to contribute to the proposed relief scheme so far:**

Two injured Spectrum workers - Jahangir Alam and Nura Alam - visited Belgium, France, the Netherlands and Germany in February 2006 and met with representatives of several companies. They urged them to participate in the trust fund and also drew attention to the importance of reliable and independent verification of labor standards in the workplace.

Below is the outcome of the reaction of the various companies so far:

1. Companies that pledged to contribute unconditionally:
  - **Inditex**

- **SOLO Invest** - they also expressed their willingness to the workers to further develop their code of conduct implementation procedures and will contact the French CCC (l'Ethique sur l'etiquette) about further steps.
  - **New Wave Group** (Sweden) has also committed to contribute to the trust fund, but hasn't specified an amount.
2. Companies that have responded, but refused to pledge to the proposal:
- **KarlstadtQuelle** and **Steilmann** in Germany both refused to meet with the workers although KarlstadtQuelle (KQ) keeps claiming that they are ready to give financial compensation, but want to do this independent from the trust fund, as a one-off contribution. They have not specified how, by whom, or how much.
  - **Scapino** in the Netherlands (that sourced through **KarlstadtQuelle**) met the workers but couldn't say whether the 5000 Euro they had pledged earlier would be paid into the trust fund or to any other body. Scapino continued putting forward as an excuse that it stopped sourcing 10 months before the collapse, although at that time labour rights violations and lack of safety measures were a fact.
  - **Carrefour Belgium's** international director Roland Vaxelaire told the workers that he did not have the mandate to decide upon these matters and referred to Carrefour International.
  - **Carrefour International's** sustainable development director Veronique Discours-Buhot in France expressed willingness to consider the trust fund proposal but also listed preconditions, among which the need for other companies to join and the formal recognition of Carrefour's prior contribution (15000 Euro).
  - **Cotton Group** in Belgium was not willing to meet with the Bangladeshi workers and so far have not expressed their formal agreement in participating in the trust fund, although in previous correspondence they indicated willingness to a one-off contribution.

3. Companies that have not responded at all so far:
  - **New Yorker, Bluhmod (Germany)**
  - **Windfield (France)**

For a complete list of buyers at Spectrum-Shahriyar please see

<http://www.cleanclothes.org/hews/05-07-13.htm>.

The CCC is also still actively tracking down other companies and brands that sourced at Spectrum-Shahriyar to ensure that they also contribute to the trust fund and take responsibility to help the workers.

Concerning the additional demands of **payment of outstanding wages** and overtime:

In May 2005 the NGWF sent a memorandum regarding outstanding wages of 50 workers to the Labor Inspection Department and the Department proceeded to file a case against the owner of Spectrum-Shahriyar. The court concluded that these workers are entitled to their back wages and ordered immediate payment. On some occasions the owner promised to pay this money soon, but on other occasions he has told people that he is completely bankrupt and/or his assets are frozen, and therefore is not in a position to pay. However, the CCC representatives visiting the Spectrum-Shahriyar site in September 2005 and March 2006 reported that new garment-producing machinery was present at the site and that earthwork was being done to prepare for new construction. Apparently the owner had money for new machines and new construction but not for proper compensation for the workers. After several delays workers have now received all outstanding wages, including for overtime.

### **Severance payment**

In addition to back wages the workers who have lost their jobs due to the factory collapse have a legal right to severance pay in the amount of four months wages (plus one month for each year worked) since the date of dismissal. Since none of the workers have received an official letter from the

company terminating their employment, strictly according to the law they are entitled to salaries since April 11 2005 (and then severance pay from the date of dismissal).

If for example we make a conservative estimate of the wage of each worker (excluding overtime) at an average of 2,500 take per month, this would mean 4 months wages would equal about 125 euro per worker. The CCC continues to urge all companies that did business with Spectrum-Shahriyar to put pressure on the owner to pay workers what they are legally due, and if the owners fails to do so (as clearly by now is the case) take measures to ensure that the workers are not the ones who suffer, by paying (part of) the severance and overtime payments due. The CCC views waiting for government action or for the owner to act on these outstanding issues as delaying tactics. It is also irrelevant whether workers have a new job or not in this context, an argument often cited by the buyers; the law states clearly that severance needs to be paid regardless.

### **Concerning job security for the surviving workers**

There are still different estimates as to the number of unemployed workers as a result of the Spectrum-Shahriyar factory collapse, and on the percentage that have found new jobs. The factory owner reported that the full list of employees was lost in the factory collapse and a significant number of workers were informally employed contract workers, which initially made it difficult to estimate total employment figures. The BGMEA established an office at the Spectrum site in Savar, as promised during the first mission early June. BGMEA finally came up with a list of 916 workers from Spectrum-Shahriyar. This is less than 25 percent of the reportedly 4000 workers employed before the collapse. Some trade unions and NGOs complained that BGMEA had not put in enough efforts to track down all the workers. Except for an announcement in the newspapers BGMEA had not widely announced the establishment of the office. Together with the BKMEA they made some arrangements with other factories to give these unemployed workers new jobs. Many workers found new employment through their own efforts. The

BNC reported that though many workers managed to find work, it is usually temporary work and many skilled and experienced workers have had to go back to doing less skilled work. It is important to note that even if workers found new jobs, they are still entitled to severance pay from Spectrum-Shahriyar.

The Shahriyar factory was up and running in September 2005 for what was referred to as 'light production work' for the Belgian company Cotton Group in addition to packing and labelling of sweaters produced by Spectrum for the German company Bluhmod before the collapse. Cotton Group did a structural audit of the building before agreeing on the continuation of running orders at Shahriyar Fabrics, but did not ask for a social audit. CCC representatives visiting the site reported that there was only one narrow exit door leading to emergency stairs on the outside of the building. Cotton Group stated that the payment of the order would be conditional to the owner paying (part of) the legal dues to the workers. While Spectrum-Shahriyar employed approximately 4,000 workers before the collapse, 400 workers were working at the Shahriyar factory at that time (September 2005).

The NGO Karmojibi Nari estimated in September 2005 that approximately 60% of the workers had found new jobs. According to the NGWF some 100 Spectrum workers still have not found new jobs. The NGWF gave a list of 57 workers to Carrefour to support finding a new job in Carrefour's suppliers' facilities in Savar. In March 2006 Mathieu Brousse (Carrefour Bangladesh buying office) committed himself to contact its suppliers stating this would be a matter of days only.

*To sum up, so far (families of) Spectrum workers have received some initial relief money and injured workers have received proper medical treatment; outstanding wages and overtime have been paid, but severance payment is still due; some 100 workers are still left without employment; a voluntary relief scheme is being set up, but most companies still have to commit to contribute to it.*

## **2. Independent and transparent investigation:**

Several investigation committees were set up but none of the reports, including those from the BGMEA itself and RAJUK (the government institution that gives construction permits) have been made public. However, reports in the press indicate that the collapse was the result of a construction fault in one of the pillars and that the owner had constructed a nine-story building while he had permission for only four stories.

There have been no reports of any investigation looking at the failures of the government, the BKMEA and companies sourcing at the factory to prevent, detect, or remediate violations of construction rules and labor laws.

During their meetings in June and September 2005 the BSCI mission participants did discuss a sector-wide structural review of multi-story buildings, layout of machinery, enforcement of labor laws and penalties for violations, and a countrywide plan to implement and improve social standards. The group also put forth the idea of a tri-partite national agency (government, employers and trade unions) being set up to follow up on these issues. The brands involved in the mission apparently made clear that the placing of future orders with Bangladesh suppliers may depend on these measures. To the extent that these discussions have been followed up, this follow up seems to have taken place in the context of the MFA Forum (see next section). In a June 23rd statement on the first BSCI mission the BSCI confirmed that they had learned of various rights violations at Spectrum in discussions with workers. They further confirmed that neither they nor any of their members had ever conducted a social audit at this factory.

Carrefour (not a BSCI member) had commissioned an audit but has refused to make this audit public.

Factory owner Shahriyar Sayeed and Spectrum director Abul Hashem Fakir appeared in court on May 8th to apply for bail. Lawyers successfully



contested their bail application and the court ordered both men to be imprisoned pending the following bail hearing. They spent only about one month in prison and are still free on bail. Both are periodically required to appear in court in what is expected to be a long and drawn-out court case.

*To sum up, investigations into the Spectrum collapse are yet to be published, there have been no investigation into failures of the government and of companies sourcing at Spectrum, and legal punishment for those responsible still seems to be far off.*

### **3. Concerning sustainable structural prevention measures to prevent future incidents**

This remains an important outstanding demand. A series of factory fires and a collapse of another factory building since the Spectrum collapse indicate that adequate preventative safety measures are still not in place. A recently released study from Bangladesh Institute for Labour Studies (BILS) estimates that 130 workers died in the garment industry in 2005 alone, and 480 were wounded. Comprehensive health and safety reviews (like an assessment on the structural safety of all multi-storey garment factories) and follow-up action measures have been called for by the local unions and NGOs since the Spectrum collapse. It is distressing that no actual progress has been made. Workers' lives continue to be at risk.

Under pressure from foreign buyers the Bangladeshi government set up a National Forum on Social Compliance in the textile and garment industry, led by the Ministry of Commerce. The Forum also includes other stakeholders. Though trade union and NGO participation in the Forum and the Task Forces has been agreed, there is considerable opposition to this actually happening. Most of this opposition appears to be coming from the BGMEA. Within the National Forum two task forces have been set up: one for labor and one for health and safety. They are supposed to develop concrete plans for short-, middle, and long-term measures and a "monitoring cell" will coordinate and

monitor all activities. The Forum on Social Compliance has met a number of times. The task forces have identified a long list of improvements needed - most required by law together with an indication of whether these are needed in the short, medium or longer term. The important next step of doing something about these problems has yet to be taken. Meaningful trade union participation in this task force is essential if they are serious about social compliance, occupational health and safety, minimum wage, workers' right to organize and any other issues affecting garment workers.

The BGMEA started a review of safety measures in its member factories to ensure factory compliance issues. However, BGMEA recently told a local daily newspaper that it is not capable to monitor its 4,210 member factories. 18 BGMEA inspectors are visiting 3 factories per day. Upto March 19 2006 the BGMEA had inspected only 169 factories and conducted 133 fire drills as part of its ongoing drive to ensure safety measures (not labour standards). Obviously BGMEA's efforts are insufficient. Many more inspectors will be needed and next to a review of the condition of the buildings and fire drills a social audit of all factories is essential.

Meanwhile some individual companies have responded in various ways. During one of its visits Inditex disclosed its supplier list to the local trade unions. Inditex is actively exploring ways to involve trade unions in workplace assessments and remediation work, including presumably health and safety related measures. Although Karstadt/Quelle indicated in a meeting that they would also provide their supplier list to the local trade unions, they have failed to follow-up on this. Several buyers have reported that they will step up their audit-activities in this area, and include building structural reviews. Depending on the quality of the auditing this can certainly be an improvement.

Carrefour has requested audits of their suppliers in which a systematic review of construction permits and legal authorisations will be conducted. Carrefour intends to ask its suppliers in Bangladesh to provide it with documentary evidence of construction permits for the buildings in which they operate.

The companies taking part in the second mission in June 2005 joined the so-called MFA forum meeting hosted by the UNDP on June 27 and 28 in Dhaka, to discuss consequences of the Multi-Fiber Arrangement quota phase-out for the garment industry and the workers, and measures needed for a sustainable garment sector in Bangladesh, including respect for workers rights. The meeting brought together local and international NGOs and trade unions, government, the UNDP, employers and buyers representing orders that account for 90% of production taking place in Bangladesh. Some progress has been made. For more background on the MFA Forum please see

[http://www.maquilasolidarity.org/resources/post\\_mfa/MFA%20Forum/index.htm](http://www.maquilasolidarity.org/resources/post_mfa/MFA%20Forum/index.htm)

A CCC representative also raised the issue of Spectrum at the Ethical Trading Initiative conference in London on May 12th and 13th. The conference was attended by over 350 representatives from businesses, including from the BSCI, GTZ, unions, NGO's, including a representative from Karmojibi Nari, and governments and the ILO. The CCC has also approached other brands sourcing from Bangladesh, like H&M and GAP, to ask for their support for the call for structural preventative measures.

Specifically on health and safety, all companies sourcing from Bangladesh should make sure that all Bangladeshi suppliers meet the following minimum standards:

- The building owner has received all necessary building permits (including for renovations, the building is structurally sound and has not been constructed in a high-risk area;
- The plant and machinery are safe, emergency exits are unlocked and unobstructed, and there is adequate access and exit routes so that emergency equipment can be brought quickly to the site;

- Workers receive adequate health and safety training and have secure channels to raise concerns on health and safety issues with management and the government.

At a more general level, all companies sourcing from Bangladesh should work directly with trade unions and labour NGOs on the ground to improve the implementation of their codes of conduct and the monitoring of their supply chain (including disclosure of supplier addresses). Ensuring workers right to freely organize and bargain collectively is key to sustainable improvements at the workplace, and this should be a priority. Companies should enable their suppliers to meet the standards outline in their codes, this means critically review their purchasing practices (pricing, delivery schedules) and make a long-term commitment to their suppliers. Companies should join a credible multi-stakeholder initiative to verify their implementation of their code of conduct, and work with other stakeholders, including the government, to ensure that key issues are taken up at the level of the sector. These include raising the minimum wage, improving respect for freedom of association and the above-mentioned comprehensive health and safety review.

*To sum up, some initiatives have been taken to take systematic structural prevention measures, but by far not enough, given the recent series of incidents.*