



Challenges at Work: Insights from the Global Garment Industry

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What issues do you associate with the garment
(fashion) industry?

Our work

- working conditions in garment industry
- NaZemi is member of Clean Clothes Campaign (global network of > 200 org.)
- quite direct connections to workers in global South
- Data disclaimer :)

How big is garment sector?

- revenue 2 trillion USD / year
- rise 4 % - 7 % per year
- 80 - 150 pieces of clothes a year
- 70 million workers globally
- 10 % global greenhouse gas emissions



Rana Plaza – Bangladesh

24th April 2013

1 134 dead

Over 2 500 injured



Why did it happen?

Causes – structural issues

- extremely **low wages**
- non-existent **social system**
- pressure from brands to factories
- repressed labour unions
- not much care about **health and safety**
- no **accountability** and due diligence - whose fault is it?
- **intransparency** in the supply chain

Wage issues Bangladesh

The Minimum Wage Board determines the minimum wage

2010-2013 - BDT 3,000 (600 CZK)

2013 - 2018 - BDT 5,300

2018 - 2023 - BDT 8,000

2023 - now BDT 12,500 (\$113; 107 EUR; 2 679 CZK)

For comparison:

Union demands in 2023: BDT 23,000

Estimated living wage in 2023: BDT 33,368 - 51,000

Lack of social security/ Compensation mechanism

- In September 2013 the Rana Plaza Coordination Committee was established, consisting of the government, local and international trade unions, non-governmental organisations and the International Labour Organisation (ILO) as neutral chair.
- The committee worked to set up a process to support the victims and their families, resulting in the Rana Plaza Arrangement.
- The Arrangement set up the Rana Plaza Donor Trust Fund to collect the necessary money.



Safety issues: Bangladesh accord

- to make the factories safe is quite easy (compared to other issues)
- almost immediately, in May 2013 → **The Accord on Fire and Building Safety in Bangladesh**
 - agreement between important stakeholders to ensure that garment factories in Bangladesh will become safe working environment
- 250 brands until today signed
- Two unique and important things on the Accord:
 - . 1) first time when **all important stakeholders** are part of the process
 - . 2) it is **legally binding**

Safety issues: Bangladesh Accord

What is the Accord about?

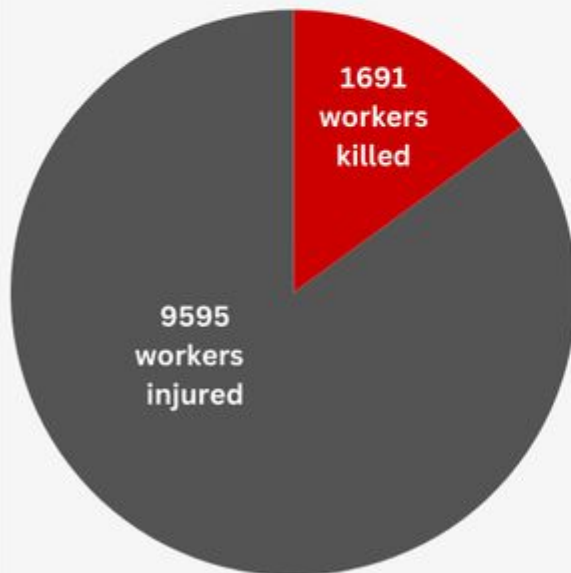
- open factories for external independent auditing
- allow the results to be reported publicly
- help pay for essential safety renovations
- stop doing business with anyone who fails to deliver these demands

Safety issues

WORKER DEATHS & INJURIES IN BANGLADESH' APPAREL INDUSTRY BEFORE 2013

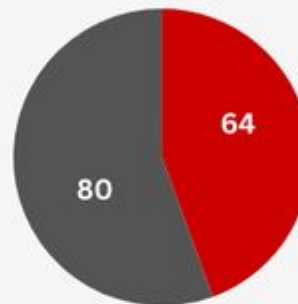
- workers killed
- workers injured

Bangladesh total 1990-2013

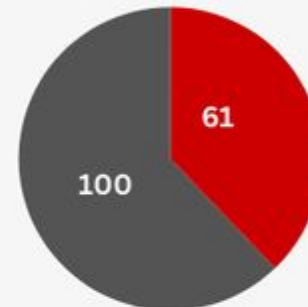


Estimate 1990-2013: BILS, individual incidents: CCC.

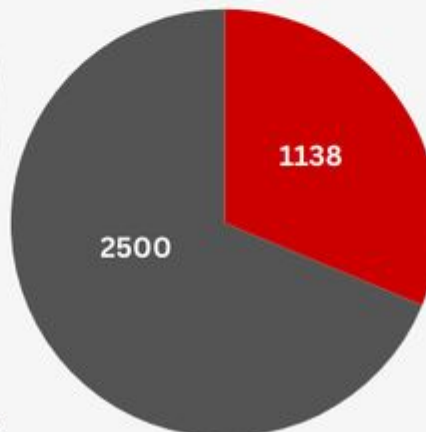
Spectrum collapse 2005



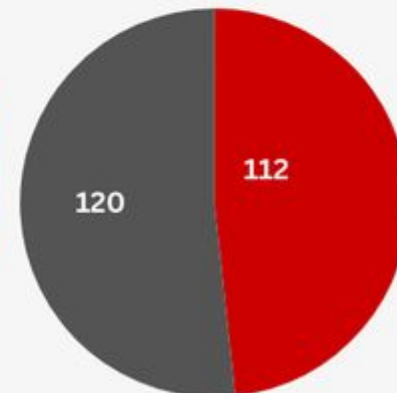
KTS Textile fire 2006



Rana Plaza collapse 2013



Tazreen fire 2012



Accountability and due diligence

“None of the companies involved are suppliers to Benetton Group or any of its brands.”

Benetton press release



Munir uz Zaman / AFP / Getty Images

UN Guiding Principles on Business and Human Rights

- set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations
- **not binding**
- est. in 2011

Read more:

<https://www.cambridge.org/core/journals/business-and-human-rights-journal/article/impact-of-the-un-guiding-principles-on-business-attitudes-to-observing-human-rights/FEE3FAF436FBA634AC2BDC3823021A38>

National supply chain laws

- Norway (Norwegian Transparency Act)
- Switzerland (Swiss Supply Chain Act)
- Germany (German Act on Corporate Due Diligence Obligations in Supply Chains)
- France (The French Corporate Duty of Vigilance Law)

Read more: https://www.ecchr.eu/fileadmin/user_upload/ECCHR_PP_SUPPLY_CHAIN_EN_PE.pdf

Corporate Sustainability Due Dilligence Directive

- approved by the EU in 2024
- expected to impact stakeholders far into global value chains
 - including workers, farmers and suppliers
- step towards holding companies accountable for human rights and environmental harms connected to corporate malpractice
- serious weaknesses:
 - scope within the value chain (0.05% of EU companies)
 - protected rights aren't as broad as could have been

Read more: https://corporatejustice.org/wp-content/uploads/2024/11/ECCJ-Transposition-Guide_2024_online_version.pdf
<https://corporatejustice.org/news/breaking-a-game-changer-with-loopholes-eu-finally-adopts-landmark-corporate-due-diligence-law/>

Do you see any connections to your studies
(either in this course or others)?

How is it connected?

What questions come up to your mind after what we talked about today?

Thank you

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Quarterly newsletter

