



Clean Clothes Campaign



Geneva,
30 May to
10 June 2016

***Position on decent
work in global
supply chains***

Introduction



The Clean Clothes Campaign (CCC) is a global network of approximately 250 NGOs and trade unions. CCC has over 25 years' experience in exposing labour rights violations in garment supply chains, as well as in action to provide remedy and prevent future violations in these same global garment supply chains.

CCC been involved in research and in nearly 400 cases where mostly women workers reported violations, ranging from wage theft and dismissal of union leaders to thousands of injured and dead workers following failure to comply with basic fire and building safety provisions. At the occasion of the 105th Session of the International Labour Conference, Clean Clothes Campaign emphasizes the need of an institutional framework for remedy and prevention that can be scaled up and an enforcement framework.

Colophon

Layout: Gevaert Graphics

Photo: Bas de Meijer

Published by Clean Clothes Campaign

P.O.BOX 11584 • 1001 GN Amsterdam • The Netherlands

Tel +32 20 412 2785

Email info@cleanclothes.org • www.cleanclothes.org



CLEAN CLOTHES CAMPAIGN POSITION ON DECENT WORK IN GLOBAL SUPPLY CHAINS

PROBLEMS TODAY

The biggest problems today are:

- **firstly the lack of an institutional framework** that enables cross-border negotiations between local and global trade unions and GSC companies and governments to develop effective remedy and prevention programs that can be scaled up, and
- **secondly the lack of an enforcement framework** that can ensure those programs will be implemented and sustained.

LACK OF AN INSTITUTIONAL FRAMEWORK

Regarding the first problem: Sometimes, most recently in the case of the Bangladesh Accord, there are events that are of such a magnitude that they trigger enough reaction for an institutional response.

This type of response however does not have a multiplier effect. In the case of the Accord, after three years there has been no comparable work undertaken for fire and building safety in say India, Pakistan or elsewhere in South Asia, even though there is sufficient evidence of large scale fire and building safety violations in the region to warrant immediate action.

Moreover, there also is no genuine knock-on effect on other issues. It translates mainly into increased dialogue and some higher transparency. And Signatory brands of the Accord still rely on the same pre-Rana model of faulty auditing. It does not compel brands, employers and governments to take the kind of collective action that is needed for example to increase wages so workers can move above the national poverty lines.

Ask each party individually why this is not happening and the answer is the same: the other parties need to move simultaneously, and/or the other parties need to do more.

It is demonstrably not sufficient to just bring supply

chain actors together in a dialogue framework and rely on their collective ability to take action. The compensation efforts post-Rana for instance led to over 2 years of fighting over who should foot the bill – even where all parties had reached agreement relatively easily about how much compensation each victim should receive; the determination of how the costs should be divided up between brands, employer and government and who could or should decide this was a massive challenge.

Those that state there is no governance gap clearly never tried to compensate financially any survivors from industrial disasters across a supply chain: the parties in question including the governments and employers are all on record stating the issue isn't whether or not there is a law, but they don't believe it is their responsibility to cover the costs associated with implementing it precisely because they are in supply chain context. It is Clean Clothes Campaign's firm belief, based on over 25 years of experience, that a global instrument is needed that is binding upon the parties to unlock the prisoners dilemma they find themselves in. In a cross-border supply chain context as the ILC is discussing, there are multiple companies involved buying from the same supplier, and multiple suppliers working for the same buyer, and at least two governments. That needs the kind of collaboration and transparency among the industry partners that can only be overcome through third party involvement, which is usually when we come knocking at the door of the ILO.

IT IS DEMONSTRABLY NOT SUFFICIENT TO JUST BRING SUPPLY CHAIN ACTORS TOGETHER IN A DIALOGUE FRAMEWORK AND RELY ON THEIR COLLECTIVE ABILITY TO TAKE ACTION.



LACK OF AN ENFORCEMENT FRAMEWORK

Then there is the second big problem: the lack of an enforcement framework. CCC is a witness signatory to the Accord, and also has been closely involved either as board member or through flagship projects in all the major voluntary initiatives in the garment supply chain over the past decades.

If there is a program agreed and brands promise publicly that all their workplaces will have safe emergency exits in the case of a fire, then that should be delivered upon. Those programs and promises have been in place since the late nineties for all of the major signatories of the Accord. It is only now that there is a legally binding agreement, combined with strong transparency provisions and board level union and NGO involvement, that we have a program massive enough and solid enough to deliver on those promises. The fact that the Accord is a contract that has been negotiated and is binding on the parties creates accountability and predictability, and a sanction in case of violations of the terms. GSC companies sign contracts that are binding under law every day. They continue to refuse to do it for labour rights unless there is a major scandal.

CALL ON THE ILC

Without a global level treaty or other binding instrument there is no replication. Without an enforcement framework there will be no implementation. We therefore call on the ILC to use this Conference to concretely discuss and initiate:

- **the establishment of an institutional framework** that enables cross-border negotiations and develop effective remedy and prevention programs without waiting for a scandal that triggers them, and with the ability to scale up
- **and the establishment of an enforcement framework** that can ensure those programs will be legally binding and therefore can be implemented and sustained.

WITHOUT A GLOBAL LEVEL TREATY OR OTHER BINDING INSTRUMENT THERE IS NO REPLICATION. WITHOUT AN ENFORCEMENT FRAMEWORK THERE WILL BE NO IMPLEMENTATION.



ANNEX

ABOUT CLEAN CLOTHES CAMPAIGN (CCC)

The Clean Clothes Campaign 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 Clean Clothes Campaign is an alliance of approx. 250 organisations and unions globally.

CCC VIEW ON GLOBAL SUPPLY CHAINS IN THE GARMENT SECTOR

Technological and economic development were factors, that were put forward to „justify“ the outsourcing of labour to places where labour costs are low, and it was argued that it would lift especially female workers into the formal economy, and therefore be a means to increase gender balance and improve the livelihood of the families. However, more than 25 years of experience in the garment sector show it very clearly: bad working conditions and poverty wages remain endemic throughout the whole supply chains all over the world, including in the countries in former Eastern Europe. Workers do have jobs, they often work up to 80 hours a week, but they cannot escape the poverty trap. Low wages are a result of the global competition, increased capital and production flexibility, and lack of regulation of corporate behaviour. All these factors have direct and negative impacts on basic labour rights and are keeping legal minimum wages in all production countries below a minimum subsistence level. We see the deterioration of the already very problematic working conditions happening despite of technological progress achieved in the last years and increased productivity, despite of the economic boost in some production countries, and despite of the gigantic growth and financial success of some of the

world leaders in producing garments, such as H&M, Adidas, Inditex, Walmart and others. The same supply chain that is pushing women workers into malnutrition and exhaustion is creating some of the richest people on the planet – to counter this inequality, international institutions have to play a central and corrective role.

CCC DEMAND TO COMPANIES

Complementary to the two international frameworks, and complementary to pressing key demands such as the payment of a living wage, CCC considers meaningful Human Rights Due Diligence (HRDD) a key component of a set of voluntary measures that every company should implement¹. CCC-key principles of HRDD include:

- Human Rights Due Diligence has to be a workers-centered approach because they are important right-holders.
- Global supply chains have to be understood as global systems of production places, which means the actual production place of a given product is the relevant parameter, and not just the formal contractual business link
- Meaningful human rights due diligence is a responsibility for smaller and bigger companies, as it is much more a question of the individual set-up of the supply chains than of the size of a company whether HRDD is impactful.
- It is key that companies do not limit their human rights due diligence to a geographical prioritization of locations, but rather make a prioritization of issues and tackle them in a systemic way and across their entire operations.
- Since the garment industry is characterized worldwide by systematic human and labour rights violations, “mitigation” in practice often also means engaging in remediation.

¹ See more: Clean Clothes Campaign, Position paper on human rights due diligence, March 2016. <http://www.cleanclothes.org/resources/publications/position-paper-on-human-rights-due-diligence>