Promoting Safe and Sustainable Supply Chains
Experiences from the Garment Sector in Bangladesh

15 Dec 2015 at 9 am EDT
Technical Difficulties: If you have technical issues, please let us know by typing a message in the Questions pane (A). You can raise your hand (B) if we do not respond.

Q&A: We will be taking questions on content at the end, but you can send them to us throughout the webinar by using the Questions pane (A). Please specify to whom the question should be directed.

Example: Question for John Doe: What is Human Trafficking?

United Nations Global Compact

ACCORD on Fire and Building Safety in Bangladesh
Welcome and Introduction
Ms. Elena Bombis, Manager - Supply Chain Sustainability, UN Global Compact

Overview of the Accord on Fire and Building Safety
Mr. Rob Wayss, Executive Director - Bangladesh Operations, Accord on Fire and Building Safety in Bangladesh

Trade union’s role in the Accord
Ms. Christy Hoffman, Deputy General Secretary, UNI Global Union

A business perspective on the Accord
Ms. Melanie Steiner, Chief Risk Officer, PVH Corp.

Q&A – Remaining Time
The UN Global Compact encourages signatories to engage with their suppliers around the Ten Principles, thereby developing more sustainable supply chain practices. To assist with this, UN Global Compact has created the following website [http://supply-chain.unglobalcompact.org/](http://supply-chain.unglobalcompact.org/). On this website, you will find information designed to assist business practitioners in embedding sustainability in supply chains.

**Sustainable Supply Chains: Resources and Practices**

This website provides information on initiatives, resources and tools to assist companies in developing more sustainable supply chains, as well as examples of good company practices.

**Supply Chain Sustainability - A Practical Guide for Continuous Improvement, Second Edition**

This guide illustrates how Global Compact signatories can implement the ten principles throughout their supply chains and integrate sustainability into procurement strategies. In 2015, the guide was revised to ensure the inclusion of and alignment with relevant standards and initiatives, and also to reflect current and emerging trends within this area. It includes several updated and new company examples. (The second edition is available in English; the original Guide, launched in 2010, is available in English, Chinese-Mandarin, Japanese, German, Turkish, Portuguese, Hindi-Urdu, Bengali, and Spanish.)

**A Guide to Traceability: A Practical Approach to Advance Sustainability in Global Supply Chains**

This guide provides an overview of the importance of traceability for corporate sustainability objectives, outlines the global opportunities and challenges it represents, and summarises practical steps for implementing traceability programmes within companies.

**Occupational Safety and Health in the Supply Chain**

This document calls on business to invest in positive OSH measures to improve long term value and provides guidance for companies and their suppliers on improving safety and health in the workplace. Also included are practical examples from individual companies and descriptions of partnerships, initiatives and resources to assist companies in improving occupational health and safety.

**Addressing the Retention of Identity Documents**

The retention of worker identity documents is a common practice among employers and recruitment agencies in many countries and sectors around the world. This note calls on business to take action to address the practice and its associated risk of labour abuse. References to relevant international standards and links to additional resources provide further guidance to business. 
Bangladesh Accord

Promoting Safe and Sustainable Supply Chains: Experiences from the Garment Sector in Bangladesh

| Rob Wayss | 15 December, 2015

ACCORD
on Fire and Building Safety in Bangladesh
<table>
<thead>
<tr>
<th></th>
<th>The Six Key Components of the Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A five year <strong>legally binding agreement</strong> between companies and trade unions to ensure a safe working environment in the Bangladeshi RMG industry</td>
</tr>
<tr>
<td>2</td>
<td>An independent <strong>inspection program</strong> supported by companies in which workers and trade unions are involved</td>
</tr>
<tr>
<td>3</td>
<td><strong>Public disclosure</strong> of all factories, inspection reports and corrective action plans (CAPs)</td>
</tr>
<tr>
<td>4</td>
<td>A <strong>commitment</strong> by signatory companies to ensure sufficient funds are available for remediation and to maintain sourcing relationships</td>
</tr>
<tr>
<td>5</td>
<td><strong>Democratically elected safety and health committees</strong> in all factories to identify and act on safety and health risks</td>
</tr>
<tr>
<td>6</td>
<td><strong>Worker empowerment</strong> through an extensive training program, complaints mechanism and right to refuse unsafe work</td>
</tr>
</tbody>
</table>

**ACCORD**
on Fire and Building Safety in Bangladesh
Established 15th May 2013

BRANDS & RETAILERS
> 200 garment brands, retailers and importers from 22 countries

UNIONS
UNI Global Union, IndustriALL
Global Union, 8 IndustriALL
Bangladesh Council affiliates

NGO WITNESSES
Clean Clothes Campaign, Worker Rights Consortium, International Labor Rights Forum, Maquila Solidarity Network
**Key facts**

- **> 1500 factories inspected**
- **> 2 million workers**
- **> 80,000 issues identified**

**ACCORD**
on Fire and Building Safety in Bangladesh
Inspections update

Follow-up inspection
1304
CAPs published
1358
Inspected factories
1600
TOTAL COVERED FACTORIES
1660
CAP Progress status

- CAP behind schedule: 1182
- CAP on track: 163
- Initial CAP completed: 2
- CAP not finalised: 306
- CAP not implemented: 7

ACCORD on Fire and Building Safety in Bangladesh
Electrical hazard Before - After

Before

After

ACCORD
on Fire and Building Safety in Bangladesh
Electrical hazard Before - After

Panel-board with Loop connection in circuit breaker terminal.

Panel-board with no Loop connection in circuit breaker terminal

ACCORD on Fire and Building Safety in Bangladesh
Fire hazard Before - After

Before: Collapsible gate

After: Fire door installed
Fire separation Before - After

Before separation

After separation

ACCORD on Fire and Building Safety in Bangladesh
Structural hazard Before - After

Before: excess weight on roof

After: hole made in watertank at half height
Accelerating remediation

- Intensive monitoring of factories with slowest remediation
- More stringent application of escalation procedure
- Recognition letters to factories who complete the initial CAP
Worker Participation Programme

Four Key Components

- Right to refuse unsafe work
- Complaints mechanism
- Training programme
- OHS Committees
OSH Committee Pilot program

The pilot program started with 15 unionised factories

- 13 factories confirmed participation
- 13 Initial Meetings, 11 All Employee meetings
- 11 OSH Committees established
- 7 training session completed at 5 factories
Complaints mechanism

Scope:
OSH issues and alleged associated reprisals

To date:
- 62 complaints received
- 36 resolved/concluded, 12 non-OSH, 14 in progress
- Dedicated phone number
- Booklet on Complaint Mechanism and Right to Refuse unsafe work

Complaints:
01769969000
For a safe Ready-Made Garment Industry in Bangladesh

www.bangladeshaccord.org
Bangladesh Accord
INSPECTION FINDINGS

• In 1085 factories where Corrective Action Plans have been approved, over 67,000 safety violations.

• Dangerous hazards in every building

• Most violations are electrical, followed by fire.
ELECTRICAL
Structural and Fire Load
STATUS

• 6500 + repairs, mostly electrical

• 1004 factories are behind schedule with repairs

• About half of these factories are behind schedule with half or more of the violations

• 600 still have no corrective action program
ADDRESSING DELAYS

- 1494 Follow up inspections have taken place

- Steering Committee has voted to increase numbers of reinspections, as this seems to generate response from the factory
What have we accomplished?

• Brands and unions working together to save lives.

• We have changed «business as usual»

• Brands are making a long term commitment BG.

• More than USD 50 million over the 5 year period for operations, inspections and safety training.
CHALLENGES AHEAD

• Many difficult and expensive repairs have yet to begin.

• Too little financial support from brands to pay for remediation.

• 30 years of bad practices are difficult to change

• Enforcement of agreement
A Business Perspective on the Accord

Ms. Melanie Steiner, Chief Risk Officer, PVH Corp
Thank you for joining us today.

Presentation slides and a recording of the webinar will be available on the UN Global Compact website.

*If you have any additional questions, please contact:*

Elena Bombis, bombis@unglobalcompact.org