Resolution on the second anniversary of the Rana Plaza building collapse and progress of the Bangladesh Sustainability Compact

2015/2589(RSP) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 666 votes to 8, with 13 abstentions, a resolution on the second anniversary of the Rana Plaza building collapse and progress of the Bangladesh Sustainability Compact.

The text adopted in plenary had been jointly tabled by the EPP, S&D, ECR, ALDE, GUE/NGL, Greens /EFA and EFDD groups.

On 24 April 2013, the Rana Plaza, an eight-storey building in Savar, outside Dhaka, housing several garment factories, collapsed, causing the death of over 1100 people and leaving some 2500 people injured. The Rana Plaza building collapse was Bangladesh's worst-ever industrial disaster and the deadliest accidental structural failure in modern history

Victim compensation: the Rana Plaza Coordination Committee established the Rana Plaza Donors Trust Fund to voluntarily collect donations from companies in order to compensate the victims and families. Parliament deplored that **USD 3 million were still outstanding** of the USD 30 million total compensations in April 2015. It urged the international brands sourcing from Rana Plaza, or having significant ties to Bangladesh, to ensure that all owed compensations will be distributed without delay

Sustainability Compact: Parliament welcomed the EU-led initiative to launch the Compact, aiming to **ensure a new start in the Bangladeshi Ready-Made Garment (RMG) industry** in terms of occupational safety and health, working conditions, respect of labour rights and promotion of responsible business conduct. Parliament trusted that substantial progress in all these issues could be reached by the second review of the Compact due to take place in autumn 2015.

The Government of Bangladesh was urged to adopt, as a matter of absolute priority, the necessary rules and regulations to ensure **the effective implementation of the Labour Law**, with particular attention given to the implementation of International Labour Organisation (ILO) conventions 87 and 98 on freedom of association and collective bargaining

While welcoming the increase of the **minimum wage** in the RMG sector by 77% (from EUR 35 to EUR62 per month), Members noted, however, that in practice the minimum wage in the garment industry still falls short of covering the basic needs of the workers. They suggested that it should amount to at least EUR 104 in order to do so, and called on the Government of Bangladesh to establish a living minimum wage in full consultation with trade unions and employees.

Highly concerned by reports that **discrimination, dismissals and reprisals have followed newly founded trade unions**, Parliament urged the Government of Bangladesh to effectively address unfair labour practices, by implementing the necessary measures to bring those responsible to justice.

Members welcomed the commitment made by the government **to rebuild the Department of Inspections of Factories and Establishments (DIFE)**. It called on the Commission and international partners to provide technical assistance and sharing of best practice to assist with the upgrade of DIFE.

At the same time, it welcomed the fact that over 250 fashion and retail brands sourcing RMG from Bangladesh have signed the **Bangladesh Accord on Fire and Building Safety (the Accord)**; it encouraged other companies, including SMEs, to join the Accord.

Respect for the core ILO standards: Parliament recalled that global retailers and branded manufacturers have a great deal of responsibility in rendering the improvement of labour conditions and wages in producing countries difficult. According to Parliament, fairer market structure and social conditions could be created if those companies ensured, all along their supply chains, full respect of ILO core labour standards.

The resolution encouraged Federica Mogherini and Commissioner Malmström to continue to include the ratification of core ILO standards, health and safety inspection and freedom of association in discussions with Bangladesh on continued preferential trade.