



## Statement by the National Contact Point – 22 April 2014

Before and after the Rana Plaza collapse: the NCP continues its call for responsible business conduct in the textile and clothing sector

#### Content of the NCP's Report on the textile and clothing sector and recommendations

In the wake of the collapse of the Rana Plaza building on 24 April 2013, which left more than 1,100 people dead, 2,500 people injured and hundreds unaccounted for, the Minister for Foreign Trade raised a referral to the French National Contact Point and asked it to specify the scope of the OECD Guidelines for Multinational Enterprises with respect to such a disaster, and to clarify the extent of the responsibility of buyers and enterprises within the textile and garment supply chain.

The NCP's Report was submitted and published four months ago, on 2 December 2013. It describes the characteristics, risks and complexities of the textile and clothing sector, particularly the existence of "cascade subcontracting" and the impact of the pace of fashion on globalised mass consumption. The NCP proposed a set of key recommendations in a bid to encourage companies operating in the textile sector to behave responsibly - as recommended by the OECD - and to improve traceability within the sector, including risk identification and risk management, supply chain mapping, stricter controls, compensation for victims and damage repair, shared responsibility between buyers and suppliers, transparency, consultation with stakeholders and - naturally - respect for workers' fundamental labour rights. The NCP's Report is in line with initiatives undertaken following the catastrophe to bolster safety in the factories and respect for labour rights in Bangladesh, and it promotes these initiatives. The initiatives, which include the Accord on Fire and Building Safety in Bangladesh, signed on 15 May 2013 and that now has more than 150 buyer and enterprise signatories, the Alliance for Bangladesh Worker Safety signed on 10 July 2013, the actions of the ILO, the National Tripartite Plan of Action on Fire Safety and Structural Integrity in the Garment Sector of Bangladesh (NTPA) and the EU's Global Sustainability Compact of 8 July 2013, are essential to avoid such a disaster happening again. The Report also contains observations intended for public officials, encouraging certification. It calls on Bangladeshi authorities to ensure that the reforms underway are completed. The Report also emphasises the role of consumers, who should be better informed in order to consume more responsibly.

#### Dissemination of the NCP Report

The NCP has made efforts to ensure that its Report is disseminated both in France and within the OECD, thus transmitting its message to the 46 countries adhering to the Guidelines and to international organisations. It worked with NCPs in Italy, the Netherlands, the UK and Canada. The goal of the Report is to raise awareness among businesses, civil society and public authorities.

The report was very well received by the OECD, the various NCPs, the European Commission, the ILO and distribution and apparel professionals. All of them view it as a comprehensive, practical guide to help businesses apply the Guidelines in the textile and clothing sector. The guide should be implemented by every business in the sector, both French and non-French, in Bangladesh and elsewhere, in order to ensure better-regulated globalisation.

#### Next steps

The NCP's work is not over. It is carrying on its efforts to improve the situation for working men and especially women. It will be an active participant in the annual meeting of the OECD's NCPs, at which it will propose that a declaration be adopted that takes account of actions taken since June 2013 by the various NCPs and by the 45 other countries adhering to the Guidelines. It will submit its Report to the Global Forum on Responsible Business Conduct on 26 and 27 June 2014. Later in the year, it will take part in a joint ILO-OECD roundtable on the textile sector. These international meetings are critical to confront issues in the textile sector, to prevent other Rana Plazas from occurring and to rally all the stakeholders involved – governments, businesses, trade unions, NGOs, consumers and international organisations. We are all involved because we have a shared responsibility.

#### Follow-up

# On this unhappy anniversary of the Rana Plaza disaster, the NCP is calling for a more responsible textile and clothing sector:

- It calls on businesses to strengthen their due diligence efforts and their CSR policies to create responsible trade in textiles and clothing
- It once again calls on French businesses sourcing in Bangladesh to sign the Accord on Fire and Building Safety
- It reiterates the Accord's call of 7 March 2014, appealing to all enterprise signatories to contribute to the compensation fund for the victims of Rana Plaza, irrespective of whether they had any sourcing links to Rana Plaza<sup>1</sup>.

### The NCP is committed to:

- Continuing to monitor the implementation of its recommendations by businesses in the textile and clothing sector
- Following up on the initiatives taken in the wake of its report concerning textile and apparel sourcing in Bangladesh, accreditation for the sector, the ILO's Better Work programme for Bangladesh and stronger guidelines for audits.

## The Report is available on the NCP's website:

- The English : <a href="http://www.tresor.economie.gouv.fr/File/398811">http://www.tresor.economie.gouv.fr/File/398811</a>
- In French <u>http://www.tresor.economie.gouv.fr/8507\_rapport-du-pcn-sur-la-mise-en-oeuvre-des-principes-directeurs-de-l-ocde-dans-la-filiere-textile-habillement</u>

Website: <u>http://:www.pcn-france.fr</u>

email: <u>pointdecontactnational-France@dgtresor.gouv.fr</u> © French National Contact Point for the OECD

<sup>&</sup>lt;sup>1</sup> http://bangladeshaccord.org/2014/03/rana-plaza-arrangement/