Annual Report: Executive Summary
July 2014

One year ago, a group of leading North American apparel companies, retailers and brands came together in a demonstration of unity to form the Alliance for Bangladesh Worker Safety. Established in the aftermath of the 2012 and 2013 factory tragedies, including the Rana Plaza building collapse, our five-year initiative has one core mission: to dramatically improve workplace safety in Bangladesh’s garment factories.

Improving safety in Bangladesh’s garment factories is a long-term effort, but significant progress has already been demonstrated by many stakeholders and initiatives. Specifically, Alliance Members are proud to have achieved many of the key objectives set out in our legally binding Members Agreement of July 2013. In particular, these include:

- In partnership with a diverse group of public and private stakeholders, developing and implementing the country’s first harmonized Fire Safety and Structural Integrity Standard,
- In accordance with this common standard, inspecting all of the 587 factories from which Alliance Members source, and
- Providing fire safety training to the more than one million workers and managers employed in these factories.

These milestones were achieved in a relatively short period of time and were driven by collaboration and shared responsibility among a broad range of stakeholders, with transparency to promote accountability and a commitment to ensure that garment workers remain at the heart of our efforts.

Prioritizing Partnership

A top priority of the Alliance in undertaking this work has been ensuring partnership with an array of public and private stakeholders. From the start, we have pursued a multi-stakeholder approach to improving worker safety, drawing on the expertise and experience of a wide range of industry, technical, labor, government and civil society leaders.

This focus is evident in our efforts to build working relationships with two other worker safety initiatives: the government’s National Tripartite Plan of Action (NTPA) and the Accord on Fire and Building Safety. Developing and enhancing these partnerships over the past year at both the
leadership and operational levels was important to the achievement of a unified fire and building safety standard.

The Alliance’s close cooperation with public and private sector leaders has also been one of the driving forces behind our success. We are proud to have organized—in partnership with the International Finance Corporation (IFC), the C&A Foundation and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA)—the country’s first-ever International Trade Expo for Building and Fire Safety in Dhaka. The Expo, which took place in February 2014, brought together nearly 3,000 key stakeholders to develop local technical capacity and explore innovative ways of improving workplace safety in Bangladesh’s ready-made garment (RMG) industry.

**Keeping the Focus on Workers**

The safety of factory workers is, and will continue to be, central to our mission. We believe strongly that learning from the experiences of workers is fundamental to our effort to drive change in Bangladesh’s garment sector.

To this end, we conducted the largest worker survey ever administered in Bangladesh with the purpose of better understanding workers’ perspectives and concerns about building and fire safety risks. The survey’s findings helped inform the development and delivery of our fire safety training and will be used to help measure the impact of our efforts.

We are honored to have had several prominent Bangladeshi trade union leaders join our Board of Advisors and the Board’s Labor Committee. Our ability to consult with these leaders regularly has
enabled us to incorporate their views and those of key trade unions and worker groups into all aspects of our program development.

In June 2014, our Board unanimously voted to double the duration of compensation we provide to workers temporarily displaced by factory remediation projects. The Alliance now pays workers 50 percent of their wages for up to four months; factory owners will also share in this responsibility by providing the remaining 50 percent. We have extended this policy to include workers that have been displaced due to government-ordered factory closures. We have reserved ten percent of the Alliance’s Member dues for this purpose.

At the factory level, we work with all democratically elected worker groups as required by our Members Agreement, including trade unions, occupational safety and health committees (OSH) and worker participation committees (WPC) where present. We have engaged union representatives to shadow our factory inspections and have shared final inspection reports and remediation plans with worker representative groups—and we aim to deepen this type of engagement as such worker representative structures are developed.

Training factory managers is integral to our efforts to improve factory safety. We believe it is critical that managers respect the rights of workers to voice concerns without fear of retaliation. Regular and open dialogue about safety—as well as the importance of including worker representative structures into our training program—is emphasized in our Alliance Basic Fire Safety Training manual.

We know that supporting factory workers means ensuring that they have a way to anonymously report safety
concerns—especially urgent issues—without fear of retaliation. To this end, we have set up an Alliance Worker Helpline, which is being piloted in 50 factories. Known as Amader Kotha in Bengali—Our Voice—this helpline is a confidential third-party channel that offers workers the opportunity to discretely raise safety and other concerns to our NGO partners without fear of reprisal. The helpline also serves as a channel to share safety information with workers and to conduct worker surveys to better understand how we can strengthen the culture of worker safety in Bangladesh’s RMG sector.

**A Commitment to Transparency**

Underpinning our achievements over the past year is our commitment to transparency and accountability among all stakeholders. Our Members Agreement requires each Alliance Member to disclose the names of all of its supplier factories via the Fair Factories Clearinghouse, an independent non-profit organization that provides a secure platform to share factory information and provides an aggregated view of Member factories. Providing such data, keeping it updated, and taking steps to prevent unauthorized subcontracting is a mandatory requirement of our Members Agreement. As such, every Alliance Factory Assessment Report and a corresponding draft Corrective Action Plan (CAP) will be posted on our website and available to the public.

Our approach to factory safety reform is already helping protect the lives and livelihoods of garment workers in Bangladesh. This Annual Report outlines progress in our first year toward establishing and applying best practices in the areas of inspections, training and worker empowerment.

Our work is still in its early stages and much remains to be done. The first phase of our work—which focused on inspections and the **Alliance Basic Fire Safety Training**—is now complete. Looking forward, we are already preparing for an even more challenging task: the remediation of factories to bring them into compliance with strict safety standards. Helping supplier factories implement safety upgrades is imperative to ensuring worker safety and will be the focus of our efforts in the coming year.

The Alliance is committed to long-term cooperation with our local and international partners to develop a sustainable garment industry in Bangladesh. In doing so, we endeavor to ensure that the garment sector remains an enduring source of economic security and upward mobility for millions of Bangladeshi workers and their families.