



# General Assembly

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## Human Rights Council

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Agenda item 3

**Promotion and protection of all human rights,  
civil, political, economic, social and cultural rights,  
including the right to development**

### **Written statement\* submitted by Verein Sudwind Entwicklungspolitik (Südwind), a non-governmental organization in special consultative status**

The Secretary-General has received the following written statement, which is circulated in accordance with Economic and Social Council resolution 1996/31.

[10 May 2013]

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\* This written statement is issued, unedited, in the language(s) received from the submitting non-governmental organization(s).

## **Business and human rights: Recent tragedies in the People's Republic of Bangladesh**

The recent tragic fires<sup>1</sup> as well as building collapse<sup>2</sup> in the garment industry in the People's Republic of Bangladesh have once more turned the spotlight on business and human rights and showed lacking of basic labour rights and transparency in the international clothing industry as well as the failure by transnational businesses to ensure worker safety and workers' rights in their supply chains.

The "Verein Südwind Entwicklungspolitik" (Südwind) welcomes the implementation of the Guiding Principles on Business and Human Rights and the work of the Working Group on human rights and transnational corporations and other business enterprises (the Working Group) as an important step in the right direction. But the disasters in the garment industry in the People's Republic of Bangladesh highlight the failure of voluntary commitments. Two of the factories had been audited by the Business Social Compliance Initiative (BSCI), and many of the other factories had auditing schemes in place.<sup>3</sup> A report on the recent factory fires in the export-oriented garment industry in the People's Republic of Bangladesh as well as in the Islamic Republic of Pakistan by the international Clean Clothes Campaign and the Centre for Research on Multinational Corporations (SOMO) shows that the auditing firms lack safety expertise, are not trusted by workers and are commonly paid by the factory owners. Also workers, workers' organisations, women's and labour NGOs are marginalised in the social audit processes. Even when the audits detect violations, they fail to resolve them.<sup>4</sup> The report also demonstrates that businesses and governments knew about the risks, but failed to take sufficient measures to prevent the fires from happening or to address the needs of the victims afterwards. Remediation and redress for victims of human rights abuses is an important principle under the Guiding Principles to respect human rights. But to date, a high percent of workers and families affected by the fires in Dhaka have not yet received adequate compensation, due to poor registration of workers, lengthy procedures to establish family relations (e.g. DNA tests), failing communication, and families and workers returning to home villages, amongst other things.

Effective remedy for the victims must be combined with immediate steps to prevent future tragedies. Südwind recognizes that there are numerous challenges to ensure that businesses implement the Guiding Principles throughout their operations. So far businesses can reject the Guiding Principles altogether without consequence—or publicly embrace them while doing absolutely nothing to put them into practice. A common apprehension is that businesses will simply change their tactics by reframing their policies instead of proactively improving human rights conditions. Voluntary commitments are instruments to define good practices, but don't supersede enforceable rules. There is an additional urgent need to call upon all States, when implementing the Guiding Principles, to consider how the conduct of transnational business operations that cause or contribute to human rights violations in other countries should be regulated and remediated.

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<sup>1</sup> In November 2012 a factory fire broke out at Tazreen Fashions Limited in Dhaka; two companies producing for well-known European and American clothing brands and retailers, including KIK, C&A, and Walmart.

<sup>2</sup> On April 11 a nine-story factory building in Bangladesh collapsed located in the industrial town of Savar

<sup>3</sup> <http://www.cleanclothes.org/news/press-releases/2013/04/29/201cstop-the-killing-act-now201d-clean-clothes-campaign-urges-brands-to-sign-safety-agreement>

<sup>4</sup> [http://somo.nl/publications-en/Publication\\_3943](http://somo.nl/publications-en/Publication_3943)

In the current report the Working Group recommended that businesses should consider “Determining the appropriate scope and reach throughout the value chain and across partner relationships, and using appropriate methodologies and collecting credible information to assess impact.”<sup>5</sup> Südwind agrees but suggests that the approach should include mandatory transparency and disclosure mechanisms. The garment industry in the People's Republic of Bangladesh shows that major businesses need to be more careful and vigilant in ensuring a transparent process in manufacturing as well as supplying the products. If the right information is not at disposal, it is difficult for affected people, the general public or even the businesses management, to understand the impact of their corporate operations on human rights. For example the lack of transparency of social audit results adds in the garment industry to the risk that unsafe working conditions remain unaddressed. Workers remain in current practice uninformed about the safety assessment of their factories.<sup>6</sup>

We recommend that the Working Group should articulate that, when implementing the Guiding Principles: states should consider regulations for transnational business operations regarding their responsibility on human rights in other countries.

- states and businesses should consider the right to reparation as a substantive dimension of the right to an effective remedy.
- large businesses should be obligated to report publicly on the impacts of their activities, verified by independent auditors.

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<sup>5</sup> A/HRC/23/32 paragraph C (d)

<sup>6</sup> <http://www.cleanclothes.org/component/content/article/1166>