

## **Toespraak van minister Ploumen bij de conferentie van de Progressive Alliance**

Your Excellencies, ladies and gentlemen,

Let me tell you about Sharvanu. She is thirty years old and lives in Bangladesh. On 24 April 2013 she took her eldest son Chancal with her to the Rana Plaza factory. The idea was that they could both work and double the family income. Suddenly, the power went out, plunging the place into complete darkness. And a huge tremor knocked her off her feet. After a while, she realised that the roof had caved in on top of her. She lay there for three days before being rescued. All that time she could only worry about her son's fate.

Both Sharvanu and Chancal survived. But the family still struggles to cope with the trauma and repercussions of the disaster. Neither mother nor son can work. They have medical, financial and trauma-related problems. They received a little compensation, but two years after the disaster, that money has nearly all been spent. Sharvanu is frightened and uncertain about her family's future.

Her story is important on several levels. It is a tragedy for Sharvanu herself and a telling illustration of the fate of an estimated three out of four survivors of the Rana Plaza disaster. But it also raises questions about the progress we're making in transforming the Bangladeshi textile industry into the more safe, sustainable and fair industry we envisage. And that, in turn, casts doubts on our ability to regulate, correct and tame market forces and, ultimately, globalisation.

Because that's what we're trying to lay the groundwork for in Bangladesh: finding ways to make globalisation work for all. That's an enormous task, for which we need the continued commitment of all stakeholders: factory owners, fashion retailers, civil society and international donors. And, of course, we need the full commitment of the Bangladeshi government.

In three weeks' time I will visit Bangladesh again, with representatives of Dutch trade unions, Dutch companies and Dutch industry organisations. I'm pleased with the level of commitment they're showing. Together, we'll visit factories and talk to members of the trade unions.

I will also have formal talks with my counterparts, the Ministers of Trade, Labour and Commerce, to discuss the progress and obstacles in the transformation process. And I'm sorry to have to announce that I'm going to express deep concern and bitter disappointment about their political leadership.

Because this is not the journey we started out on. We're on the wrong track. Let me take you back in time to illustrate what I mean.

In the aftermath of the Rana Plaza collapse, the publicity increased pressure on all parties. Stakeholders joined forces. International fashion brands, the Bangladeshi government, manufacturers, trade unions, civil society organisations, the International Labour Organization and the EU made joint efforts to improve the position of garment workers.

In order to give the Bangladeshi textile industry a chance to catch its breath and make structural changes, large international companies agreed to sign contracts for an unusually long period of three years and three months. The minimum wage rose from 28 to 50 euros a month. Last April, 2,700 of the 3,500 factories in the export sector had undergone fire and building safety inspections.

And online, a database accessible to the public shows whether the necessary improvements are being carried out swiftly. The government even set a quota for women in leading positions in unions. Even in the Netherlands we haven't come that far yet. So it's not like everyone's been sitting on their hands. In an unprecedented multilateral effort we made great progress.

But now that progress is faltering, while a lot still needs to be tackled. Like solving the problems with subcontractors, improving local employment inspections and securing a living wage for all garment workers. In the meantime, continuous strikes and political unrest disrupt the economy. People find themselves unable to get to work.

Textile transport struggles with serious delays. The Labour Law that was passed is not being fully implemented. Registration of new unions is being frustrated. Members of existing unions are under constant and often violent attack.

Responsibility for a living wage lies mainly with our own brands. They are the ones that should now push for decent wages, well above the new legal minimum wage. I urge them again to take that responsibility.

But almost all of the other major problems we're now facing are the responsibility of the Bangladeshi government. Currently, the government in Dhaka is not the champion of a sustainable textile industry we expect it to be. The country's leaders are not taking their responsibilities seriously.

This has to change fast or the consequences will be dire. The long-term contracts that the major fashion retailers agreed with their suppliers are up for evaluation soon. They will have to decide whether to extend their stay in Bangladesh or leave. The way things are going now, I'm not at all convinced that they will

renew their commitment. That should be a matter of grave concern for the Bangladeshi government. Now is the time for them to act to prevent the brands from leaving. Now is the time to show real political leadership.

As I indicated earlier, there's a lot at stake here. For Bangladesh and beyond. If we do succeed in seeing these transformations through successfully, Rana Plaza may in hindsight prove a game changer. We owe this to the victims of the disaster, like Sharvanu. She needs compensation, care and the prospect of a job with a fair wage. But other employees in the textile industry – and all other sectors too – also need to see real improvements in the safety of their workplaces and in labour conditions in general.

We have the ambition to turn the Rana Plaza disaster into a game changer right across the garment industry, beyond the Bangladeshi borders throughout the entire regional chain, from Pakistan to Cambodia and Vietnam, and even Ethiopia.

And why stop at the textile industry? For in a way, Sharvanu is one more victim of globalisation. In the past two decades we've witnessed production processes being sliced up into different activities that take place all over the world. A country can take part in world trade without having to set up an entire industry.

And the advantages are enormous, there can be no mistake about that. Asia, Latin America and Africa have shown impressive growth in their share of global trade. Extreme poverty has halved over the past thirty years. This generation may see the end of hunger. Not many people would have dared predict that only fifteen years ago.

But yes, globalisation is a many-sided phenomenon. Sharvanu has seen its ugliest face. That's what we need to mend. And in order to do so we need effective government that tames, corrects and regulates the international markets. We need strong leaders who are able to reach and enforce sound agreements about how international markets can serve society, not the other way around.

Looking into this audience I see strong leaders from all over the world. Your people look to you to prevent a new Rana Plaza from happening in your own countries. It's up to you to transform the market powers into a force that benefits all.

I sincerely believe you can.

Thank you.

