

## **Minutes of the WRC Board Meeting March 9, 2018 (For Review)**

Attending the meeting were Jill Esbenshade, Scott Fleming, Kyle Muncy, Julie Martinez Ortega, Scott Kelley, Craig Westemeier, Mehram Bhuriwala, Alaina Storch, Corina Yballa, Maxwell Pearce, Julie Farb, Julie Su, and Jeff Hermanson (via phone).

WRC staff members in attendance were Scott Nova, Ben Hensler, Jessica Champagne, Laura Gutierrez, Chelsea Rudman, Lynnette Dunston, and Sushmita Preetha.

The meeting was called to order at 9:08 a.m. by Board Chair, Jill Esbenshade.

Approval of Minutes of September 22, 2017 Meeting: Kyle Muncy made a motion to approve the minutes. Alaina Storch seconded this motion. The minutes were unanimously approved.

Agenda Review: There were no questions, concerns, or proposals regarding the agenda. (During the executive session, the Board decided to remove the section on “Challenges to WRC Field Operations in Countries with Worsening Authoritarian Rule” since the schedule was running behind.)

Executive Director’s Report: Scott N. began by announcing the affiliation of two new universities: Barnard College and Loyola Marymount. He then introduced WRC Field Representative for Bangladesh, Sushmita Preetha, who was present during the Board meeting. Scott noted her extraordinary work in the Bangladesh garment industry over the last two years.

Next, Ben provided an update on labor rights language in licensing contracts with Nike and Branded Customs Sportswear (BCS). Ben explained the relationship between university licensing programs and outside licensing agencies, including IMGCL, Learfield, Exemplar, and Fermata. These agencies establish standard agreements that incorporate labor codes. Ben then reviewed the status of efforts by licensing agencies, beginning with IMGCL, to establish standard language for new Nike (or BCS) agreements, based on the content of the agreements reached between Nike and Georgetown and between Nike and the University of Washington. Ben explained that the WRC has consulted with all of the agencies on the development of the labor rights language and that IMGCL had been particularly proactive in consulting with the WRC. Ben noted that the WRC considered the standard language developed by the agencies to be consistent with long-standing university policies on labor rights and that the language did not include the problematic provisions proposed by Nike to universities in late 2016 and 2017. The WRC has communicated its views concerning the proposed language to affiliate universities. Ben noted that a substantial number of universities had signed contracts reflecting the new language. Overall, the WRC considers the resolution to the dispute between universities and Nike over factory access and broader code of conduct issues to be highly favorable.

Scott N. announced that Scott Fleming will be retiring from Georgetown in the spring and thanked him for his many contributions to the WRC’s work. Scott N. also announced that Marc has left his position at Syracuse, which means that his seat is now vacant; a special election will be scheduled.

Scott introduced new Advisory Council Board member Julie Su, California Labor Commissioner, attending her first meeting in person. Julie provided background on her work at the California Labor Commission and the regulatory philosophy that undergirds the Commission's efforts under her leadership. She noted the important role of the WRC in training her investigators on worker interview techniques and praised the WRC's approach to labor rights enforcement, noting the success of the Bangladesh Accord, in particular.

Next Jess provided a brief update on Alta Gracia. WRC monitoring finds that the factory is in continued compliance. Jess reminded the Board of the release of *Sewing Hope*, a book written by Georgetown Professor John Kline and former WRC staff member Sarah Adler-Milstein, which details the impact and evolution of the Alta Gracia factory in the Dominican Republic and the valuable impact of this living wage factory on its workers and their families.

Jess then reported on a research project in Ethiopia that is, at present, confidential.

Next, Jess reported that a key labor rights advocate in Cambodia, Tola Mouen, is currently facing detention on false criminal charges – part of a widening attack on civil society by Cambodia's authoritarian government. Tola is the Executive Director of the Center for the Alliance of Labor and Human Rights (CENTRAL), a highly respected labor rights NGO. Tola was also previously a guest speaker at the University Caucus Meeting and has also played a key role in partnering with the WRC in several cases. Prosecutors in Cambodia have brought criminal charges widely regarded as absurd and have ordered pre-trial detention for Tola. Fortunately, Tola was out of the country when the charges were announced and he has not been arrested; at present, however, he is unable to return to the country for fear of arrest. The WRC has worked with a broad range of organizations to bring attention to Tola's case and to press the Cambodian government to cease persecuting him. The WRC will be continuing these efforts.

Review of Progress During the First Iteration of the Bangladesh Accord: Laura provided a brief history and update on the Accord's overall progress, with a specific focus on the progress of renovations at collegiate suppliers. Under the Accord, more than 2,000 garment factories have been inspected and the Accord has carried out more than 20,000 follow-up inspections. In the initial inspections conducted 2014, over 80,000 safety hazards were identified by Accord engineers. That number is now over 130,000 and continues to grow due to addition of new factories by Accord signatories and by follow-up inspections which often identify new findings. To date, 84% of the nearly 87,000 safety hazards originally identified by the Accord have been corrected – an extraordinary record of accomplishment that stands in glaring contrast to the total lack of progress on building safety under the numerous voluntary corporate monitoring schemes in place in the years prior to the Accord's inception.

Scott added that there had been more than 100 factories terminated from the program, meaning that these factories cannot sell product to any of the 217 Accord signatory brands. The power of the Accord's independent inspectorate to terminate recalcitrant factories and compel signatory brands to stop doing business with them has been a powerful motivator for factory owners and brands and has driven the safety work forward.

Ben discussed the Accord's dispute resolution procedure for cases where union signatories believe brand signatories have failed to fulfill their obligations under the binding Accord contract. He explained the important role of the enforcement actions taken against certain brands in motivating the signatory brands in general to honor their obligations. He discussed the first-ever Accord arbitration settlements, arising from two of these cases – both focused on the failure of the brands to provide sufficient financial support to help factories cover the cost of safety renovations. The two settlements are subject to confidentiality so brands' names were not disclosed, but both brands agreed to pay substantial sums of money to factories to hasten renovations at facilities where progress is inadequate.

Scott N. talked about the Accord's worker complaint mechanism. Workers have to trust that when they bring a valid complaint, meaningful action will be taken – otherwise, as has been the case with many industry-run complaint systems, workers see little value. Ananta Apparel is an important example of why the Accord complaint mechanism is effective – at that factory, workers observed a major structural flaw in the main factory building and complained to the Accord, which ensured that the building remained shut down until it could be made fully safe – despite the efforts of factory owners to reopen prematurely.

Preetha presented on the crackdown against the Bangladesh labor movement in 2016 and 2017, in response to peaceful worker strikes and protests in the Ashulia area. Tens of thousands of workers walked out of factories in December 2016 in the manufacturing hub of Ashulia, seeking an increase in the country's minimum, which was last increased in 2013, to 31 cents per hour – the lowest among those of major garment exporting countries. The Bangladeshi government arrested and imprisoned 38 garment union leaders and workers, on charges that were unsubstantiated and, in many cases, illegitimate on their face. Some garment worker leaders were accused of personally committing crimes that took place in locations that they were nowhere near at the time the crimes were supposed to have occurred; other labor activists were charged under a national security law that is no longer on the books. While the majority of those arrested worked in Ashulia, 12 other union leaders were also detained in Gazipur and Chittagong, industrial areas that are located more than 40 and 300 kilometers away, respectively, from where the strikes and protests occurred. All 12 of the latter were detained under charges filed directly by the police and related to incidents that had taken place several months, and in some cases years, prior to the start of the crackdown. These charges were also shown to be baseless and politically motivated. In its actions against these workers and leaders, the government also utilized the country's Special Powers Act, a law which has long been criticized by human rights advocates for allowing virtually any act of protest to be punished with indefinite detention without due process. Moreover, in its zeal to jail labor activists, the government even cited in the charges against them a portion of this infamous law that already had been repealed and was no longer in effect. Despite the obvious illegitimacy of their detentions, many of the jailed garment worker leaders were imprisoned during the crackdown for periods of more than 40 days.

WRC spearheaded efforts to compel the Bangladesh government to release the unlawfully jailed leaders, drop criminal charges and end the crackdown. A key aspect of this work was the organization of a brand boycott of the Dhaka Apparel Summit, the most important annual industry convening sponsored by the BGMEA – the leading association of factory owners. On February 23, 2017, the Bangladeshi Ministry of Labor and the BGMEA signed an agreement

with IndustriALL Bangladesh Council, an umbrella group for unions, which provided for the release of all detainees and addressed, but in less clear language, the issue of criminal charges and the illegal firings of many of the protesting workers. Importantly, the detainees were all released; however, not all charges have been dropped and few workers were reinstated. Preetha ended her presentation by discussing the Ashulia crackdown in the context of its chilling effect on mass workers protest and the likely impact on the upcoming minimum wage setting process, where, historically, mass protest has been a crucial driver of progress.

Next Board Meeting Date: The next Board Meeting was scheduled for June 29, 2018.

Executive Session: An executive session was held to discuss confidential personnel and financial matters.

Field Staff Report: The field staff report was held during Executive Session to discuss confidential cases.

The meeting adjourned at 3:55 pm.