

June 24, 2014

Answers to Parliamentary Questions by members Voordewind (ChristianUnion), Gesthuizen (Socialist Party), Van der Staaij (Reformed Political Party) and Van Ojik (GreenLeft) to the Minister of Foreign Trade and Development Cooperation on garment companies who give no insight in how they deal with bonded (child) labour in India.

Question 1

Do you know the paper '*Small steps - Big Challenges*'¹ by FNV Mondiaal and the India Committee of the Netherlands showing that most of the Dutch (or in the Netherlands active) garment companies provide little or no insight into how they deal with bonded (child) labour in South India, while approximately 100,000 children are victims of that kind of labour?

Answer

Yes.

Question 2

Are you familiar with the report '*Behind The Showroom - The hidden reality of India's garment workers*' (May 2014)² of the French human rights organization FIDH in which 'home countries' of garments companies are asked for mandatory chain transparency, for measures to provide adequate compensation to victims as well as to raise the issue of the Sumangali system and other violations of labour rights in the garment industry in the bilateral relations with India? Are you planning to discuss these proposals with your French colleague and jointly propose them to other OECD countries during the High Level meeting in June 2014?

Answer

I am familiar with this report. On June 26 at the informal ministerial meeting during the OECD Global Forum on CSR extensive attention will be paid to discuss possible steps for improvement of working conditions in the textile sector. Hereby topics from the report mentioned will also be discussed, such as the raising of labour rights issues in bilateral contacts with governments. The FIDH report also includes recommendations to governments to make due diligence mandatory for companies and to control access to redress for victims. Regarding these recommendations, I can inform you about the Dutch proposals as follows:

- *Mandatory due diligence*

The efforts of the Dutch government are aimed at actively raising with the business community the need for due diligence processes, as described in the parliamentary letter 'MVO loont' ('CSR pays out'). The 'Rijksdienst voor Ondernemend Nederland' ('National Service for Enterprising Netherlands') and the embassies are informing companies about this. The government also financially contributes to an initiative by the SER [tripartite Socio-Economic Council] to give support to companies via workshops to better develop their CSR policy in the field of human rights and to guide them in identifying and prioritizing the risks they are exposed to. For this purpose the SER has developed a 'due diligence tool' for companies. In addition, the government has contributed to a study on the applicability of the ISO 31000 standard for risk management in relation to CSR due diligence.

¹ <http://www.indianet.nl/pb140328.html>

² <http://www.fidh.org/en/asia/india/15273-behind-the-showroom-the-hidden-reality-of-india-s-garment-workers>

- *Redress for victims*

The rules of international private law implicate that a dispute on damage is assessed on the basis of the law of the country where the damage occurred. Victims of violations of fundamental rights can address in some cases a Dutch parent company or foreign subsidiary directly before the Dutch court. For an explanation, I refer to the answers to parliamentary questions on the national action plan for business and human rights, sent on March 3, 2014 to the Parliament (26 485, No. 176).

Non-judicial mechanisms may contribute to a faster, potentially more effective, and more direct redress for victims. The government is committed to strengthen non-judicial remedy mechanisms, including with subsidies to SOMO and ACCESS Facility. Topics related to the functioning of the various National Contact Points OECD Guidelines (NCP), such as redress for victims, will be discussed at the NCP annual meeting held on 24 and 25 June, prior to the OECD Global Forum.

Question 3

Are you willing to ask the companies, mentioned in *'Small Steps - Big Challenges'* - in particular the Dutch garment companies - how they will implement their due diligence while purchasing garments from South India, especially their approach to possible forms of exploitation and bonded (child) labour? Are you willing to ask them to report about that publicly?

Answer

Within the working groups for the framework of the Action Plan was agreed to be transparent in the same way as it is done within the Bangladesh Security Accord. This implies that on an aggregate level companies provide insight into the production data required for the working group or project(s), to create a real picture about the supply chain, the problems and the progress achieved. Information that can link factories to individual companies or information about purchasing volumes is not included here. The trade associations do inform their members, including the companies listed in the report, regularly on subjects within the framework of the Action Plan, such as transparency, the progress of the working groups and the call to participate in one or more of the working groups. I endorse the importance of these issues and will discuss with the trade associations on how I can strengthen this message.

Question 4

Are you also willing to urge garment companies active in The Netherlands to participate in the working group "bonded labour" in the framework of the Plan of Action of the Dutch textile and garment sector?

Answer

Yes. I am in consultation with the trade associations VGT, Modint and Inretail how we can join hands to increase the involvement of the members in the textile working groups. See also question 3.

Question 5

Are there any Dutch garment companies mentioned in the report that are using funding and other forms of support from the government? If so, what are the consequences of lack of transparency and due diligence in this serious issue – in fact non-compliance with the OECD Guidelines - for this government support?

Answer

Some of the companies mentioned (HEMA, O'Neill Europe, Zeeman, IKEA NL, Gaastra) did make use of national programmes to make their business sustainable. This includes specific energy incentives, mobility vouchers and investment deductions, for example, to make their own buildings more sustainable or to examine how their own employees can travel and work smarter. These projects are limited to the Dutch context and have no relationship with India.

None of the garment companies mentioned in the report has made use of funding or support from programs focused on international activities of companies.

Question 6

Are you willing to raise (the issue of) these large-scale and serious violation of children's and human rights with the relevant Indian authorities, to do this if possible in the European and OECD context, as well as in cooperation with the ILO, and to contribute substantially to the solution of this structural human rights issue in which Dutch companies are involved?

Answer

Yes. I this I will join hands with the ILO, OECD and EU where this is possible and effective. The issues of labour rights and child labour are on the agenda in talks between the Dutch embassy and the local ILO office in India. In bilateral contacts with the Indian government the issue of labour rights is raised, for instance, at EU level during the EU-India human rights dialogue. In addition, the new Minister of Labour and Employment, Narendra Singh Tomar, appointed in the end of May, offers a new opportunity for an exploratory discussion.

[unofficial translation by ICN]