

Annual Report 2004



Stichting Schone Kleren Overleg
(Clean Clothes Campaign)

Amsterdam

CCC Annual Report

Dear Reader,

Here you are: the Clean Clothes Campaign Annual Report 2004. We are pleased to look back upon an outstandingly successful year of campaigning. As you all know, this was the year of the Olympic Games and chances are that the Fair Play Campaign did not fail to attract your notice. The Fair Play Campaign was a world-wide campaign aimed at improvement of working conditions in the sporting goods industry. Never before did the world witness so large a campaign calling attention to working conditions. It was the CCC who initiated the campaign both nationally and internationally.

Sport labels are important actors in the clothing industry. Par excellence it is an industry where image projection is considered crucial. This is why companies seek the spotlight at big sporting events. For the CCC this is an excellent opportunity, with the whole world watching, to call attention to the darker side of the clothing industry. The Fair Play Campaign succeeded well in this. But no matter how successful, it can be no more than a step forward to the campaign at the Olympic Games 2008 in Beijing.

Surely, in 2008 a campaign for better working conditions in the garment industry will still be necessary. In view of this, we hope that we can rely again on the organisations that worked together during the Fair Play Campaign. Because those who dedicate themselves to improvement of working conditions in the clothing industry need the endurance of a marathon runner.

Evert de Boer Chairman Clean Clothes Campaign

2004

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Colophon

International Secretariat
Clean Clothes Campaign
P.O. Box 11584
1001 GN Amsterdam
The Netherlands
T: +31-20-412-2785
F: +31-20-412-2786
info@cleanclothes.org
http://www.cleanclothes.org

Nederland
Schone Kleren Kampagne
Postbus 11584
1001 GN Amsterdam
T: 020-4122785
F: 020-4122786
info@schonekleren.nl
http://www.schonekleren.nl

This annual report is available at http://www.cleanclothes.org/ftp/annual2004.pdf.
A hard copy can be obtained from the International Secretariat, for contact information see above.

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Introduction

The Clean Clothes Campaign (CCC) aims to improve working conditions in the global garment industry and to empower workers, most of whom are women, with the ultimate goal of ending the oppression, exploitation and abuse in this sector. The CCC began in 1989 when solidarity and women's organisations in the Netherlands and UK took up the case of a garment factory lockout in the Philippines. Women at this William Baird (UK) and C&A (NL) subcontractor, were fired for demanding their legal minimum wage. During the year the workers picketed, groups in the Netherlands and UK continued campaigning. Campaigning for "clean clothes" had started, taking up the demands of Southern women's groups and labour organisations. Having started in the Netherlands and the UK, the CCC is now a Europe-wide network that has built up over the past fifteen years. This Europe-wide network is in turn part of a larger international network of trade unions and labour NGO's, both in producing and consuming countries, which strives to advance workers' rights worldwide.

With this annual report the CCC wishes to inform everyone interested in the "Stichting Schone Kleren Overleg", internationally known as the Clean Clothes Campaign, particularly about the activities of the International CCC Secretariat (IS) and the Dutch CCC Secretariat. You will find links to our detailed activities report (both for the IS and the Dutch Secretariat) in the text.

Clean Clothes Campaign - Mission

In our foundation charter (see for the complete text: http://www.cleanclothes.org/ftp/ ccc foundation charter.pdf) we state the following about the objective of the foundation:

Article 2.

- 1. The foundation has as its objectives:
 - a. To contribute to the improvement of working conditions in the garment industry world-wide but especially in developing nations; and
 - b. To accomplish the above goal in in the most general sense any manner that is relative to this objective.
- 2. Making profits is explicitly not the objective of this foundation.

The CCC aims to achieve these objectives by:

- Putting pressure on companies to take responsibility to ensure that their garments are produced in decent working conditions.
- Supporting workers, trade unions and NGOs in producer countries.
- Raising awareness among consumers by providing accurate information about working conditions in the global garment and sportswear industry, in order to mobilise citizens to use their power as consumers.
- Exploring legal possibilities for improving working conditions, and lobbying for legislation to promote good working conditions and for laws that would compel governments and companies to become ethical consumers.

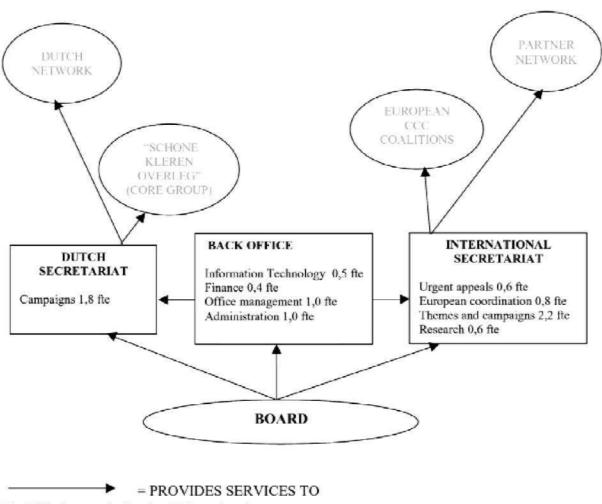
Clean Clothes Campaign - Organisation profile

The CCC is a network organisation, made up of

- European CCC coalitions: autonomous coalitions with NGOs (consumer, research, women's, fair trade and youth organisations, solidarity groups, churches, etc) and trade unions as members in European countries, each with a national secretariat
- CCC 'projects', 'project groups' or 'task forces' in several garment producing countries (Eastern Europe, India)
- An international partner network of NGOs, unions, individuals and institutions in most countries where garments are produced.
- A loose, informal network of organisations or coalitions that run similar campaigns in other
 consumer countries (ex. US groups, Fair Wear in Australia, Ethical Trade Action Group in
 Canada), several NGOs in European countries that do a lot of CCC-related work and may one
 day establish a complete campaign (Italy, Portugal) and the international trade union
 organisations.
- An international secretariat

Over 200 different organisations participate in the campaign.

Organization Chart



1 fte (full-time equivalent) = 36 hours/week gender ratio = 6,5 fte women, 2,4 fte men The CCC Amsterdam office consists of three self-steering teams: one for the international secretariat, one for the Dutch secretariat and one for administrative support (back office). The office manager acts as liaison between the teams, who are beneficiary-driven, and collectively make decisions in regular team meetings. The staff collectively decides about the general matters of the organisation, thereby supported by the board. Strategic decisions regarding target and priority setting that concern the whole CCC network are made at both international and European CCC meetings.

The International Secretariat

- Coordinates the international activities and campaigns
- Facilitates the international campaign structures and channels
- Coordinates and/or facilitates the international urgent appeals
- Generates publications, makes information accessible for a broad public and carries out or commissions research

The International Secretariat meets three times a year with the European CCC coalitions. These meetings serve to set up new strategies, coordinate ongoing activities and improve communication structures. The general outlines are elaborated in task- and working groups on specific themes and campaigns, formed on these occasions.

With the international partner network there are continuous bilateral contacts on concrete casework (urgent appeals). Apart from this ongoing work, thematic and regional meetings are organised under the supervision of the International Secretariat for general strategy and agenda-setting; these meetings provide the framework for the CCC long range strategic plans.

The Dutch Secretariat

- Carries out the Dutch campaign coordination, particularly aimed at raising the awareness of Dutch consumers about the working conditions in the garment industry in general and in factories producing for specific brands in particular and at lobbying and campaigning on Dutch companies
- Follows up on international urgent appeals regarding Dutch companies, e.g. by pressuring companies to (re)act upon the demands of workers in their supply chain after the observation of violation of the international ILO conventions
- Sends a Dutch representative to meetings of the European and international networks.

The Dutch core group ("Schone Kleren Overleg") consists of three national organisations on labour rights issues. The core group meets once a month, and gives input on the strategies and policies of the Dutch CCC Secretariat in the national context

Members of the core group are:

- Landelijke India Werkgroep
- Filippijnengroep Nederland
- Goede Waar & Co
- Stichting Onderzoek Multinationale Ondernemingen.

The broader Dutch Network serves to bring unions, human rights and labour NGOs and consumer organisations together on international labour rights issues. Three times a year the network meets under the supervision of the Dutch Secretariat, where the most salient issues are discussed and agendas are set for the coming period.

Participating organisations are:

- NOVIB
- FNV Mondiaal
- Amnesty International
- CNV jongeren
- Stichting Omslag
- de Landelijke Vereniging van Wereldwinkels
- Max Havelaar
- Solidaridad
- Stichting Natuur en Milieu
- Stichting Oikos

- NVVH
- Consumentenbond
- ICCO
- Hivos
- CNV internationaal
- Vastenaktie
- Cordaid
- Fair trade organisatie
- Nationale Jeugdraad
- Nederlandse vrouwen Raad

- Sari WereldMode Winkels
- SOMO
- Filippijnen Groep Nederland
- Burma Centrum Nederland
- Goede Waar & Co
- Landelijke India werkgroep
- COS
- Guatamala Comite

The back office

The back office provides services to both the International Secretariat and the Dutch Secretariat. It is responsible for the administrative tasks, human resource management, external information services, websites, finances and facilities.

The board

The board consists of five members. The board members do not earn honorariums, salaries, or other forms of compensation from the foundation. They do have the right to reasonable remuneration for the costs incurred while performing their function. In 2004 no expenses were claimed by board members.

The board performs the following tasks:

- It is responsible for human resource management
- It supervises the goal-setting and functioning of the International Secretariat and the Dutch Secretariat and sees to it that the annual planning is carried out.
- It supports the International Secretariat and the Dutch Secretariat in carrying out the various campaigns
- It monitors the financial situation and authorizes the annual (financial) reports

Composition of the Board

Chairman: E. de Boer. Substitute: D.J. Binnerts

Tasks and functions:

Surveys board and CCC activities

o Prepares – together with the secretary – and presides over the board meetings

Secretary: V.A. Schipper Substitute: E. de Boer

Tasks and functions:

- Is responsible for HRM of the two secretariats and the back office (incl. evaluations, career planning and conflict mediation)
- o Prepares together with the chair the board meetings

Treasurer: M. Simons Substitute: A.P.M. de Vries

Tasks and functions:

- o Surveys financial matters of the CCC organisation and is responsible for reporting to board
- o Develops and improves financial administration in close cooperation with the back office

Vice chairman: D.J. Binnerts Substitute: V.A. Schipper

Tasks and functions:

 Advises the CCC staff on the improvement of the CCC organisation in terms of efficiency and efficacy

Vice treasurer: A.P.M. de Vries

Substitute: M. Simons

Tasks and functions:

- o Supports the CCC staff in the development and implementation of various campaigns
- Advises on funding applications
- o Is well informed about the structure of the Dutch and international network.



Clean Clothes Campaign - Activities

International Secretariat

The 2004 activities of the International Secretariat were part of the 2002-2006 programme "The Right to Organise – The Right to Know". Our main 2004 activity was the Play Fair at the Olympics campaign, an global campaign with international partners, directed towards the Athens Olympics. This campaign consequently received the most public interest – as well as the most media attention in the history of the CCC. But naturally also other (regular) activities took place. Among the highlights of the International Secretariat's activities (see for an extended activities overview http://www.cleanclothes.org/ftp/2004 CCC Activities Report.pdf):

Public campaigns: The Right to Organise – The Right to Know

2004 was the year of the international "Play Fair at the Olympics Campaign". This campaign, jointly organised by CCC, Global Unions and Oxfam, has been one of the biggest ever mobilisations against abusive labour conditions. Hundreds of organisations and many top athletes have participated in over 35 countries and more than half a million signatures have been collected in support of the campaign. In the order of 500 local campaign events (some of them consisting of hundreds of local actions) have been organised and this has helped contribute to extensive coverage on television, radio and in the press all over the world.



The Play Fair campaign focused on the sportswear industry. A report has been written about poverty, workers' rights, trade, and globalisation in the context of the global sportswear industry (http://www.cleanclothes.org/publications/04-olymp-report.htm). CCC took the lead in the lobby team and jointly with the Global Unions, Oxfam and Asian partners a concise set of demands and proposals was developed, the so-called Programme of Work. The main points in this Programme of Work were about the importance of promoting freedom of association and the need for additional guidance for monitors on this issue, and for developing remedial strategies that provide workers with the awareness and the environment needed to form or join organisations of their own choice.

An important element of the Play Fair at the Olympics campaign (PFOC) has been to push brands to engage directly (via local compliance staff) with our Southern partners to discuss the concrete cases that featured as examples in the PFOC report. Puma, Asics, Umbro and adidas had meetings with more than one partner and the FLA member companies (including Nike, Reebok, adidas and Puma) jointly responded positively to the Programme of Work. The campaign also met with the IOC. Although clear follow steps were discussed at this meeting, the IOC told the campaign later it is not prepared to discuss its own responsibilities to workers through it's sponsorship and licensing program. The campaign towards the IOC will be followed up in 2005.

During the Play Fair at the Olympics campaign, the European Parliament passed a resolution supporting the campaign aims, the British Parliament passed a motion supporting the campaign, and a bill entitled "Play Fair at the Olympics" was introduced in the US Congress. Many members of several national parliaments also supported the campaign.

Support and expansion of the international network, especially in production countries

In 2004 the CCC visited partners in various countries in Asia and Africa (Cambodia, Bangladesh, India, Turkey, Madagascar, South Africa). Visits were regularly combined with the co-organisation of conferences and workshops with regional trade unions, NGOs, and international (labour) organisations. As a result of the field visits partners are better informed about the CCC network and support strategy, specifically the Urgent Appeals mechanism, and the situation in other garment producing countries. Partners are also encouraged to cooperate at national level, and jointly strategise and request international support. Organisations active in Europe as well as internationally have a better understanding of the concrete needs of trade unions and NGOs in production countries.

The Train the Trainers project – designed to train and support Eastern European partner organisations – that started in 2003, was successfully concluded in 2004. In total, 37 new, grass root, mostly female,

local researchers were trained to enable them to reach out to the workers in their immediate surroundings and learn about their conditions. This can directly aid workers in their efforts to organise for change.

In 2004 the so-called Asian trans national cooperation (TNC) network officially started, coordinated by AMRC and made up of groups in the region who are researching or campaigning around Asian TNCs. CCC actively cooperates with this network and shares the information obtained via Urgent appeal cases or via partners in Southern Africa or Central America. CCC did research on and published 10 page company



profiles about four Asian TNCs: Pou Chen (a.k.a. Yue Yuen, the world's largest sport shoe manufacturer), Li Fung, ASICS and Mizuno. These were extensively used during the lobby and awareness raising activities undertaken in the Play Fair at the Olympics Campaign (PFOC). A database was made, together with organisations in Africa, to file information on Asian TNCs in Africa and to make the information accessible to others.

Together with the Evangelische Akademie Meissen (Germany) and Dutch IRENE, the CCC organised the seminar "Campaigning strategies on informal labour in the global garment industry". 45 participants from 20 countries were welcomed. The aim of the seminar was to share information on (1) the current challenges facing workers in the garment sector's informal economy and (2) organising, campaigning and other initiatives involving or in support of these workers; and (3) to formulate specific goals and strategies for labour rights campaigns seeking to support workers in the garment sector's informal economy. The evaluation of the meeting with all involved highlighted the direct support all got from participating and learning from each other.

Urgent appeals

Work on urgent appeals cases expanded dramatically during 2004. A total of 73 cases were processed by CCC staff.

During 2004 the CCC worked extensively behind the scenes (i.e. international solidarity work without a public campaigning component) on cases. The CCC has continued to develop this aspect of its urgent appeals work, which focuses primarily on direct contact with partners in Europe and in countries where garments are produced, with brands sourcing at factories where violations are reported, with multi-stakeholder initiatives that have member brands sourcing at factories in question, and with other relevant stakeholders (public authorities, employer associations, etc.).

Large-scale international letter writing and media campaigns were also organised as part of urgent appeals casework on public cases. In 2004 these included the (ongoing) cases of over 200 workers unjustly dismissed at North Sails (Sri Lanka), union repression and unfair dismissal at Workwear Lanka (Sri Lanka), unjust dismissal of workers at PT Tae Hwa (Indonesia), widespread rights violations at the spinning mills in Vedasanthur (India), the shooting deaths of unionist Chea Vichea and Ros Sovannareit (Cambodia). Some public cases reached resolution during the course of 2004, for example the case of Pt Sarasa Nugraha (Indonesia) in which an agreement was reached to reinstate 800 unjustly dismissed workers.

Continuation of the activities aimed towards pushing the companies to adhere to a good code of conduct, in which verification of implementation is central

Most dialogue with companies on social standards in the supply chain took place in the context of the Play Fair at the Olympics Campaign (see below). The main advancements in the CSR policies and implementation of social standards by the targeted sportswear companies:

- Organisation of worker trainings addressing freedom of association
- Direct dialogue with the International Textile, Leather and Garment Workers' Federation regarding workers' rights to form and join trade unions
- Development of more credible workplace investigations and complaints procedures, directly engaging with local stakeholders
- Greater attention to the impact of purchasing practices on ethical programmes
- Evaluation and further development of labour practice policies, including supply chain mapping and wage criteria
- Considering working with other active companies and non-governmental organisations

In 2004 the CCC continued to serve in the board and expert committee of the Fair Wear Foundation, and on the steering committee of the "Joint Initiative on Corporate Accountability and Workers Rights". The Joint Initiative is the first effort to bring together key organisations (Clean Clothes Campaign, Ethical Trading Initiative, Fair Labour Association, Fair Wear Foundation, Social Accountability International and Worker Rights Consortium) on different aspects of code implementation and/or enforcement in a programme of collaborative work.

In 2004, the project hired a coordinator (on secondment from the ILO) and started a pilot project in Turkey to test the variety of code implementation strategies and approaches. The pilot will involve European and US companies and their garment suppliers in Turkey, as well as trade unions, NGOs, industry and employers' associations and other interested parties.

Intensifying activities towards governments (local, national and international), in which governments are approached in their role as legislator as well as (large scale) consumer

In 2004, various CCC coalitions continued to work on the Clean Clothes Communities project, where local governments are encouraged to include social standards in their buying and procurement policies. In total 10 new cities in France, the Netherlands, Belgium North and Germany adopted a resolution about sustainable public procurement of their work wear. In Belgium North, 69 communities out of \pm 300 adopted a resolution, while in France this number now totals to 270. In the same year, 10 community councils (mostly in Belgium North and the Netherlands) were pushed or worked with to take concrete steps towards actual implementation of the resolution. The Clean Clothes Campaigns Spain and UK started a Clean Clothes Communities project in their countries.

To share and spread the accumulated experience and best practices regarding Clean Clothes Communities, the Clean Clothes Communities Reader was compiled, containing the most relevant and useful documents from the countries that have had the Clean Clothes Communities project running for a while.

Dutch Secretariat

The 2004 activities of the Dutch CCC were primarily linked to the global "Play Fair at the Olympics Campaign". In the Netherlands, the



campaign-team was composed of the Schone Kleren Kampagne, the FNV and Novib – Dutch representatives of the international organisations coordinating the global campaign. This team guaranteed a clear and coherent cooperation with the international lobby and campaign-team on the overall strategy and communication of the campaign.

The main campaign-activities that were (co)organized by the Dutch CCC (see for an extended activities overview: http://www.schonekleren.nl/ftp/2004_jaarverslag_Schone_Kleren_Kampagne.pdf):

- The Play Fair at the Olympics campaign was launched in the Netherlands with a press conference and a lively parade through the city of Amsterdam. In the Olympic Stadium in Amsterdam the "Play Fair at the Olympics" report was presented by the Clean Clothes Campaign, FNV and Novib to a representative of the National Olympic Committee of the Netherlands by a gigantic Greek god by the name of Zeus.
- In 2003 26-years old Hamdani was fired from PT Paranub, an adidas shoe factory in Indonesia.
 He continued working as a labour union member. The Dutch CCC organised a speaker tour
 through the Netherlands, with a guest lecture at the Amsterdam Fashion Institute and interviews
 by several media.
- One day before the arrival of the actual torch, an alternative Olympic torch relay was organised
 through Amsterdam. Five body painted fire artists led the procession from the "Westermarkt" to
 the "Nieuwmarkt". The square of the Nieuwmarkt was taken over by an inflammatory -yet
 colourful-demonstration with stand up comedy and a fire-eater who ignited the slogan "EIS
 EERLIJKE SPORTKLEDING" ("demand fair sportswear").
- Because FILA continuously refused to meet up with the international campaign coalition, actions
 against the brand have been organized throughout Europe. Also in the Netherlands activists went

- up to the office of the national FILA importer and distributor, with banners and a report on the circumstances in which FILA clothes and shoes are made. Also 100.000 Boomerang Postcards (free distribution through gyms, cultural venues, bars and other public spaces in the Netherlands) were distributed with the text "FAIL ON FAIR PLAY", imitating the logo of FILA (logo-busting)
- In August the Dutch Play Fair campaign had gathered 29.500 signatures of Dutch consumers pressuring of sports brands to take action against unfair labour conditions in the sportswear industry. Especially Asics, as sponsor of the Dutch Olympic Committee NOC*NSF, was targeted. The many protest letters were delivered to the Asics Europe president Mister Motoi Oyama. Asics expressed that he shares the concerns of the petitioners and claimed to put big effort into their corporate social responsibility. The company had already taken steps into this direction, but said that the campaign did accelerate this process.
- Under the Auspices of the Belgian Clean Clothes Campaign, representatives of the Dutch CCC participated in the 2000 kilometers bicycle trip through Europe in order to reach the Olympic capital on August 12th. Focal point of "Leuven-Athens 2004" was to draw attention to the Play Fair campaign. Support for the tour has been overwhelming, as the cyclists along the route have been aided by local authorities, campaigners and sportsmen and women.
- Participation in the "sew in" action at the Olympic Games in Athens. A large group of faceless
 activists working at sewing machines on a rooftop in the center of Athens, with the Acropolis as
 the backdrop, drew attention to the plight of exploited faceless workers.
- On a big screen in the center of Amsterdam the 100 meter swimming finals were broadcasted for a large audience. During the broadcasting also short films on the Fair Play at Olympics campaign were shown. There was a lot of interest in the campaign among the public and many protest signatures on IOC were collected.
- During the whole campaign, NOC*NSF (the Dutch Olympic Committee) and various sport federations have been approached to openly support the campaign demands and Programme of Work.

Clean Clothes Campaign – Social impact

Staff

As made clear in our organization chart, the Clean Clothes Campaign does not have a director or management staff. Every staff member is part of the collective decision-making, which contributes to productivity and efficiency because team-members are fully informed and involved, and back each decision (since they were part of coming to agreement on it). This also means that CCC is internally in line with the values it externally promotes: grass-roots democratic organising, participatory methods of research, workplace assessments, direct involvement of workers themselves in all processes established to promote their rights. All employees of the Clean Clothes Campaign receive the same amount of monthly salary (relative to ratio fte).

Since January 1 2004, the CCC has set up and contributes to a pension plan for the staff members.

In 2004 a so-called Risk Inventory and Evaluation (RI&E) has been carried out to meet the statutory regulations as stated in the Labour Law (Arbo Wet).

Environment

In 2004 the CCC formulated its travel policy to diminish environmental damage related to too many flying miles. Staff members will travel by train when this takes less than 8 hours. When travel time is more than 8 hours, staff members are allowed to travel by airplane.

Financial Report

 $Mr.\ G-J.\ Jordan\ RA\ and\ Mr.\ A.H.\ van\ Engelen,\ registered\ accountants\ in\ Nieuwegein,\ approved\ of\ the\ financial\ report\ 2004$

BALANCE SHEET (after result allocation) (in	n euros) 31-12-200	4 31-12-2003
ASSETS		
tangible fixed assets		
office equipment	2.6	92 4.293
receivables and payment		
NV work	3.2	47 5.171
subsidy receivable	36.2	83 112.415
liquid resources		
bank deposits	178.3	94 86.534
petty cash		19 519
TOTAL ASSETS	220.6	35 208.932
LIABILITIES		
capital		
capital as of 31st December	64.0	74 60,749
short term liabilities		
Subsidies to spend	105.5	
wage tax	2.2	
salaries	18.9	
social premiums		04 719
pensions	8.6	
creditors	8.9	
costs payable	11.4	32 7.000
TOTAL LIABILITIES	220.6	35 208.932
STATEMENT OF BENEFITS AND COSTS (in	n euros) 200	4 2003
BENEFITS		
activities		- 7.839
special grant SOMO (EC)		- 113.334
subsidies spent	374.5	92 139.807
donations	3.9	06 3.559
interest	1.5	66 1
other benefits	13.4	16 246
release of appropriated reserve for moving office		- 25.000
TOTAL BENEFITS	393.4	80 289.786
COSTS		
staff	175.7	18 120.075
housing	6.7	
organisation	25.2	64 37.415
activities	179.3	39 75.381
depreciation	3.0	80 2.376
TOTAL COSTS	390.1	55 249.222
RESULT	3.3	25 40.564
20440 OSCIMON C		