

Ali Enterprises Factory Fire in Pakistan Advocacy Briefing

September 11, 2015, marks the third anniversary of one of the worst industrial accidents in the history of the garment industry.

On this day three years ago, at around 6 p.m. the Ali Enterprises factory in Pakistan exploded into flames, claiming the lives of 254 people, and seriously injuring an additional 55 people.

As the fire ripped through the Ali Enterprises factory, workers were trapped in the building, behind barred windows and locked exit doors. After the fire, numerous safety violations were recorded throughout the charred remains of the factory including, closed exits and no emergency door, windows sealed with iron grills, illegally constructed floors, factory cramped with combustible materials including chemicals close to the generator near the exit door.

Furthermore the investigation revealed that workers never received any safety drills or trainings while working at Ali Enterprises. Fire hydrants were not used and no attempt was made to put out the fire. 268 workers were registered out of the estimated 1500 workers who actually worked in the factory.

Just three weeks before the fire, in August 2012, Ali Enterprises received SA8000 certification from the auditing firm Social Accountability International (SAI), meaning it had met international standards in nine areas, including health and safety, child labour and minimum wages.

KiK's disreputable approach to safety and workers' rights has cost the lives of workers in Pakistan and Bangladesh. KiK has a track record of sourcing from some of the most dangerous factories in the world. It is the only company that is linked to the three most deadly disasters to hit the garment industry in recent times – the Ali Enterprises factory fire in Pakistan; the Tazreen factory fire in Bangladesh (2012); and the Rana Plaza factory building collapse, also in Bangladesh (2013). A total of 1,500 garment workers are dead as a result of these tragedies.

The fire at the Ali Enterprises factory is the deadliest factory fire in history.

The German retailer KiK was the only confirmed brand that sourced from Ali Enterprises during and immediately prior to the fire. At the time of the fire, the factory's production was dedicated to making jeans for KiK. On 21 December 2012, KiK signed an agreement with the Pakistan Institute of Labour Education and Research (PILER), legally committing them to make an initial payment to the victims and their families of US\$ 1 million for immediate relief, and to negotiate compensation with the victims of the fire.

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In 2013, The Sindh High Court of Pakistan distributed the immediate relief payments to the victims' families, which included KiK's contribution of 1 million USD. Under the agreement signed with PILER, KiK has a legal obligation and commitment to enter in to negotiation and reach an agreement for long-term compensation to the victims. However, KiK has so far failed to fulfill its obligations to the victims, refusing to engage in good faith negotiations to determine long-term compensation. Since the signing of the agreement over two years ago, KiK has engaged in various stalling tactics in order to avoid paying long-term compensation.

Recommendations

- Kik must immediately return to the negotiation process and reach an agreement to pay full long-term compensation without further delay. The Ali Enterprises victims have a right to full compensation including for loss of income, medical costs, pain and suffering and others.
- The auditing organisations involved must also be held accountable for their severe negligence and must take their share of responsibility for compensating the victims.
- Brands and retailers need to take responsibility for improving conditions, enforcing international labour standards and need to work with trade unions and worker representatives to address safety issues in every country they source from if future tragedies are to be avoided.