



Brussels and Geneva, 11 July 2023

To:
Ursula von der Leyen
European Commission
ec-president-vdl@ec.europa.eu

Dear President von der Leyen,

Re.: MADE in Myanmar Project - EU must stop supporting military junta's rule

We, IndustriALL Global Union and industriAll European Trade Union, both representing workers in the mining, energy, and manufacturing industries throughout the world, are forced to contact you once more in relation to the EU's support of the MADE in Myanmar project (Multi-Stakeholder Alliance for Decent Employment in the Myanmar Apparel Industry) following recent arrests of workers linked to the project.

We note the receipt of the letter of 28 June 2023 from Mario Ronconi, on behalf of the European Commission. However, we dispute various important points in this letter, and we believe it is of the utmost importance to inform the leaders of the three EU institutions of the ongoing abuse of workers in Myanmar, including the links to EU engagement and funding in the country. The presence of EU brands in Myanmar provides vital foreign exchange which sustains the military regime and facilitates the purchase of arms, ammunition, and fuel.

Since our last letter, the military has arrested eight workers from two garment factories and two members of a Labour NGO, Action Labour Rights. This is extremely concerning as Action Labour Rights is an NGO which cooperates with the EU, EU-based brands and the MADE in Myanmar project. The arrests of these labour activists demonstrate that Freedom of Association is not possible in Myanmar and that the MADE project does not protect labour activists from the military junta.

Dismissals, threats, and arrests at Hosheng Myanmar Garment Factory

On 10 June of this year, seven workers at the Hosheng Myanmar Garment Factory in Yangon were dismissed for demanding negotiations with their employer around working conditions and a wage increase through enhanced skill and seniority bonuses, as pay is very low. Hosheng produces for one of the world's biggest brands, Zara. On 12 June, around 600 workers at the factory went on strike to demand the reinstatement of the seven workers. However, the strike was abruptly halted as on 13 June, the employer brought in the military to threaten the workforce.

On 14 June, the seven workers who led the demand for a pay rise, Ma Aye Thandar Htay, Ma Thandar Htay, Ma May Thu Min, Ko Aung Aung, Ko Ye Naing, Ko Ye Thwe Hlaing, were fired, and a female worker leader, Ma Thu Thu San, was arrested. A further five workers were subsequently arrested and one was forced into hiding. The workers have been charged with incitement – 505/a of the Myanmar



penal code – and will face a military court as the industrial zones are under martial law. There has been no contact with Ma Thu Thu San since her arrest and concerns for her safety are increasing.

In addition, on 26 June, the General Secretary of the Myanmar Industries Craft and Services Trade Unions Federation (MICS-TusF) was due to be released after serving a two-year prison sentence for his participation in the pro-democracy movement. Instead of being released, he was abducted by the military. His whereabouts remain unknown.

Since the start of the military coup, more than 300 union members and activists have been arrested, and more than 50 have been killed. The military junta in Myanmar has banned nearly all unions, wiping out the fundamental right of freedom of association. One military official even stated that "there is no union under martial law" when speaking to Hosheng workers.

The 28 June letter from the European Commission states that:

"Trade unions still legally exist at factory and federation level and organisations committed to supporting workers' rights continue to operate in the country. However, these cannot function normally due to security and reputational risks stemming from the complex and polarised political situation. MADE aims to support their resilience and ability to engage with business to resolve grievances."

After the military coup, 16 of the most representative and democratic trade unions and labour NGOs were banned. Subsequently, with the support of MADE, organisations such as the above-mentioned Action Labour Rights have attempted to fill the gap. However, with even workers and labour activists from these officially sanctioned organisations being fired, threatened, and arrested, we fail to see how MADE is in any way supporting their resilience and ability to engage with business to resolve grievances.

On the contrary, MADE offers a false sense of security that is dangerous for those who are in the frontline of industrial disputes. MADE offers no protection to workers' representatives, and giving that impression makes the EU part of the problem, rather than part of the solution.

European Parliament Resolution (11 May 2023)

We engaged with MEPs ahead of the debate and vote on the <u>Resolution on Myanmar on 11 May 2023</u> and we were pleased to see a huge amount of cross–party support for the final resolution, including the following demands:

- 8. Calls on the Commission to demonstrate that the Everything But Arms scheme does not benefit the junta or otherwise to temporarily withdraw the mechanism;
- 9. Calls on the EU to demonstrate that any engagement with Myanmar, including by private companies and EU-based undertakings such as MADE, is subject to strengthened human rights due diligence processes to protect and guarantee workers' rights;

As such, we now expect the European Commission to provide concrete evidence that the Everything But Arms scheme is <u>not</u> benefiting the military junta (including via foreign exchange) and that MADE is strengthening human rights due diligence, noting the recent firings, military aggression, and arrests of labour activists linked to the MADE programme.



ILO and the International Labour Conference

As you know, the terrible situation facing workers in Myanmar has been escalated at international level with an emergency resolution adopted at the International Labour Conference and the decision to establish a Committee of Enquiry. We will follow and engage with the inquiry, and we expect the entire international community to duly respond to the findings.

With the situation in Myanmar worsening for workers and labour activists, including those engaged with the EU supported MADE project, we insist that the EU removes tariff presences under the Generalised Scheme of Preferences as well as its support for the MADE project. EU citizens, and EU public money, cannot be used to benefit either the military junta nor be associated with an EU-funded project which sees workers threatened, fired or arrested without cause.

We ask for urgent meetings with each of the EU institutions on behalf of workers and trade unions in Myanmar.

Yours sincerely,

Atle Høie

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IndustriALL Global Union

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