

ACCORD STATEMENT

27 July 2018

*2018 Transition Accord Steering Committee Statement on 4th High Level Meeting of the Compact for Continuous Improvements in Labour Rights and Factory Safety in the RMG and Knitwear Industry in Bangladesh (the Compact)
25 June 2018, Brussels, Belgium*

Representatives from EU, US and Canadian governments, Member of European Parliament, ILO and Accord signatory brands and unions urge the Government of Bangladesh (GoB) to ensure the Accord operations in Bangladesh continue until the GoB's Remediation Coordination Cell (RCC) is deemed ready by the multi-stakeholder Transition Monitoring Committee.

On 25 June 2018, the Compact partners (Government of Bangladesh, Government of Canada, Government of the US, the European Commission, and the International Labour Organization-ILO) met in Brussels to discuss progress made under the Compact and what remains to be done. This was the 4th time since the signing of the Compact in July 2013 that such assessment of progress took place.¹

Unions, employers, manufacturers, apparel retailers, brands and civil society organizations were invited to attend the afternoon part of the Compact meeting which addressed inter alia the safety of the textile industry in Bangladesh.

The Compact partners acknowledged that some progress has been made since the last high level meeting held in Dhaka in May 2017. Progress on safety compliance was particularly noted. At the same time, it was widely acknowledged by different stakeholders and various representatives of the Compact partner governments that the Government of Bangladesh' RCC is at its earliest stages of development, and that the Accord would need to continue its operations in Bangladesh until the RCC is deemed ready.

During the meeting the following position was taken by the brand representatives on behalf of more than 180 brands which have signed the 2018 Transition Accord.

It is in the crucial interest of the signatories to the Accord that the work of remediation which started in May 2013 is completed and a sustainable and adequate national regulatory structure is implemented by the Bangladesh Government to regulate workplace safety in the Bangladeshi garment industry. The premature shut down of the Accord; leaving workers in unsafe circumstances, would jeopardize the brands' ability to source from a safe industry and may make them reconsider sourcing decisions and review the reputational risk of Bangladesh as a sourcing country.

¹ http://trade.ec.europa.eu/doclib/docs/2018/july/tradoc_157109.pdf

In the last 5 years, the Accord has delivered a robust, high quality, transparent, inclusive system, and it has made substantial progress to achieve the safety of workers in Bangladesh's most important export industry. But the work is not yet completed and the national structure, notwithstanding assertions to the contrary, is not yet prepared to credibly take over the work of the Accord.

A solution towards the 2018 Transition Accord (2018 TA) was achieved in October 2017 through meetings of the Government of Bangladesh (GoB), the BGMEA, and brand and union signatory representatives of the 2018 TA. Through this solution, Accord operations would continue in Bangladesh beyond May 2018 and a Transition Monitoring Committee; with representatives of the GoB, BGMEA, Accord signatory brands and unions, and the ILO, would be established to assess the preparedness of the national remediation structure to sustainably take over the work of the Accord.

The Accord signatories and especially the brands called on the EU, US, Canada and the ILO to request from their Bangladesh partners in the Sustainability Compact to express the support of the GoB for the previously agreed arrangements to establish this Transition Monitoring Committee. Only when this assessment body deems the RCC ready to take over responsibilities for the safety of workers based on previously agreed objective criteria should the Accord wind down its activities.

The majority of the Compact Partners widely endorsed the position of the Accord brand representatives in their statements and interventions. In the 25 June 2018 Compact meeting, the GoB was urged by the other Compact members to utilize the expertise and support from the Accord as a key element of achieving institutional and practical preparedness of the official structure.²

The United States Ambassador to Bangladesh, Marcia Bloom Bernicat, urged the Government of Bangladesh to *"maintain a collaborative approach to the Accord as it continues to assess when – not if – it can transition to a Bangladesh-led program. It is critical to the safety of millions of workers and the productivity of factories that that assessment should be made fairly and objectively, and without artificial time deadlines."*

Amy McGann, Foreign Affairs Officer, United States Department of State, commented on the current preparedness of the RCC: *"Currently there is no alternative to the Accord and Alliance. The Remediation Coordination Cell only began one year ago and is not fully-staffed yet. As we saw from the Alliance and the Accord, it takes years to develop a fully functional safety organization. It is not surprising that the RCC is not quite ready to take on the work."*

The European Commission specifically requested the GoB to make a re-submission to the High Court (in the Suo Moto case against the GoB and the Accord) which explicitly expresses the Bangladesh Government support for the TMC arrangement.

"All the [Bangladesh Sustainability] Compact partners mentioned that they welcome the Accord in the statement establishing the Compact; this is something we should continue. As the EU, we very much encourage the Government of Bangladesh to make a resubmission [to the High Court] to ensure that there is no end date for the work of the Accord, including beyond November 2018.", stated a representative from the European Commission.

It was further positively received that the Accord committed to offer full support to the national efforts to install a robust national remediation structure. The GoB was called upon to take this offer and work

² A full recording of the meeting can be found here: <https://webcast.ec.europa.eu/high-level-meeting-on-bangladesh-compact>

with the 2018 Transition Accord to prepare the RCC to become competent to enforce workplace health and safety regulations and standards to the benefit of millions of workers in the RMG industry.

The Accord commits to the Bangladesh National Plan of Action and RCC partners and to the Compact partners to fully support the efforts to achieve RCC preparedness and the ultimate handover of Accord's work to a fully functioning national safety regulatory body.

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