

# ACCORD Escalation Protocol\*

## STEP BY STEP GUIDE TO THE ACCORD ESCALATION PROCESS UNDER ARTICLE 21

Amended June 2017

### Accord article 21:

Each signatory company shall require that its suppliers in Bangladesh participate fully in the inspection, remediation, health and safety and, where applicable, training activities, as described in the Agreement. If a supplier fails to do so, the signatory will promptly implement a notice and warning process leading to termination of the business relationship if these efforts do not succeed.

 Signatory Company role

 Supplier role

 Accord role

#### Notes:

\* Escalation protocol approved by Accord Steering Committee October 2015.

\*\* This list is not exhaustive and escalation is at the Chief Safety Inspector's discretion for such other reasons as he may determine.



### STAGE 1: Non-compliance letter to suppliers

- Letter outlining non-compliance, requirements, timelines and consequences for RMG company groups



### STAGE 2: Notification to brands to issue warning

- RMG company groups: notification to brands in factories of same supplier
- Coordinate & facilitate stage 2 Remediation Meeting



### STAGE 3: Notification to brands to terminate business

- Issue public statement on Accord website
- Designate supplier as CAP not implemented
- Issue worker notification & share with union federations
- Inform Inspector General of ongoing safety concerns & transfer factory reports to DIFE



### Reasons for escalation as decided by Accord\*\*:

- One or more immediate risks not immediately remediated
- Refusal to temporarily evacuate as required by Accord engineers
- Failure to submit CAP or provide timely CAP updates
- Refusal to cooperate in the processing of or implementing resolutions of OSH complaints
- Lack of participation in Safety Committee and safety training
- Slow remediation progress: below average verified remediation

### STAGE 1: Non-compliance notification from Accord



#### SIGNATORY COMPANIES

- Copied in stage 1 letter from Accord
- Meeting with supplier to discuss escalation issues identified at stage 1



#### SUPPLIERS

- Acknowledge receipt of warning letter - 24 hours
- Address requirements outlined in letter from Accord within the specified timelines

DE-ESCALATE IF SUPPLIER MEETS ALL REQUIREMENTS WITHIN SPECIFIED TIMELINE

NON-COMPLIANCE WITH REQUIREMENTS WITHIN SPECIFIED TIMELINES: FURTHER ESCALATE

### STAGE 2: Notice and warning from company signatories to suppliers



#### SIGNATORY COMPANIES

- Issues notice and warning letter to suppliers
- RMG company groups: Inform group owner of potential business consequences
- Participate in mandatory stage 2 Remediation Meeting
- Ensure remediation is financially feasible (See Accord Remediation Finance Guide)



#### SUPPLIERS

- Address all requirements raised in stage 2 warning letter
- Participate in mandatory stage 2 Remediation Meeting and agree an action plan
- If financial support requested: provide and justify itemised CAP cost estimates (see Accord Remediation Finance Guide)

DE-ESCALATE IF SUPPLIER MEETS ALL REQUIREMENTS WITHIN SPECIFIED TIMELINE

NON-COMPLIANCE WITH REQUIREMENTS WITHIN SPECIFIED TIMELINES: FURTHER ESCALATE

### STAGE 3: Termination of Business Relationships



#### SIGNATORY COMPANIES

- Termination letter to supplier/RMG company group owner within 7 days (Copy Accord)
- Make reasonable efforts to offer alternative employment at safe factories for affected workers



#### SUPPLIERS

This decision is final.  
A terminated supplier may requalify placement of business by an Accord signatory company after a defined period from the date of termination and if all issues identified in the Accord initial inspections have been remediated and verified as completed by the Accord CSI.

CONTINUOUS MONITORING IN ACCORD INSPECTION PROGRAM

