

STATEMENT ON ACCORD CONTINUATION BEYOND MAY 2018

26 October 2017

Bangladesh Accord Safety Program Will Continue

National Government Has Extended the Accord's Permission to Operate Beyond May 2018

Accord Will Depart Bangladesh When Local Regulatory Body Demonstrates Full Capacity to Inspect Factories, Compel Remedies, and Protect Workers

The Government of Bangladesh has agreed that the Accord on Fire and Building Safety in Bangladesh (the Accord) will continue to operate in Bangladesh until a set of rigorous readiness conditions are met by local regulatory bodies.

This agreement was reached at meetings on 19 October between brand and trade union signatories to the Accord, the BGMEA, and the Bangladesh Ministers of Commerce and Labour. The Accord is ready to continue operations beyond May 2018 as all parties recognize, substantial additional capacity-building is necessary before responsibility to protect workers in factories producing for Accord signatory brands can be responsibly handed over to a national regulatory body.

In June 2017, a group of global apparel brands and retailers and 2 global unions signed the 2018 Accord which will continue the Accord safety program in Bangladesh until May 2021. As of today 47 brands and retailers have signed, covering almost 1200 of the current factories.¹ The signatory brands and trade unions committed to engage with the Government of Bangladesh, BGMEA, IndustriAll Bangladesh affiliated unions, and the ILO to implement the conditions under which the Accord would be able to transfer its functions to a national regulatory body.

Last week, the Government of Bangladesh confirmed it will extend the permission of the Accord to continue beyond May 2018 until a joint monitoring committee (comprised of Accord brand signatories, Accord trade union signatories, BGMEA, ILO and the Bangladesh government) agrees that the stated conditions for a handover are met. This joint monitoring body will review the progress towards meeting these conditions on a bi-annual basis. These rigorous readiness conditions include: demonstrated proficiency in inspection capacity, remediation of hazards, enforcement of the law against non-compliant factories, full transparency of governance and remediation progress, and investigation and fair resolution of workers' safety complaints. When the joint monitoring committee agrees the conditions for handover have been met, there will be a further transition period of six months, after which the local body would assume responsibility for factories now covered by the Accord.

¹ For an up to date list of brand signatories to the 2018 Accord, please see: <http://www.industrialunion.org/signatories-to-the-2018-accord> or <http://www.uniglobalunion.org/2018AccordSigners>

Pascal Brun, H&M Head of Sustainability Global Production, says:

“H&M is confident that the remarkable achievements of the 2013 Accord will be sustained through the ‘Transition Accord’ until it is demonstrated that a credible regulatory body with the rigorous oversight mechanisms can take over all Accord functions.”

Jenny Holdcroft, IndustriALL Global Union Assistant General Secretary and Accord Board member, says:

“We have always aimed for the Accord functions to transition to a national regulatory body provided that the full capacity, transparency, and governance are in place and that we can be assured that the worker protections under the Accord continue to be safeguarded.”

The Accord Secretariat and its signatories maintain that the ultimate solution for Bangladesh is effective public regulation by Bangladeshi authorities. The Accord is committed to work constructively with the Government of Bangladesh and the National Plan of Action colleagues toward this end. Until the goal is achieved, the Accord will continue, in cooperation with the Bangladeshi authorities, its inspection, remediation, safety committee training programs, and complaints mechanism to achieve its goal of a safe and sustainable garment industry in Bangladesh in which no worker needs to fear fires, building collapses, or other accidents that could be prevented with reasonable health and safety measures.

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The 2018 Accord on Fire and Building Safety in Bangladesh can be found at:
<http://bangladeshaccord.org/wp-content/uploads/2018-Accord-full-text.pdf>