Honourable Md. Shahidul Haque, Secretary Ministry of Foreign Affairs (MoFA) Government of the People's Republic of Bangladesh (GoB)

Honourable Shuvashish Bose, Secretary Ministry of Commerce (MoC) Government of the People's Republic of Bangladesh (GoB)

Honourable Afroza Khan, Secretary Ministry of Labour and Employment (MoLE) Government of the People's Republic of Bangladesh (GoB)

23 October 2018

<u>Subject</u>: <u>Preparedness of the Remediation Coordination Cell (RCC) and permission for Accord operations office to remain in Bangladesh until completion of the RCC transition.</u>

Dear Honourable Secretaries:

We would like to refer to our letter of 24 May as well as to the Honourable Secretary Khan's reply on 26 May 2018. Further to this exchange, we, the undersigned representatives of Diplomatic Missions in Bangladesh, reiterate our strong interest in making the RMG sector safer and sustainable.

The purpose of this letter is to express our collective concern over the potential premature closure of Accord office operations in Bangladesh which will occur on 30 November 2018 in the absence of the lifting of the Bangladesh High Court Suo Moto order (originally issued on 17 October 2017 and modified on 31 May 2018).

We wish to acknowledge the significant achievements of the Government of Bangladesh and the Bangladeshi RMG industry towards making factories in Bangladesh safe. The creation of an independent Remediation Coordination Cell (RCC) within the Department of Inspection for Factories and Establishments (DIFE) to regulate safety in the RMG sector marks an important step towards building a national body that can effectively regulate safety.

At the same time, we would like to stress that the Accord's work is not yet accomplished: Less than half of all Accord-covered factories have completed the installation of adequate fire alarm and fire detection systems and less than 60% have completed structural retrofitting based on approved detailed engineering assessments (DEAs).

Requiring the RCC to regulate safety in factories covered by the National Initiative (NI), while simultaneously taking over the functions of the Accord, would possibly create an undue burden on this new body and may jeopardize its successful startup. We believe that this is not the intention of the Government. Further capacity-building is necessary to ensure that Accord's work can be adequately and fully absorbed by the RCC without leaving a regulatory gap in RMG factory safety.

We urge all stakeholders to jointly agree to a time-bound transition plan, as per the Transition Monitoring Committee's (TMC) decision of May 2018 (six month review mechanism), and in accordance with the criteria developed by the Government of Bangladesh and the ILO in August 2018.

In order for Accord to implement such a Transition Plan effectively and provide full support to the RCC to transition smoothly, the Accord office in Bangladesh needs to be permitted by the appropriate Government agency to remain operational until Accord has formally handed over all of its functions to the RCC.

We believe that it is in the best interest of all parties, including the Government and the RMG manufacturers of Bangladesh, that the RCC be provided with the opportunity and time to successfully develop, and that the Accord Bangladesh office be permitted to continue to remediate factories and support the RCC in achieving its full capacity.

We, the undersigned Heads of Mission in Bangladesh, representing the countries who are signatories to the Bangladesh Sustainability Compact, respectfully encourage the Government to urgently take all the necessary steps, including legal steps, to ensure that Accord can operate beyond 30 November 2018.

We wish to inform you that the views expressed in this letter are also shared by the Heads of Mission of the UK, the Netherlands, Sweden, Denmark, Germany, France, Italy, Spain and Norway, who were also consulted.

Sincerely,

Ambassadors and High Commissioner

EU Ambassador Rensje Teerink EU Delegation to Bangladesh Ambassador Marcia S. Bernicat

U.S. Embassy, Dhaka

Benoit Préfontaine

High Commissioner of Canada

in Bangladesh