

Summary Overview from JETI meeting on the new International Accord - September 9, 2021

After months of negotiations 114 brands have signed the new International Accord for Health and Safety in the Garment and Textile Industry, which came into effect on September 1st. The new agreement, which is managed through the International Accord Foundation in the Netherlands, is valid until the end of October 2023.

The meeting, held on September 9th and organised by ETI Norway, Denmark, Bangladesh and the UK (Joint ETI – JETI), aimed to provide an informal platform to share information and for members to engage in dialogue with representatives from trade unions and the brand negotiation committee.

The meeting was joined by 42 participants from brands as well as representatives from JETI, and was chaired by Marthe Kielland Røssaak, Advisor at Ethical Trade Norway. Out of the 30 corporate members represented in the meeting, 16 had already signed the new International Accord while 11 brands had not signed the new or the 2018 Accord.

Speakers

During the meeting, Abil Amin, ETI Bangladesh Country Manager, welcomed the new agreement and pointed to the need for a continued focus on health and safety for years to come, something which the current pandemic has again highlighted. In fact, many civil society representatives have worried that the 2018 Accord agreement would not be replaced, leading to a halt of activities initiated and carried out under the previous Accord. While the new and expanded Accord is appreciated among CSO representatives, there are still some question marks on how dynamics between various stakeholders including the Ready-Made Garments (RMG) Sustainability Council (RSC), the International Accord Foundation based in the Netherlands, the Government of Bangladesh and other key sector players will be managed.

Felicity Tapsell from Bestseller and part of the brand negotiation committee gave an informative presentation providing an overview of the negotiations, the positions of the key stakeholders and the main points agreed. She pointed out that it's important to remember that the RSC and the International Accord are two different organisations where the former is a permanent safety monitoring body of the Bangladesh RMG sector while the latter holds brands accountable to responsible sourcing practices in Bangladesh through a legally binding 1:1 agreement. The International Accord also aims to expand learnings, protocols, and policies from the Accord to other regions through feasibility studies. Please find the full presentation attached to this summary as Annex A.

Christina Hajagos-Clausen, Textile and Garment Industry Director at IndustriALL Global Union and a key negotiation representative from the Trade Union side mentioned that, in addition to having a joint governance mechanism between TUs and brands, the expansion of the new agreement, both geographically beyond Bangladesh and with a broader scope past fire and building safety, is a crucial part of the agreement. Whilst the component on Human Rights Due Diligence is optional in the agreement, it is envisioned that the new agreement can serve as a forum for brands to discuss and find practical solutions to complex issues in the labour market.

Attention during the initial 6 months of the agreement will now be given to confirming criteria for upcoming country-based feasibility studies with the aim of having a first tri-partite country programme between industry, brands and TUs running outside of Bangladesh before the end of this 2-year agreement.

Q&A

Several questions were raised during the one-hour event such as how the Government of Bangladesh will be involved in the new agreement. Ms. Hajagos-Clausen mentioned that the Government of Bangladesh is not part of the RCS or the Accord as these are private independent initiatives. However, the RCS includes a government coordination cell, as it continues to be a key stakeholder. There is a common narrative in Bangladesh that it is the Accord that shuts down non-compliant factories, but this is not accurate – it is only the government that can enforce such decisions. It is therefore crucial that a close coordination exist between the governing bodies having the power to enforce decisions and independent initiatives aiming to set binding standards and monitor compliance.

This led to another question around whether inspections will look different with the new agreement in place. According to the negotiation representatives no changes are envisioned as standard operating procedures and staffing structures will remain the same.

It was asked whether the negotiation participants have already discussed which countries to potentially include as part of the international expansion. Tapsell replied that while the International Accord Foundation has outlined some clear steps for how to initiate the feasibility studies, it must firstly have a clear overview of all signatories to the agreement and their priority sourcing countries before the locations for the studies can be agreed. However, Tapsell confirmed that countries such as Pakistan have been discussed. In terms of the additional scope beyond a focus on Occupational Health and Safety, Hajagos-Clausen mentioned that the RCS has discussed providing greater attention to environmental impact and labour rights although this has not yet been confirmed. When it comes to an enlarged scope of Occupational Health and Safety beyond the initial focus on fire and building safety, Hajagos-Clausen mentioned that learning from previous phases of the Accord has demonstrated the importance to also include issues such as capacity strengthening of factory Safety Committees and Sexual Harassment Complaints Committees.

One participant queried whether a minimum annual contribution from brands has been set. Veronique Camerer from the International Accord Foundation responded that the fee rate is according to a sliding scale based on the Annual FOB US \$ export value at cost price from Bangladesh and the number of factories. A first invoice will be issued to all signatory companies of 50% of the 2018 Transition Accord annual fee structure shortly while a second invoice will be determined at the beginning of 2022 based on a review of the fee structure, the number of signatory companies, and on assessment of remaining needs for the budget year 2021-2022. Please find the cost breakdown for invoice fees for September 2021 to June 2022 attached as Annex B.

One participant asked how the Alliance for Bangladesh Worker Safety and the International Accord interact. Hajagos-Clausen replied that the Alliance no longer exist, and therefore there is no interaction as such. However, they welcome signatures from the previous Alliance members to the International Accord.

Bangladesh Working Group

At the end of the meeting Sara Petersson, Global Partnerships Programme Manager at ETI UK, informed the participants that the Joint ETI is currently planning to set up a Bangladesh Working Group for interested JETI members. Communication in this regard will be sent out later this autumn.

The session was subsequently ended by Marthe Kielland Røssaak thanking all participants for joining the event.