

## Investors Urge Bangladesh Government Not to Abandon the Accord on Fire and Building Safety

250 institutional investors, with over \$4 trillion in assets under management, welcomed the formation of the Accord on Fire and Building Safety in Bangladesh (Accord) in May 2013, established to address workplace safety in Bangladesh garment factories following the deaths of 1,134 workers in the Rana Plaza building collapse. This group of investors has consistently supported the Accord throughout the 5 year process at every step. ([Investor Statement, May 2013](#))

At present, the Bangladesh government is trying to prevent the Accord from operating, putting workers' safety at risk. In its submission to the Supreme Court regarding the Accord's appeal against an order that it cease operating in Bangladesh as of November 30, 2018, the Government has stated that the Accord should only be allowed to continue operations under a set of highly restrictive constraints that include prohibiting Accord inspectors from identifying any new safety violations in the factories.

Despite significant progress on worker safety measures, the Accord's work is not completed and the government's Remediation and Coordination Cell (RCC) does not yet have the capacity nor has it demonstrated the willingness to inspect factories to the same standards. A transition plan for factory inspections, safety trainings, and a worker complaint mechanism will need much more time and genuine engagement by the government. It is vital that the Accord be allowed to continue its inspection and remediation work until that time.

The success of the Accord is built on the unprecedented collective action of global brands and trade unions. A strong, effective Accord is needed to finish the job to remediate all safety issues in the over 2,000 factories that are part of the Accord program and not allow the hard-earned gains to slip away. As shareholders in many of the companies sourcing product in the garment sector, we are concerned that the precipitous termination of the Accord would be too costly for worker health and safety and to brands that benefit from a garment sector with a secure, safe workforce.

The Bangladesh Supreme Court has scheduled a hearing for February 18<sup>th</sup>, 2019 to decide the status of the Accord. We therefore call on:

1. The Prime Minister of Bangladesh, Sheikh Hasina Wazed, to signal strong support for allowing the Accord on Fire and Building Safety in Bangladesh to continue its work to make factories safe for workers in the garment sector until the government has the capacity to do so.
2. The companies, sourcing product from the Bangladesh garment sector, to urge the Government of Bangladesh to allow the Accord to complete its work.

As investors, we are concerned that ending the work of the Accord would make it too risky for Accord signatory companies to continue to source from unsafe factories lacking a credible and effective regulatory system. This situation would make it difficult for companies to exercise their responsibility to respect human rights through a 'human rights due diligence' process throughout their Bangladeshi supply chain, and for garment workers to be safe and secure.

We believe the positive work done by the Accord companies and trade unions can be secured by staying the course until such time as the government of Bangladesh can fulfill its duty to protect the lives and livelihood of its workers.