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Findings of Independent Review of Alliance for Bangladesh Worker Safety Indicate Major Progress

Washington, D.C. – In a forum today to review progress of the Alliance for Bangladesh Worker Safety (Alliance) following its first year, Bipartisan Policy Center (BPC) Co-founder George Mitchell and Senior Fellow Olympia Snowe announced findings indicating that the Alliance has made “significant and laudable progress” in the effort to improve safety in Bangladesh garment factories. Former Sens. Mitchell and Snowe were joined by Bangladesh Ambassador to the U.S. Muhammad Ziauddin, Alliance Board Chair Ellen Tauscher, key U.S. officials and Bangladesh labor leaders, Alliance leadership and other key stakeholders as findings from an independent assessment of the Alliance were announced.


Hon. Ellen Tauscher Remarks

September 17, 2014
Bipartisan Policy Center

Thank you all for joining us today. I’m Ellen Tauscher, former Member of the U.S. Congress and Independent Chair of the Alliance for Bangladesh Worker Safety—a position I’ve had the honor of holding since last August, shortly after the Alliance was established.

Today’s event marks an important milestone—and a “full-circle moment”—in the progress of the Alliance for Bangladesh Worker Safety.

As most of you know, the Alliance was originally organized through the U.S. Bipartisan Policy Center, which hosted discussions that were convened and chaired by former U.S. Senate
Majority Leader George Mitchell and former U.S. Senator Olympia Snowe—both of whom are here and hosting us again today.

It is only appropriate that I should start by thanking the Bipartisan Policy Center and these two great leaders for the conversations that they started more than a year ago. Their leadership led us down the path we are on today—toward lasting safety reform for the entire Bangladesh garment industry.

Everyone present in this room already knows the critically important role that the Bangladesh garment industry plays in supporting the livelihoods of nearly four million people—80% of whom are women. It is a major driver of the Bangladesh economy, accounting for 80% of the nation’s export earnings.

When our work began more than a year ago, it was triggered by a series of factory tragedies that should never have happened in the first place. The reforms we are working so hard to achieve are long overdue—in this day and age, no one, no matter where they live, should have to risk their life in order to go to work and provide for their family.

That is why the Alliance—along with its member companies—has approached this work as an urgent issue of human rights and social justice.

When Senators Mitchell and Snowe convened the discussions that led to the formation of the Alliance, it was because there was broad recognition that the United States—our government, our private sector, our civil society resources—must do its part to bring about lasting safety reforms in the Bangladesh garment industry.

From the very beginning, Alliance member companies committed nearly $50 million to a worker safety fund and made an additional $100 million available in affordable access to capital to help factories implement safety upgrades. In recent weeks, we’ve approved another fund that will help leverage—and guarantee—up to an additional $20 million in support for factory owners through low-cost financing.

Fourteen months after our launch, I am pleased to report that the Alliance and its member companies are succeeding in their effort. Despite being global competitors, these companies have united their expertise and resources with uncommon dedication. It has been a privilege to work with them, and to witness real and lasting change result from unprecedented partnerships.
When we arrived on the ground in Bangladesh, the garment industry and the nation was still reeling from the Rana Plaza disaster. There was very little in the way of organized or strategic planning—let alone the necessary partnerships—to create systemic safety reforms in the industry. There was no harmonized standard for safety inspections; no systematic process for reviewing and recommending factories for closure; and no plausible way for factory owners to get the access to capital they might need to follow through on remediation plans.

Our very first step was to develop a harmonized inspection Standard that would be adopted by the National Tripartite Committee and the European Accord on Fire and Building Safety in Bangladesh. We did more than just participate in those discussions; we led the process that resulted in a strict new Standard for safety that is now in use by all inspection programs on the ground.

In those early days, we made many pledges for our first year in operation – and today, we can confidently say that we have met them. To date, we have:

- Inspected 100% of the factories from which Alliance members source—587 factories in total
- Delivered an updated safety training to more than 1.1 million factory managers, workers, and security personnel; sample surveys among workers show that the training has already had a significant impact on their knowledge of fire safety
- Begun remediation in 50% of Alliance factories, and closed or partially closed 14 factories that required it
- Compensated more than 1,000 workers displaced as a result of factory remediation; as many of you know, the Alliance’s pledge to provide 50% of lost wages for up to 4 months is a key differentiator of our approach

We have also begun the rollout of a helpline that enables workers to report concerns without fear of reprisal. We amended our Member’s Agreement to make it crystal clear that workers in factories from which Alliance companies source have the right to refuse work in conditions they feel are unsafe—period.

We kept these promises while building extraordinary partnerships with the government and industry leaders in Bangladesh that led to additional critical contributions to safety reform:

- We led efforts to design and launch the first-ever International Expo on Fire and Building Safety in Bangladesh, to make the process of purchasing safety equipment easier and better informed for factory owners and managers. The event was so successful that a
second event is being planned for this December, with more than 5,000 participants expected.

- We advocated successfully with the Bangladesh government to reduce import tariffs on safety equipment—tariffs that were in some cases as costly as the goods themselves, putting repairs again out of reach for factory owners. Today, factory owners can focus more of their resources on completing thorough, and thoughtful, remediation programs.

These additional avenues for change—working with related industries and stakeholders to remove political and social barriers—are a defining element of our approach, and we continue to seek them every day.

In fact, today I am pleased to announce that we have just signed an MOU with the National Fire Protection Agency. Our collaboration will ensure that best practices in fire and electrical safety that are used around the world are also adopted in Bangladesh. Specifically, the partnership is designed:

- To ensure that key stakeholders are made aware of NFPA codes, standards and resources;
- To develop effective training and education programs for factory workers and managers, including classroom and e-learning opportunities; and
- To develop new ways of communicating with employers and workers in the RMG sector about key workplace hazards.

We are just one year in to a five-year commitment—and the hardest work is certainly still ahead of us. Successful and comprehensive remediation is essential to ensure that the Bangladesh garment industry can safely serve its ultimate purpose: to serve as a central driver of the Bangladesh economy and a critical pathway out of poverty for millions of Bangladeshi women.

We are pleased with the progress at our one-year mark—and we believe the right plan and partners are in place to continue this momentum and create lasting change in Bangladesh. But we also seek to constantly strengthen our approach—so that we leave behind the process and capacity that is needed to ensure long-term and sustainable changes to factory safety.

Today, we are here to conduct a one-year assessment of the Alliance’s progress. We take these discussions and this opportunity for honest, constructive feedback very seriously. In particular,
we invite input and inquiry from you, Senators Mitchell and Snowe, and pledge that we will be transparent and candid with our responses.

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