

PAKISTAN ACCORD ON HEALTH AND SAFETY IN THE TEXTILE AND GARMENT INDUSTRY

Frequently asked questions (FAQS)

1) What is the Pakistan Accord?

The Pakistan Accord on Health and Safety in the Textile and Garment Industry (Pakistan Accord) is a legally binding agreement between company and trade union signatories to the International Accord on Health and Safety in the Textile and Garment Industry (International Accord). The Pakistan Accord is a country-specific safety program established as a part of the commitments under Articles 38 and 39 of the International Accord to expand the work of the Accord to other countries beyond Bangladesh.

The purpose of the Pakistan Accord is to establish a programme to ensure worker health and safety in the garment and textile supply chains of company signatories sourcing in Pakistan.

The full Pakistan Accord is available at: www.internationalaccord.org

2) What is the duration of the Pakistan Accord?

The Pakistan Accord will initially be signed for a three-year period, with the prospect of renewal.

3) What are the fundamental elements of the Pakistan Accord?

The Pakistan Accord builds on key elements of the International Accord including:

- Independent inspections and remediation of fire, electrical, structural and boiler safety hazards
- High level of transparency on a factory-by-factory basis
- Provisions to ensure remediation is financially feasible
- Safety Committee training and worker safety awareness program
- Respect for freedom of association in relation to protecting worker safety
- An independent complaints mechanism
- Joint capacity building with the government of Pakistan

4) How is the Pakistan Accord linked to the International Accord?

The Pakistan Accord is a country program established as a part of the commitments under Articles 38 and 39 of the International Accord. Signatories to the Pakistan Accord shall also be signatories to the International Accord. The current International Accord expires on 31st October 2023. The signatories to the Pakistan Accord will strive to reach agreement on a



prolongation of the international Accord which would then integrate the Pakistan Accord and other Country-Specific Safety Programs (CSSP) under the International Accord.

5) What is the scope of the Pakistan Accord?

- The Pakistan Accord covers all Cut-Make-Trim (CMT) facilities, namely all Ready-Made Garment (RMG), home textile, fabric and knit accessories suppliers, producing product for the signatory companies. Furthermore, fabric mills in Pakistan that are within the supply chains of the signatories are covered.
- The timing and process of the implementation of the Pakistan Accord in relation to fabric mills that are not part of integrated facilities, shall be subject to agreement of the Steering Committee of the International Accord (SC).

6) Why and how have the signatories decided to establish a program in Pakistan?

Signatories have agreed to establish a program in Pakistan following a year-long study by the International Accord Secretariat to assess the feasibility of new country programmes based on a number of criteria. Criteria included, amongst others: the presence and volume of signatory brands in the country; the interest of brands, local stakeholder support, the extent to which existing mechanisms are able to regulate safety, and the extent to which there are safety problems.

The Secretariat conducted brand surveys, desk research, and in-depth interviews between October 2021- January 2022 to measure interest, presence, and volume of signatory brands in key garment-producing countries.

Between March - August 2022, the Secretariat met with key stakeholders from industry, government, trade unions, brands, and civil society in the priority countries for in-depth stakeholder consultations.

Based on strong interest from stakeholders, the Accord Steering Committee agreed to conduct pilot safety assessments at 7 facilities in Pakistan as part of the feasibility study to inform the possible establishment of a workplace safety program there.

In December 2022, international textile and garment retailers and the global trade union signatories to the International Accord agreed to establish a new workplace safety program in Pakistan.

7) How many facilities in Pakistan do International Accord signatories source from?

It is estimated that between 500 to 700 facilities in the provinces of Sindh and Punjab are producing for over 100 International Accord signatories, with the collective export value of



brands being over \$2 billion USD. Upon signing the Pakistan Accord, brands will submit their full factory lists to the Accord Secretariat. Textile and garment factories are primarily clustered in the areas of Karachi, Lahore, Sialkot, and Faisalabad, making Punjab and Sindh the main garment producing provinces in Pakistan.

8) Will all International Accord signatories sign the Pakistan Accord?

All International Accord signatories sourcing from Pakistan will be expected to sign the new agreement.

9) Who will implement the agreement?

- The Pakistan Accord will be implemented by the International Accord Secretariat through the establishment of liaison offices in Karachi and Lahore, and in close cooperation with garment and textile industry representatives, Pakistan's government institutions, local trade unions, civil society organisations, local experts and ILO Better Work Pakistan.
- The International Accord Steering Committee will monitor signatories' fulfilment of the Pakistan Accord agreement and oversee management of the Pakistan Accord in the first phases.
- A national governance body including national constituents will be established, including industry, brands, trade unions and others upon agreement. The mandate and composition will be determined through a consultative process.
- International Accord governance principles and policies will be applicable to the Pakistan Accord and implemented in conformity with Pakistani law.

10) What fee do brands have to pay for the program in Pakistan?

Signatory companies shall assume responsibility for funding the activities of the program as set forth in this agreement. Each company contributing its equitable share of the funding in accordance with a formula to be established by the SC subject to a minimum contribution of US\$ 2.500 and maximum contribution of US\$ 185,000 per year for each year of the term of this agreement.

11) What is the tentative timeline to set up the program in Pakistan?

The Pakistan Accord programs will be implemented in phases over the course of the threeyear program starting from the beginning of 2023. After completion of each phase, progress will be reviewed and adjustments made for the rolling-out of next phases in close collaboration with the key constituents, industry, trade unions and brands.

12) What happens after the International Accord 2021 expires in October 2023?

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Before its expiration in October 2023, the brands and trade union signatories to the International Accord are committed to hold negotiations with the aim to prolong the agreement, which then would integrate the Pakistan Accord and other Country-Specific Safety Programs (CSSPs) under the International Accord.

13) What has the Accord achieved so far?

The workplace safety progress and achievements of the 2013 and 2018 Accords on Fire and Building Safety in Bangladesh remain publicly available on the <u>Bangladesh Accord website</u>.

This includes Quarterly Aggregate Reports, Remediation Updates, and up-to-date factory-byfactory remediation data.

Since the start of the Accord in Bangladesh, almost a decade ago in May 2013, very significant progress has been achieved in advancing workplace safety. More than 2000 Bangladeshi garment factories have been inspected and more than 150,000 safety hazards were identified. Of these, more than 92% have now been remediated. More than 1400 labour-management safety committees have been trained to functioning effectively, and more than 1500 occupational health and safety complaints have been resolved.

14) When can brands sign?

Brands will receive an information package on the Pakistan Accord and will be invited to sign from 16 January 2023.

Learn more about the Pakistan Accord from the following sources:

Announcement about the Pakistan Accord

Executive Summary of the Pakistan Accord agreement

Briefing for manufacturers

If you have further questions, please contact the Accord team at: <u>contact@internationalaccord.org</u>