

A stylized world map composed of a grid of dots in various shades of gray, with several dots highlighted in red. The map is centered behind the title and subtitle.

## Corporate responsibility in the »Bangladesh Accord«

Which regulations are transferable to other supply chains?

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- With the collapse of the Rana Plaza garment factory in Bangladesh in April 2013, at the latest, the failure of voluntary regulation of companies' responsibilities for their supply chains became an international issue. As a result the »Accord on Fire and Building Safety in Bangladesh« was agreed between more than 220 transnational brand companies, two global trade union federations and eight Bangladeshi trade unions.
- In the past 20 years numerous transnational agreements have been concluded between global trade union federations and companies. The implementation rules contained in the »Bangladesh Accord« and in particular its status as legally binding represent a qualitatively new development, setting new standards.
- The Accord lays down new benchmarks in relation to the bindingness of agreements, as well as various regulations that make implementation more effective. In particular the establishment of a court of arbitration whose verdicts are legally enforceable, the provisions on transparency and clauses on unauthorised subcontracting are milestones that future transnational agreements ought not to fall short of.



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## 1. Introduction

In the domain of outsourced production in the countries of the global South (and East) serious violations of fundamental labour standards are found, time and time again, at the bottom end of global value chains. In particular, serious accidents in ready-made garment businesses in Bangladesh<sup>1</sup> have often been the subject of public debate after it came to light that more than 1,100 workers lost their lives when the Rana Plaza factory building collapsed in April 2013, with many other workers seriously injured. At this point, at the latest, the failure of voluntary provisions of corporate responsibility and the relevant monitoring instruments became clear; the factory in question had been audited only a few months before the collapse at the behest of the »sourcing« brand companies by the Rhineland TÜV (testing, inspecting, auditing and certification organisation), without any indication in the audit report that there were problems of building safety.<sup>2</sup> As a result, the global trade union federations UNI Global Union and IndustriAll reached an agreement on building safety and fire prevention with brand companies purchasing in Bangladesh that is remarkable in a number of respects and sets new standards with regard to bindingness and implementation for international framework agreements.

### 1.1 Lines of Development of Global Agreements

In the past 20 years numerous agreements have been reached between global trade union confederations and transnational companies or groups.<sup>3</sup> International framework agreements (IFAs) are agreed by global union

federations (GUFs) with individual transnational companies. In contrast to unilateral CSR instruments, global framework agreements are the product of negotiations and thus an instrument of industrial relations.<sup>4</sup> Although initially IFAs were fairly rudimentary and contained little more than the ILO core labour standards such agreements have developed further and now not unusually contain dedicated rules on implementation and monitoring.<sup>5</sup> Besides agreements with worldwide application, European framework agreements are increasingly being concluded at enterprise or group level,<sup>6</sup> not infrequently with the participation of European works councils, and the terminology changed towards transnational collective agreements (TCAs).<sup>7</sup> Those collective agreements are labelled »transnational« that are concluded by employees' representatives<sup>8</sup> with the representatives of transnational enterprises and whose scope encompasses several countries.<sup>9</sup> To date, TCAs have only in the rarest cases contained provisions on conflict resolution, such as a dispute resolution mechanism or a clause on the jurisdiction that shall apply in the event of a dispute. Regulations of the kind agreed with Arcelor and Umicore, such that in the event of a dispute Luxembourg or Belgian law shall apply, are the absolute exception.<sup>10</sup> The participating actors have stressed again and again that the enforceability of agreements rests less on the extent to which they are legally binding and is rather a question of trade union clout.<sup>11</sup> Implementation problems and violations are, in the first instance, supposed to be clarified internally as they arise, without striving for legal enforceability.<sup>12</sup> The Accord's implementation rules and in particular the

1. For more details see: Khan/Wichterich, Safety and labour conditions: the accord and the national tripartite plan of action for the garment industry in Bangladesh, 2015, p. 2.

2. In its auditing report Rhineland TÜV even stated that the building's construction quality should be designated »good«. For this reason complaints were made against Rhineland TÜV by the NGOs ECCHR, Medico International and Femnet, together with the trade unions Garment Workers Unity Forum and the Comrade Rubel Memorial Center of Bangladesh before the OECD's National Contact Point; cf. Generalanzeiger Bonn of 13.5.2016, online: <http://www.general-anzeiger-bonn.de/news/wirtschaft/region/Beschwerde-gegen-T%C3%BCv-Rheinland-article3253769.html>, as well as ECCHR, online: <https://www.ecchr.eu/de/unser-themen/wirtschaft-und-menschenrechte/arbeitsbedingungen-in-suedasien/bangladesch-tuev-rheinland.html> (30.11.2016).

3. Cf. to take some examples out of many: Telljohann et al., International framework agreements: a stepping stone towards the internationalization of industrial relations? Dublin 2009; as well as Sobczak, Ensuring the effective implementation of transnational company agreements, EJIR 2012, p. 139 ff.; each with further citations.

4. Zimmer), Will Corporate Social Responsibility Help to Improve Working Conditions? Beijing 2012, p. 260.

5. For further information see: Zimmer, Entwicklungsperspektiven transnationaler Kollektivverhandlungen in Europa [Development prospects of transnational collective negotiations in Europe], EuZA 2013, p. 247 (252).

6. In its database the European Commission lists a total of 282 agreements (both global, as well as such limited to the EU), online: <http://ec.europa.eu/social/main.jsp?catId=978&langId=en> (23.11.2016).

7. Cf. Rüb/Platzer/Müller, Transnationale Unternehmensvereinbarungen [Transnational collective agreements], 2011.

8. Besides trade union federations this also includes selected employee representative bodies.

9. Cf. European Commission 2008, <http://ec.europa.eu/social/main.jsp?catId=978&langId=en> (download 28.08.2012).

10. Cf. more far-reachingly: Blé, Business Commitments in CSR Codes of Conduct and International Framework Agreements, 2011, p. 205 (209); Zimmer, EuZA 2013, p. 247 (252).

11. Sobczak 2012, loc.cit., p. 140 f.

12. Blé 2011, loc.cit., p. 209 f.; Jagodzinski, Transnational collective bargaining: a literature review, 2012, S. 19 (42), Sobczak 2012, loc.cit., p. 140 f.; Zimmer, EuZA 2013, p. 252 f.

legal bindingness due to the agreed dispute resolution mechanism represent a qualitatively new development.

## 1.2 Starting Point in Bangladesh

Garment production is one of the most important economic factors in Bangladesh and has at its disposal an enormous reservoir of cheap labour. Although the country does not produce any cotton in Bangladesh, it is the world's second biggest garment exporter after China.<sup>13</sup> The value chain of ready-made garment manufacture is largely dominated by buyers (buyer-driven production chain) that exercise strong downward pressure on prices. According to ILO figures, wages are among the lowest in the world,<sup>14</sup> while working conditions in garment production leave a lot to be desired<sup>15</sup> and corruption is widespread.<sup>16</sup> The factory collapse at Rana Plaza was not the first major incident in Bangladesh in which many workers were killed or injured. For example, in 2010, 21 workers lost their lives in a fire at the company Garib and Garib,<sup>17</sup> while the fire at Tazreen Fashion in 2012 claimed over 100 lives.<sup>18</sup> As a consequence, in 2012 within the framework of a multistakeholder initiative, a Memorandum of Understanding on fire prevention and building safety was worked out for Bangladesh, although it was signed by only Pvh and Tchibo and thus initially did not come into force.<sup>19</sup> This 2012 MoU served as the template for the negotiations on the Accord after the Rana Plaza catastrophe in 2013.

13. Farhana/Syduzzaman/Shayekh, Present Status of Workers in Readymade Garments Industries in Bangladesh, *European Scientific Journal* 2015, p.564 f; Khan/Wichterich, Safety and labour conditions: the accord and the national tripartite plan of action for the garment industry of Bangladesh, 2015, p. 2.

14. According to an assessment of December 2015, the minimum wage in Bangladesh stands at 68 USD; only Sri Lanka, at 66 USD/month is slightly below it, Cowgill/Luebker/Xia (ILO Regional Office for Asia and the Pacific), Minimum wages in the global garment industry: Update for 2015, online: [http://www.ilo.org/asia/whatwedo/publications/WCMS\\_436867/lang-en/index.htm](http://www.ilo.org/asia/whatwedo/publications/WCMS_436867/lang-en/index.htm) (28.11.2016).

15. Cf. in detail: Khan/Wichterich 2015, p. 2 ff.

16. Cf. Transparency international, online: [www.transparency.org/cpi2015](http://www.transparency.org/cpi2015) (30.08.2016).

17. The Independent 2.3.2010, online: <http://www.independent.co.uk/life-style/fashion/news/21-workers-die-in-fire-at-hm-factory-1914292.html> (22.11.2016).

18. NY Times 25.11.2012, online: [http://www.nytimes.com/2012/11/26/world/asia/bangladesh-fire-kills-more-than-100-and-injures-many.html?\\_r=0](http://www.nytimes.com/2012/11/26/world/asia/bangladesh-fire-kills-more-than-100-and-injures-many.html?_r=0) (22.11.2016).

19. In order to come into force the MoU would have to be signed by at least three TNUs.

## 2. Content of the Agreement

The Accord on Fire and Building Safety in Bangladesh (Bangladesh Accord) is an agreement between more than 220 transnational brand companies and the global trade union confederations IndustriAll and UNI-Global Union, as well as eight Bangladeshi trade unions<sup>20</sup> to improve health and safety in the workplace in Bangladesh with regard to building safety and fire prevention.<sup>21</sup> The agreement has a term of five years and ends on 12 May 2018. To improve health and safety in the workplace, comprehensive inspections of the production facilities functioning as suppliers of the signatory parties were specified, as well as the elimination of any deficiencies that might be discovered. On top of this there are training programmes for local management and employees. The signatory brand companies are to provide the funds required for the administration of the Accord. The regulations underlying the factory inspections are based, on one hand, on national law (Bangladesh National Building Code), interacting with international standards and the national action plan (National Tripartite Plan of Action).

### 2.1 Categorisation of Suppliers

The factories supplying the signatory parties are divided into three categories:

**Tier 1 suppliers**, according to paragraph (par.) 1 of the agreement, are those that produce 30 per cent (or more) of annual production for one of the signatory companies.

**Tier 2 suppliers** are all remaining (larger) companies that mainly have longer-term contractual relations with (one of) the signatory companies (par. 2 of the Accord).

**Tier 3 suppliers** are those producers that only occasionally work for one of the signatory companies or in which less than 10 per cent of their annual orders are carried out for one of the signatories (par. 3 of the Accord).

20. The Bangladesh Textile and Garments Workers League; the Bangladesh Independent Garment Workers Union Federation; the Bangladesh Garments, Textile and Leather Workers Federation; the Bangladesh Garment and Industrial Workers Federation; the Bangladesh Revolutionary Garment Workers Federation; the National Garment Workers Federation; the United Federation of Garment Workers; and the IndustriAll Bangladesh Council (IBC).

21. In addition, four NGOs signed the agreement as witnesses; the list of signatory parties may be found online here: <http://bangladeshaccord.org/signatories/> (24.11.2016).

Reference is therefore made within the framework of this subdivision to the proximity of suppliers to the transnational customer. At least 65 per cent of the procurement of the signatory brands in Bangladesh comes from tier 2 and tier 3 suppliers. The categorisation of suppliers presented here has consequences for the frequency of workplace safety inspections.

## 2.2 Safety Inspections and Corrective Action

The inspections to be carried out concern safety problems with regard to fire prevention and electricity or other fundamental building defects and are implemented under the supervision of the occupational safety specialist to be nominated in accordance with the Accord. The frequency of inspections depends on the classification of suppliers in the abovementioned three categories, in respect of which each production facility should be subject to an initial inspection concerning workplace safety standards within two years of the signing of the agreement (par. 9 of the Accord). By this means, risky production facilities in particular are to be identified. Tier 3 suppliers are subject to inspections only to a limited degree: to the extent that they are categorised as particularly risky they are to be treated as tier 2 suppliers.

A written report must be produced within two weeks of an inspection, which must be transmitted to the management of the factory, the workplace committee for occupational safety and health protection, the employee representatives, the signatory companies and the Steering Committee (SC). If there is no committee for occupational safety and health at the factory, or the safety inspector found it to be not fit for purpose the report shall be transmitted to the signatory trade unions. Management and the signatory brands shall, in response, work out a Corrective Action Plan in order to rectify the problems that have been identified. If, within the framework of such corrective measures, factories have to close temporarily, the employees may not be dismissed, but shall be entitled to their regular incomes for a period of up to six months (par. 13 of the Accord). The high degree of transparency is particularly noteworthy; for example, not only the supplier firms, but also all inspection reports and remediation plans are accessible online.

While, in accordance with the agreement, the funding of inspections and the overall administration of the Ac-

cord is to be ensured by the signatory companies,<sup>22</sup> the formulation in relation to bearing the costs of corrective action is rather vague. Under par. 22 the signatory companies have merely committed themselves to negotiating a Corrective Action Plan with the suppliers whose implementation is »financially feasible«. Whether funding takes place in common, via donations, government allocations or loans, or the supplier bear the whole costs alone, remains open. Given the immense market power and comparatively high profit margins of the brands, this is a rather unsatisfactory outcome.

## 2.3 Employee Involvement

Employee involvement has been made possible by the creation of committees for occupational health and safety at establishment level.<sup>23</sup> In the case of tier 1 suppliers, training measures concerning building safety and fire prevention are mandatory for employees, management and safety personnel. This training must be carried out with the participation of the signatory trade unions (par. 16), which thus gives the latter an opportunity to signal to the employees that occupational safety is an issue for them and that they are open to employees' concerns.

## 3. Action Mechanisms

In addition, various governance structures have been established for the implementation of the Accord.

### 3.1 General Mechanisms of Action

A wide range of implementation measures were laid down in the agreement. They include, above all, capacity-building by means of training measures for management and employees with the involvement of the trade unions, as well as the development of preventive mechanisms. Such mechanisms of action are characterised as proac-

22. According to par. 24 of the Accord the signatory firms are to make an annual contribution calculated in accordance with their level of procurement in Bangladesh (maximum 500,000 \$/year).

23. These committees are a mixed blessing, since they offer employers the chance to get »suitable« and submissive employees elected to them. Given the complexity of the issues, however, there is no room to go into this question.

tive problem-solving strategies,<sup>24</sup> which supplement the so-called »command-and-control« action mechanisms based on traditional monitoring.<sup>25</sup>

The key decisions with regard to implementation of the Accord are taken in a steering committee with parity representation of management and trade unions (see par. 7.4), with an ILO representative acting as neutral chair. The steering committee also has a central role with regard to the agreed dispute resolution mechanism (see below). Further input and feedback come from an advisory committee, in which NGOs also have a seat alongside the social partners.

### 3.2 Agreed Conflict-Resolution Mechanisms

It is noteworthy that the Accord, in contrast to most other international framework agreements, contains specific dispute resolution mechanisms. For example, on one hand, complaint options are laid down for employees, who can also report safety problems anonymously on a hotline; these mechanisms have also been widely communicated.<sup>26</sup> Conflicts between the signatory parties are to be mediated first and foremost by the steering committee, which is supposed to make a decision within 21 days at the most by a simple majority (par. 5). If the dispute cannot be resolved at this level the next step is to appoint a court of arbitration, that functions in accordance with the UNCITRAL regulations for international commercial arbitration<sup>27</sup> and whose arbitration award is legally enforceable in accordance with the New York Convention<sup>28</sup> in the country of the headquarter of the relevant signatory company. In the event of disputes about the implementation of the Accord, however, the contracting parties shall *not* be denied recourse to their national courts because they have agreed merely that an arbitration procedure »*may be*« (but does not have to) be

followed. Both options thus remain open to the contracting parties. With regard to the solution of conflicts by arbitration awards, however, the composition of the arbitration board is very important. No provisions have been made on this, which provides potential for disagreements in the event of a dispute. Moreover, questions could be raised whether the UNCITRAL regulations developed for international trade law disputes would have to be more closely adapted to labour and human rights issues. Overall, however, it is clear that the signatory parties, in contrast to earlier transnational agreements, wanted to create *binding* regulations in order to improve building safety and fire prevention in Bangladesh.<sup>29</sup>

## 4. Additional Legal Questions

Although numerous transnational company agreements have now been signed, at the global level there is neither a separate legal basis nor a legal framework. Although the agreements can be considered as an expression of the general principle of contractual freedom<sup>30</sup> they are nevertheless in a legal grey area.<sup>31</sup> Agreements such as the Accord, which contain obligations on the contracting parties, are to be categorised as in personam agreements.<sup>32</sup>

The contracting parties of the Accord did not want to exclude legal recourse, but it is clear that the dispute resolution mechanism should take priority. If this path is taken the arbitration award is binding and final, and a national court can then be appealed to only for the purpose of legal implementation.<sup>33</sup> An arbitration award within the meaning of the New York Convention is legally

24. Ter Haar/Keune, International Journal of Comparative Labour Law and Industrial Relations 1/2014, p. 5 (14).

25. Ibid. p. 20.

26. According to the lead safety inspector Brad Loewen and the Executive Director Rob Wayss in an interview on 25.7.2016.

27. Cf. United Nations Commission on International Trade Law, UNCITRAL Arbitration Rules, online: <http://www.uncitral.org/pdf/english/texts/arbitration/arb-rules-2013/UNCITRAL-Arbitration-Rules-2013-e.pdf> (24.11.2016).

28. The Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) of 10 June 1958, online: <http://www.newyorkconvention.org/11165/web/files/original/1/5/15457.pdf> (24.11.2016).

29. Evans, Accord on Fire and Building Safety in Bangladesh, in: North Carolina Journal of International Law 2015, p. 597 (607).

30. Hauch, International Framework Agreements, 2015, p. 100.

31. On this debate, see: Zimmer, Soziale Mindeststandards und ihre Durchsetzungsmechanismen [Social minimum standards and the implementation mechanisms], 2008, pp. 267 ff.; Sobczak, Legal dimensions of international framework agreements in the field of corporate social responsibility, in: Papadakis, Cross-Border Social Dialogue and Agreements: An emerging global industrial relations framework? 2008, p. 115 ff; Thüsing, International Framework Agreements: Rechtliche Grenzen und praktischer Nutzen, RdA 2010, 78 (91 ff.); Krause, International Framework Agreements as Instrument for the Legal Enforcement of Freedom of Association and Collective Bargaining? CLLPJ 2012, 749 (758 ff.), each with further citations.

32. Krause (with regard to IFAs), International Framework Agreements as Instruments for the Legal Enforcement of Freedom of Association and Collective Bargaining? The German Case, CLLPJ 2012, Vol. 33, p. 763 (749).

33. Cf. par. 5: »final and binding arbitration process«.

enforceable in accordance with par. 5 (of the Accord) in the home states of the signatory brands.

## 5. Summary: Special Features of the Accord

The Bangladesh Accord was brought into being through the interaction of various actors. On the side of the global trade union federations, it was the first cooperation of the GUFs UNI Global Union and IndustriAll signing a global agreement with transnational companies. While IndustriAll, based on the membership of trade unions in the clothing sector in Bangladesh, has a mandate to represent factory workers there, the member trade unions of UNI predominantly organise employees in retailing in the countries where the brands' headquarters are located, and thus are at the other end of the value chain. This production-related power of representation was complemented by NGOs that were able to exert pressure on brand companies outside the system of industrial relations via the market power of consumers.<sup>34</sup> The Accord was also concluded when the attention of world public opinion was directed towards the procurement policies of transnational brands in Bangladesh because of the catastrophe there, which provided enormous potential to exert pressure against the employers' side.

As many studies show, the substance of agreements between global trade union federations and TNU have changed over time; now there is a much higher proportion of regulations and procedures concerning implementation of and compliance with agreements.<sup>35</sup> Not least because of the strong bindingness due to the agreed dispute resolution mechanism the Bangladesh Accord can be categorised as a new model of cooperation between global purchasers and global trade union organisations regarding the implementation of social minimum standards,<sup>36</sup> even though to date no court of arbitration

has been activated. It seems that the mere threat of such a procedure goes some way towards resolving disputes.

As a new step, brand companies signing up to the Accord thereby acknowledge a liability for working conditions (at least with regard to building safety and fire prevention).<sup>37</sup>

However, it would be difficult to separate the motivation to establish the Accord from the particular set of circumstances in which it emerged: because of the catastrophe at Rana Plaza the immense problems concerning building safety and fire prevention had to be tackled and thus the Accord is very solution-oriented with detailed provisions designed to ensure practical implementation. In the case of previous IFAs, by contrast, the motivation was often to establish relations with the social partners and, as a rule, not the result of specific abuses.

The agreement overall is very solution-oriented; numerous provisions have been drawn up in order to improve building safety and fire prevention. Given the long-term commitment of the buyers the usual mechanism of »cut and run« has been excised from the sector; instead, concrete improvements are to be instituted at suppliers.<sup>38</sup> What is problematic with regard to the comprehensive implementation of the Accord – which contains no guidelines on it – is the practice widespread in the sector of unauthorised subcontracting. Furthermore, the Accord was concluded only for a limited time period, which calls its effectiveness into question.<sup>39</sup>

A new level of transparency was achieved with the Accord, however: all reports on inspections, as well as Corrective Action Plans for all suppliers are publically accessible on the Accord website. The high level of legitimacy is further boosted by the fact that the ILO is involved at various points: as a neutral chair of the Steering Committee and in the advisory body.

With regard to the manifold problems at ready-to-wear clothing firms in Bangladesh, however, the agreement represents only a first step. Wages continue in the main to be below subsistence level, excessive overtime

34. Reinecke/Donaghey, *After Rana Plaza: Building coalitional power for labour rights between unions and (consumption-based) social movement organizations*, Organization 2015, p. 720–726 ff.).

35. See Hadwiger, *Global framework agreements: Achieving decent work in global supply chains?*, in: *IJLR* 2015, p. 75 ff.; Sobczak, *Ensuring the Effective Implementation of Transnational Company Agreements*, *EJIR* 2012, p. 139 ff.; Ter Haar/Keune, p. 14.

36. Holdcroft, Jenny, *Transforming Supply Chain Industrial relations*, *International Journal of Labour Research*, 7/2015, p. 95 (100); Rahmann, *Accord on »Fire and Building Safety in Bangladesh«: A Breakthrough Agreement?*, in: *Nordic Journal of Working Life Studies* 2014, p. 69 (73 f.).

37. Evans, *Accord on Fire and Building Safety in Bangladesh: An International Response to Bangladesh Labour Conditions*, *North Carolina Journal of International Law* 2015, p. 597 (620).

38. Cf. the provisions in par. 23 of the Accord.

39. See: <http://www.dandc.eu/en/article/not-much-progress-improving-occupational-safety-bangladeshs-garment-industry>



is regularly demanded and trade union organisation is suppressed, even though the Accord has provided trade unions with at least a small foot in the factory door; the level of trade union organisation has doubled since the Rana Plaza catastrophe, but at 5 per cent of employees<sup>40</sup> it is still extremely low.

## 6. Transferability of the Accord to Other Contexts?

In practice, the question arises of whether the Accord's mechanism of action could be transferred as a model to other contexts. In other countries of the region, too, building safety and fire prevention are not always provided for; indeed, in value chains worldwide there are sometimes severe violations of fundamental labour rights, so that there is clearly a need for similar, enforceable and binding regulations with regard to a range of worker standards.

The Accord was adopted when global public attention was directed towards the procurement policies of transnational brands because of the catastrophe in Bangladesh and thus there was extraordinarily strong pressure on companies. However, such a situation is unlikely to occur again, notwithstanding continuing severe labour rights violations, in the context of worldwide textile and clothing production. Without such pressure, however, it is questionable whether a similarly high degree of bindingness could be achieved. It is also questionable whether there would be a similar degree of cooperation between the different actors on the workers side (trade unions and NGOs) in a different context.

Moreover, in contrast to many other global agreements the contents of the Accord are limited to building safety and fire prevention, while traditional trade union issues, such as wage levels, working time and trade union rights are absent. Although the Accord was also signed by the six trade unions in Bangladesh operating in the textile sector the negotiators on the trade union side were the global trade union federations IndustriAll and UNI-Global Union. These emphasise, however, that in relation to traditional trade union issues closer participation on the part of employees or their direct representatives – that

is, local trade unions – is indispensable.<sup>41</sup> In this respect rather the agreement between Indonesian trade union federations, brand companies and suppliers on ensuring trade union rights<sup>42</sup> could serve as a model, although the approach taken to individual countries would have to be differentiated because of their specific features.

It is clear, however, that **new benchmarks** were laid down with regard to the **bindingness of agreements** on implementing workers' rights, be they transnational agreements (such as IFAs) or agreements within the framework of national alliances, such as the German Textile Partnership (Textilbündnis). The Accord contains various regulations that make the implementation mechanism more effective than is the case with other agreements. Things that might be transferable to other contexts include the requirement that provisions on implementation be **laid down in as much detail as possible**; for example, the Accord prescribes that in the case of disputes the steering committee must make a decision within 21 days.<sup>43</sup> In particular, however, the **legally binding arrangement** that a **court of arbitration** can be invoked in the event of a disagreement and that its arbitration award is **legally enforceable** in the country of the company's headquarters can be applied in other contexts. It may be the case that an extrajudicial dispute resolution mechanism, like the one in the Accord, is agreed, or precise regulations are laid down concerning the country in which litigation is to take place. If an arbitration procedure is chosen, the regulations chosen in the Accord may be further developed in such a way that the agreement itself may include a pool of international labour law experts from which an arbitration court might be selected when necessary.

The **transparency provisions** of the Accord also set new standards and are not prescribed for a specific context; the disclosure of the supply chain and making inspection reports and Corrective Action Plans publicly accessible also makes sense and is possible in other contexts. Furthermore, future agreements could contain a clause that not only **prohibits unauthorised subcontracting**, but also provides for corresponding checks. Overall, organis-

40. Beckert, Garment Production: Market Dynamics versus Human Rights, online: <http://www.dandc.eu/en/article/not-much-progress-improving-occupational-safety-bangladeshs-garment-industry> (22.11.2016).

41. According to members of the Steering Committee Jenny Holdcroft (IndustriAll) and Alke Boessiger (UNI) in an interview on 25.6.2006.

42. Freedom of Association Protocol of 4.6.2011, online: <http://www.ituc-csi.org/indonesia-protocol-on-freedom-of?lang=de> 1.12.2016).

43. For the numerous Steering Committees that annually deal with the implementation of an IFA there are generally no such temporal restrictions.





ing the best possible inspection that takes place with the participation of the relevant interest representatives is also possible in other contexts. In terms of these aspects the Accord sets new standards, which it would also be advisable to take into consideration in future agreements.



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