

# The Daily Star

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## **Bangladesh on the path to GSP Plus with EU**

Star Business Report

Bangladesh is on track to receiving the GSP Plus status from the European Union when it graduates to the developing country bracket in 2021.

As a least-developed country Bangladesh has been enjoying zero-duty benefit to the EU under its Everything but Arms scheme since 1971. But once it becomes a developing country, Bangladesh will no longer be eligible for the privilege.

The GSP Plus scheme will be applicable for Bangladesh then, for which the country will have to fulfil some conditions. Strengthening workplace safety, improved labour rights, saving the environment and reduction of corruption are some of the major conditions for receiving the GSP Plus status from the EU, where 60 percent of Bangladesh's garment prod.

“We are well ahead in comparison to many other countries in fulfilling the conditions for GSP Plus,” said Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association.

Bangladesh's claim on the GSP Plus status will be stronger after 2017, when all 2,200 garment factories will complete remediation works, Rahman said at a joint press briefing with the visiting EU trade delegation at the capital's Westin Hotel yesterday.

A 14-member delegation of the International Trade Committee of the European Parliament, headed by Chairman Bernd Lange, came to Bangladesh to review the compliance status of the garment factories under the Sustainability Compact.

Bangladesh signed the Sustainability Compact with the EU in September 2013 committing to responsible business behaviour.

The delegation will visit some garment factories today to observe the labour rights situation and workplace safety.

“We urged the delegation to give us a unified code of conduct as different buyers demand different kinds of codes,” Rahman said.

As per rules, Accord and Alliance, the two foreign inspection agencies responsible for fixing structural, fire and electrical flaws in garment factories, are supposed to leave the country by

June 2018. So far, 70 percent of the remediation works under Accord and 63 percent under Alliance have been completed, according to the BGMEA president.

BGMEA, the International Labour Organisation and the government will monitor the progress in remediation after the departure of Accord and Alliance.

On the sidelines, a garment exporter said the Accord is planning to extend its tenure for another three years. “We do not want Accord to stay here after June 2018. If it stays, we will demand inclusion of BGMEA, the government and ILO in the Accord steering committee,” the exporter said.

Impressive industrialisation has taken place in Bangladesh and the country has been achieving 6 percent economic growth over the last many years, Lange said at the briefing.

Bangladesh is on the path to becoming a middle-income country; if the country graduates from the LDC status, the trade relations have to be changed, he added.

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## **Fair trade 'on the way' in Bangladesh, says chief of European Parliament's international trade body**

Samin Sababa bdnews24.com

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Bernd Lange, chairman of European Parliament's International Trade Affairs Committee, speaks at a reception hosted at the residence of Pierre Mayaudon, European Union's envoy to Dhaka, on Tuesday evening.

***Bangladesh has risen greatly in promise after the collapse of Rana Plaza caused a huge upset in its business future, says the chairman of European Parliament's International Trade Affairs (INTA) Committee.***

Bernd Lange was leading a delegation of INTA representatives visiting Bangladesh, which also included Jean Lambert, the head of EP's delegation for South Asia.

The team got together with top officials of the Bangladesh government, politicians and business leaders at a reception hosted at the residence of European Union Ambassador to Dhaka, Pierre Mayaudon, on Tuesday evening.

The committee was set to visit several pharmaceutical and apparel factories on Wednesday.

“We have a lot of work to do, and the committee handles them very carefully. There are good and bad deals. We keep the good and the bad we reject. But Bangladesh has achieved 6.5 percent annual growth, which some European countries still dream of,” said Lange.

Fair trade was “on the way” for Bangladesh, the European Parliament official told bdnews24.com. “No doubt it is. It was very different in 2000, during Begum (Khaleda) Zia’s regime. Rana Plaza in 2013 put its security at risk but a lot has been achieved,” he said.

“While there are some who like to see the glass half empty, I’ll say it is half full,” said the ITA committee chairman, about trading with Bangladesh.



Jean Lambert, chairman of European Parliament's South Asia delegation (clockwise to left), INTA committee chairman Bernd Lange and EU Ambassador Pierre Mayaudon at a reception hosted for visiting representatives of INTA members in Dhaka on Tuesday.

Bangladesh enjoys duty-free quota in Europe, its main market, for all products under the Generalised System of Preferences (GSP) as one of the 48 Least Developed Countries (LDC).

“I believe more countries should get this privilege, and they may take Bangladesh as an example.”

The business landscape since Rana Plaza has adopted many changes, he said, with more trade unions and security measures for workers. Organisations like ACCORD were set up to ensure factory safety after Rana Plaza, a building in Savar housing multiple garment factories,

collapsed killing more than 1,000 workers and maiming more in one of the largest industrial disasters.

Md Atiqul Islam, who was president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the apparel industry lobby, during the turmoil that followed the building collapse, was among the guests.

“After the tragedy you could not say ‘Made in Bangladesh’ without inviting some form of criticism. But now I can say that with great pride,” he told bdnews24.com.

He said he came under heavy criticism from business leaders for accepting Alliance and Accord, legally binding safety agreements with the US and European buyers, in the wake of the Rana Plaza tragedy. “But I told them it was our only option to save our future.”

“Our earning from the sector was \$24.5 billion at the time of the collapse, which is now \$28.1 billion. We were able to recover in three years and achieve buyer confidence as a result of better communication and all platforms working together for passing the crisis.”



Bernd Lange, the chairman of European Parliament's INTA committee, speaks at a reception hosted for the visit of INTA representatives in Dhaka on Tuesday.

Atiqul commented that even though most factories in Bangladesh had proper safety equipment in place, it was the small and medium enterprises that still posed risk. These risky setups comprised about 30 percent of the country’s apparel business sector, according to the former BGMEA chief.

“But the safety situation I would say is still better than China, which holds 38 percent of global trade while we do 5 percent. I’d say the same for Indian factories,” he said, adding that Bangladesh was still ahead, considering “it was not a level playing field.”

Bangladesh offers a rich prospect for job creation, employing mostly female workers in its apparel sector, said Srinivas B Reddy, country director of International Labour Organization (ILO).

“The future is good because entrepreneurs in Bangladesh are resilient. The workers are high-skilled and available in a compact area.

"I believe Bangladesh's goal for achieving \$50 billion by 2020 is very much possible if it adopts a inclusive model where the workers can say what they want," the local ILO chief told [bdnews24.com](http://bdnews24.com).

“That can be a reality if skills-development training is imparted and dignity of workers is raised,” said Nazma Akter, President of worker's rights group, Sammilito Garments Sramik Federation.

Parliament Speaker Shirin Sharmin Chaudhury, Prime Minister's International Affairs Adviser Gowher Rizvi, former minister and senior BNP leader Amir Khasru Mahmud Chowdhury and former foreign secretary and diplomat Farooq Sobhan were present among the guests.



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## EP team calls for compliance in all export-oriented sectors

[Staff Correspondent](#) | Published: 23:55, Nov 15, 2016



Bangladesh Garment Manufacturers and Exporters Association president Md Siddiqur Rahman speaks at a joint press briefing after a meeting with a 16-member European Parliament delegation at the Westin Hotel in Dhaka on Tuesday. European Parliament delegation head Bernd Lange and European Union Dhaka delegation head Pierre Mayaudon were present, among others. — New Age photo

The visiting delegation of the trade committee of European Parliament at a meeting on Tuesday urged Bangladesh to bring other export-oriented sectors of the country under compliance for ensuring workplace safety and labour rights to avoid repetition of workplace accidents.

The delegation, however, emphasized the trade regime after the post middle-income country status, when Bangladesh will not enjoy duty- and quota-free market access to the EU.

Quoting the delegation, Md Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association, said they want the workplace safety and labour rights to be ensured in all export-oriented sectors like the readymade garment in Bangladesh so that no workers face accidents.

He was speaking at a joint press briefing after the meeting with the 16-member European Parliament delegation headed by Bernd Lange held at the Westin Hotel in the city.

At the briefing, Lange said it was clear that Bangladesh is on the path of coming from the LDC to middle-income country.

Once Bangladesh is graduated to mid-income country, the trade relation of Bangladesh with the EU would be changed, he said, adding the country has to meet some criteria including labour rights and environmental issues to avail the GSP-plus benefit.

The GSP-plus is linked with some requirements of 27 international norms on labour rights and environmental issues, he added.

Currently, Bangladesh enjoys duty-free and quota-free market access to the region for all products except arms and ammunitions under Everything But Arms arrangement.

According to the EU GSP scheme, GSP-Plus benefit is given to developing countries to encourage those to comply with core international standards in the areas of human rights, labour rights, environmental protection and good governance.

Under the GSP-Plus scheme, EU offers complete duty suspension on about 66 per cent of EU tariff lines to developing countries and in return the countries must commit to ratifying and effectively implementing core international conventions on above mentioned issues.

The EU parliament as the representative of 500 million people is responsible for any trade agreement, he said, adding that trade relation between Bangladesh and EU is important as 60 per cent of Bangladesh's exports are destined to the EU.

Terming the delegation a fact finding mission, Lange said they are here to oversee the situation, especially the development related to workplace safety and labour rights in the garment sector after the Rana Plaza building collapse.

The apparel makers demanded a unified code of conduct to save time and money saying it was nothing but wastage of time and money as different buyers have different codes for social compliance.

The meeting also discussed how the ongoing safety initiatives would continue after 2018 when the tenure of Accord and Alliance would expire.

The BGMEA leaders informed the delegation about the measures including the fund for workers taken for the wellbeing of workers in the RMG sector.

The proposed remediation coordination cell would look after the post-2018 safety activities led by Department of Inspection for Factories and Establishments where International Labour Organisation and other concerned stakeholders would be involved.

The EU head of delegation in Dhaka, Pierre Mayaudon, BGMEA senior vice-president Faruque Hassan and vice-presidents Mahmud Hasan Khan and Mohammed Nasir, among others, were present at the briefing.

- See more at: <http://www.newagebd.net/article/2867/ep-team-calls-for-compliance-in-all-export-oriented-sectors#sthash.218L33T9.dpuf>



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## **EU for ensuring compliance in export-oriented sectors**

*Team meets BGMEA leaders*

FE Report

A visiting delegation of the European Union (EU) Parliament emphasized bringing the country's other export-oriented sectors under compliance, especially for ensuring workplace safety and labour rights.

Quoting the delegation Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president Md Siddiqur Rahman said, "Like RMG, they want workplace safety and labour rights to be ensured in all export-oriented sectors of Bangladesh, so that no worker faces accidents."

He was speaking at a joint press briefing after the meeting with the 16-member EU delegation, headed by Bernd Lange, held at a city hotel on Tuesday.

EU head of delegation in Dhaka Pierre Mayaudon, BGMEA senior vice president Faruque Hassan, and vice presidents Mahmud Hasan Khan and Mohammed Nasir, among others, were also present on the occasion.

Speaking at the briefing Mr Lange said, "It's clear that Bangladesh is on the path of graduating from a LDC to a middle-income country (MIC)."

Once Bangladesh graduates to a MIC, the country's trade relation with the EU will change. Bangladesh has to meet some criteria, including those on labour rights and environmental issues, to avail the GSP plus benefit, he also said.

The EU parliament, as the representative of 500 million people, is responsible for any trade agreement. Trade relation between Bangladesh and the EU is important, as 60 per cent of the country's RMG exports are destined to the EU, Mr Lange noted.

Terming the delegation a fact-finding mission he said they are here to oversee the existing situation, especially the development related to workplace safety and labour rights in garment sector after the Rana Plaza building collapse.

Local apparel makers in the meeting demanded a unified code of conduct to save time and money, saying it is nothing but wastage of time and money, as different buyers have different codes for social compliance.

The meeting also discussed how the ongoing safety initiatives will continue after 2018 when the tenures of Accord and Alliance will expire.

The BGMEA leaders informed the delegation about their various measures, including formation of the fund for well-being of RMG sector workers.

The meeting was told that the proposed remediation coordination cell, led by Department of Inspection for Factories and Establishments, will look after the post-2018 safety activities, where International Labour Organisation and other stakeholders concerned will be involved.

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## EU parliamentary team for workplace safety, workers' rights beyond RMG sector

Ibrahim Hossain Ovi



*A-16 member visiting European Union (EU) parliamentary delegation wants to see workplace safety and workers' right situation in other export-oriented sector beyond the apparel industry for avoiding recurrence of deadly accidents.*

The EU delegation has also underscored the need for assessing the post-middle income country status when Bangladesh won't be able to enjoy duty and quota-free market access to the EU countries.

Quoting the remarks made by EU delegation, Bangladesh Garment Manufacturers Exporters Association (BGMEA) President Md Siddiqur Rahman said: "They want to see the workplace safety and labour rights situation in other export-oriented sector like RMG to avert further industry accidents and thus save the life of the workers."

He was addressing a joint press briefing after holding a meeting with the visiting EU parliamentary delegation headed by Bernd Lange at a city hotel yesterday.

The press briefing was attended, among others, by the EU head of delegation in Dhaka Pierre Mayaudon, BGMEA Senior Vice President Faruque Hassan and Vice Presidents- Mahmud Hasan Khan and Mohammed Nasir.

Addressing the press briefing, Bernard Lange said: “It is now clear that Bangladesh is on the right path to become middle-income country, coming out from the LDCs.”

“Once Bangladesh is graduated to a middle-income country, the trade relation between Bangladesh and the EU countries would be different,” reminded Lange.

In this regard, Lange further clarified: “If the LDC status of Bangladesh is disappeared, we have to discuss about other provisions like GSPP Plus.”

“The GSP plus links with some requirements of 27 international norms on labour rights and environmental issues,” he added.

We are here to oversee the overall situation especially the development related to workplace safety and labour rights issues

As the representative of 500 million people, the EU parliament is responsible for any trade agreement, he said further adding that trade relation between Bangladesh and EU is important because 60% of Bangladesh’s export are destined to the EU, said the EU delegation leader.

Terming the delegation a fact finding mission, Lange said: “We are here to oversee the overall situation especially the development related to workplace safety and labour rights issues in the garment sector after the Rana Plaza building collapse.”

The main task of the mission is looking into what is the development in terms of safety and security after the Rana Plaza disaster, he stated.

During the meeting, the apparel makers demanded a unified code of conduct to save time and money as saying, “It’s is nothing but wastage of time and money as different buyers have different codes in the implementation of social compliance audits.”

The meeting also discussed as to how the ongoing safety initiatives would be continued after 2018 when the tenure of Accord and Alliance is set to be expired.

The proposed remediation coordination cell would look after the post 2018 safety activities led by Department of Inspection for Factories and Establishments where International Labour Organisation and other concerned stakeholders would be involved.

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## ***EU advises RMG makers to improve workplace safety***

Staff Correspondent



Siddiqur Rahman, President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), speaks at a press conference after a view-exchange meeting with the visiting EU delegation, at a hotel in the capital on Tuesday.

The visiting European Union (EU) Parliament delegation have advised Bangladesh' apparel manufacturers to improve workplace safety for their workers to continue the favoured market access under the European Union's Generalised System of Preferences (GSP) scheme. The team also urged Bangladesh to think about its potential position in the post-middle-income status era, when the country would not enjoy the present duty- and quota-free market access to the EU.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Siddiqur Rahman on Tuesday revealed the EU suggestions at a joint press briefing after holding a meeting with the 16-member delegation led by Bernd Lange, at a hotel in the capital.

Beside, the BGMEA sought a common code of conduct from apparel buyers of European Union (EU) countries to avoid harassment of inspection.

The head of EU delegation to Bangladesh Bernd Lange said, "Bangladeshi manufacturers and exporters are now getting GSP facilities in European Union markets. They also have to start working for getting GSP Plus facilities by fulfilling 27 international norms, as the country is expected to be MIC (middle-income-country) within few years."

"We are closely monitoring the progress of workplace safety in the RMG factories of Bangladesh. We recognize the sector as an important industry for European Union. You

know, 60 percent of your export earnings come from European countries,” said Bernd. He said there are a total of 500 million people in European countries that use Bangladeshi apparel products.

The BGMEA President said, “We want a unified code of conduct for garment industry for any issue especially inspection of labor rights and environment so that all buyers from EU countries have not to visit the factories individually. It will save both the time and money.” He said, “The EU delegation has expressed satisfaction over safety standards and workers’ mandatory participation in committee and safety committee in factory. We are committed to protect the interests of the workers as the BGMEA is made for it.”

After the Rana Plaza building collapse in April 2013, Bangladesh has signed the Sustainability Compact, an agreement with the EU for committing improvements in workplace safety and labour rights through practicing responsible business behaviour. BGMEA former presidents Md Shafiul Islam Mohiuddin, Md Atiqul Islam, Abdus Salam Murshedy and Tipu Munshi, incumbent vice presidents Faruque Hasan, Mohammad Nasir and Mahmud Hasan Khan Babu were present on the occasion.



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## **EU stresses on workplace safety in every sector**

The visiting delegation of the European Union (EU) Parliament laid emphasis on workplace safety not only on readymade garments but also all other export oriented sectors to avoid the recurrence of any like taking accident, reports BSS. They also urged Bangladesh to mull about the status of post middle-income country where the country would not enjoy duty and quota free market access to the EU. Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Siddiquir Rahman today revealed it at a joint press briefing after having a meeting with the 16-member EU delegation led by Bernd Lange in a city hotel. The EU head of delegation in Dhaka Pierre Mayaudon, BGMEA senior vice-president Faruque Hassan, vice-presidents Mahmud Hasan Khan and Mohammed Nasir, among others, were present. Mentioning that Bangladesh is on the right track to be middle income-country, Bernd Lange said: "If Bangladesh is graduated to middle-income country, the trade relation with the EU would be changed." If the status of Bangladesh LDC is disappearing, Lange said they have to discuss about other provision like GSP Plus. The GSP plus links with some requirements of 27 international norms on Labor rights and environmental issues, he added. The EU parliament as the representative of 500 million people is responsible for any trade agreement, Lange said trade relation between Bangladesh and EU is important as 60 percent of Bangladesh's export are destined to the EU. Terming the delegation a fact finding mission, Lange said they are here to oversee the situation especially the development related to workplace safety and labour rights in garment sector after the Rana Plaza building collapse. In the meeting, the apparel makers demanded a unified code of conduct to save time and money, saying that it is nothing but wastage of time and money as different buyers have different codes in implementing for social compliance audits. The meeting also discussed how the ongoing safety initiatives would continue after 2018 when the tenure of Accord and Alliance would expire. The BGMEA leaders told the delegation about the measures including the fund for workers taken for the well-being of workers in the RMG sector.

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## *EU delegates promise \$10m for RMG welfare fund*

Staff Reporter



Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president Siddiqur Rahman hands over a bouquet to leader of the visiting 14-member EU delegation Bernd Lange at a hotel in the capital yesterday. PHOTO: COURTESY

The visiting delegation of the European Union (EU) Parliament has agreed to provide \$10 million for welfare fund for Ready Made Garment (RMG) workers in the country.

They made the commitment yesterday during a luncheon meeting between BGMEA and members of the visiting EU delegation.

When the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president Siddiqur Rahman urged the European Parliament members to provide \$10 million for the welfare fund for Ready Made Garment (RMG) workers in the country, the visiting team assured them of providing the \$10 million fund.

“Our discussion was fruitful and effective. European parliament members have agreed to give us the \$10 million for RMG workers welfare fund,” BGMEA president said at press briefing right after the luncheon meeting.

EU representatives are currently

visiting Bangladesh to monitor the progress on compliance in RMG factories which was set by Accord and Alliance earlier.

BGMEA and the visiting EU team discussed about unified code of conduct, capacity building of the compliance, labour welfare funds and occupational safety and health of the workers. The EU delegates have urged the BGMEA members to ensure proper environment for the

occupational safety and health for the workers.

The BGMEA president said “Europe is the most pivotal export hub for us as Bangladesh exports 60 per cent of its total RMG export to EU.”

200 plus inspectors have already been recruited to strengthen the capacity building of the RMG sector and the EU delegates have also appraised this initiative, he added.

Bangladesh has already fulfilled the requirements as Accord has already inspected 70 per cent factories while Alliance has completed 63 per cent, the BGMEA president said.

Praising the success of RMG sector, leader of the visiting 14-member EU delegation Bernd Lange said Bangladesh has witnessed steady growth so far.

“Bangladesh recovered tremendously right after the Rana Plaza tragedy and has maintained 6 per cent Gross Domestic Product (GDP) growth rate for so long which was possible, because of the contribution of the textile sector.” Said Bernd Lange, chairman of International Trade Association (INTA).

BGMEA president and other high officials were present at the luncheon meeting.