

Sheikh Hasina, Honourable Prime Minister
Government of the People's Republic of Bangladesh
Prime Minister's Office
Old Sangsad Bhaban
Tejgaon, Dhaka-1215, Bangladesh

The Hague, 13 July 2018

Reference: Support for increase of minimum wage for Bangladeshi garment workers

Dear Prime Minister Sheikh Hasina,

The garment industry is of vital importance to your country, just as Bangladesh is an important sourcing country for many of the brands, retailers and other stakeholders our organisations represent. One of the most important issues in the industry is the minimum wage. At present and after a five-year period without revisions, the Wage Board has had two meetings to discuss a new minimum wage for the industry and will have another meeting on 16 July. At the same time, unions and others are actively campaigning for a positive outcome: a compensation for workers in the RMG sector that is closer to a living wage.

Our organisations – Fair Wear Foundation and the Dutch Agreement on Sustainable Garments and Textile – represent major international brands and retailers, business associations, NGOs, trade unions and standard organizations. In the Dutch Agreement on Sustainable Garment and Textiles also the government of The Netherlands is represented. Together, our business members buy hundreds of millions of dollars of products from Bangladesh. Additionally, many of our members have contributed significantly to the successful growth of the textile industry in your country. For Bangladesh to continue having a successful textile industry, the lives of the workers will have to improve.

On behalf of our parties and businesses, we urge your government to show leadership and ensure a fair and negotiated increase of the minimum wage for the garment industry and take the collective demand of workers and unions into account. We also want to express our growing concern with recent developments that seem to undermine progress towards improving worker rights, and call upon your government to let workers and their representatives campaign for higher minimum wages in freedom and have their collective demands on the minimum wage be heard. Our members fully support the payment of living wages in their supply chains. In this regard, we would like to emphasise that our members are committed to working with their Bangladeshi suppliers to continue mutually beneficial business relationships that include accepting the justified commercial consequences of the resulting new minimum wage and bring their purchasing practices in accordance. Our multistakeholder initiatives will hold our member companies accountable to compliance with the relevant OECD Guidelines.

Madam Prime Minister, our members have enjoyed a long-lasting and mutually beneficial relationship with your country. Because of this relationship and the efforts of your government, your country has succeeded to become one of the leading suppliers of garments and one of the fastest-growing garment suppliers of the world. At the same time, our members are committed to adhere to international guidelines on workers' rights and take these very seriously in their sourcing strategies. Freedom of association and fair compensation are crucial elements of our members' sourcing

decisions. Therefore, we would like to encourage your government to move forward on these issues and are looking forward to working with your government and relevant stakeholders on these matters.

Sincerely,

Dutch Agreement on Sustainable Garments and Textile

(signed)

Mr. Pierre Hupperts

Chairman

Fair Wear Foundation

(signed)

Mr. Alexander Kohnstamm

Executive Director