





July 17, 2014

The Honorable Barbara Mikulski United States Senate Washington, DC 20510

The Honorable Richard Shelby United States Senate Washington, DC 20510 The Honorable Hal Rogers United States House of Representatives Washington, DC 20515

The Honorable Nita M. Lowey United States House of Representatives Washington, DC 20515

Dear Chairwoman Mikulski, Chairman Rogers, Ranking Member Shelby and Ranking Member Lowey:

On behalf of the undersigned associations representing American retailers, brands, and apparel manufacturers, we are writing to comment on two provisions in the Senate-version of the proposed FY 2015 Defense Appropriations legislation that, as currently drafted, would negatively impact the Department of Defense, the military exchanges, and the American companies who supply them.

There are two provisions in question. The first – Section 8102 – would require military exchanges who source garments from Bangladesh to: 1) join the Bangladesh Accord on Fire and Building Safety (Accord) and 2) only contract with companies who are members of the Accord. The second – Section 8103 – would require the Department of Defense to require licensees who source in Bangladesh to join Accord.

While these provisions seek to address the concerns we all share about building and worker safety in Bangladesh, they unfortunately ignore the work that is being done in Bangladesh by other organizations, such as the Alliance for Bangladesh Worker Safety, which was created by 26 U.S. and Canadian firms last year. Focusing on only one organization picks favorites and undermines a cooperative relationship that has been recognized by other parts of the U.S. Government as well as by international agencies, such as the International Labor Organization (ILO) and the Organization for Economic Cooperation and Development (OECD).

We would counsel a more inclusive approach, especially since the Alliance and the European-based Accord have developed an important cooperative relationship on the ground in Bangladesh in such areas as inspections, worker empowerment, and training. While we have a long way to go to cultivate a sustainable worker safety culture in

Bangladesh, we have made important strides and achieved considerable success in the past year. These gains have been made primarily because the two main organizations charged with improving worker safety - the Alliance and the Accord - are working with each other, and with other stakeholders, including labor unions and the Bangladeshi government.

As this important bill makes its way through the legislative process, we look forward to working with you and your House and Senate Colleagues to craft a measure that supports collaboration by all parties in Bangladesh to achieve our shared goals of improving building and worker safety.

Thank you for your consideration.

Sincerely,

nanita N. Dh

Juanita D. Duggan President & CEO American Apparel & Footwear Association National Retail Federation (NRF) (AAFA)

India L. Kennedy

Sandra L. Kennedy President Retail Industry Leaders Association (RILA) U.S. Fashion Industry Association (USFIA)

CC: Senate Majority Leader Harry Reid Senate Minority Leader Mitch McConnell House Speaker John Boehner House Minority Leader Nancy Pelosi

Matthew Shav President & CEO

Julia K. Hughes President