US Senate Committee on Foreign Relations

CORKER OBJECTS TO SHUTTING OUT U.S. TEXTILE FIRMS IN DEFENSE BILL

Monday, December 2, 2013

WASHINGTON - In a letter to Armed Services Committee Chairman Carl Levin, D-MI, and Ranking Member Jim Inhofe, R-Okla., U.S. Senator Bob Corker, R-Tenn., ranking member on the Foreign Relations Committee, objected to attempts to include language in the National Defense Authorization Act of 2014 that would shut out U.S. textile firms from selling products to Department of Defense commissaries and exchange stores.

If enacted, the language Corker is objecting to would only permit the department to source garments from suppliers participating in the Accord on Fire and Building Safety in Bangladesh, a consortium of mostly European textile manufacturers and retailers formed to improve safety and working conditions in the Bangladeshi garment industry after several deadly garment factory incidents. American and Canadian companies established a similar pact, known as the Alliance for Bangladesh Worker Safety, to enforce better worker safety practices in Bangladesh, but these firms would not be able to compete for Department of Defense business alongside their European counterparts as a result of this amendment. This preferential treatment for European companies over U.S. companies could undermine ongoing efforts to establish common labor safety rules at textile facilities in Bangladesh, which was the subject of a Foreign Relations Committee hearing in June.

"I would be concerned if any provision in the National Defense Authorization Act for FY2014 contained language that would require preference for European companies over U.S. companies, especially since it is our understanding that U.S. companies have done as much or more on the ground to fix the safety and health problems in Bangladeshi garment factories," wrote Corker in his letter. "Such an action would undermine current efforts by the Accord and Alliance to work together on the development of joint technical standards, training and inspection protocols, and undermine cooperation among the Government of Bangladesh, the U.S. government and European governments. I urge you to reject language that would favor European companies in the Accord at the expense of U.S. companies in the Alliance."

Full text of the letter is included below and in the attached document.

Dear Senators Levin and Inhofe,

I am writing to express my strong concern regarding attempts to include language in the National Defense Authorization Act that would require the Department of Defense's defense commissary and exchange store system source garments only from suppliers that are signatories of the Accord on Fire and Building Safety in Bangladesh. If so, this amendment unjustifiably discriminates against U.S. garment manufacturers and retailers in favor of European garment manufacturers and retailers.

In response to recent disasters at Bangladeshi garment factories in which many workers

1 of 2

lost their lives, U.S. and Canadian retailers, brands and manufacturers formed the Alliance for Bangladesh Worker Safety ("Alliance") to improve worker safety in Bangladesh. European companies formed the Bangladesh Accord on Fire and Building Safety ("Accord"). Both the Alliance and Accord are working to address these concerns in Bangladeshi garment factories. In fact, the Alliance reports they have made significant progress on inspecting factories, establishing programs for building remediation and worker displacement and providing assistance on fire and safety standards in Bangladesh.

I would be concerned if any provision in the National Defense Authorization Act for FY2014 contained language that would require preference for European companies over U.S. companies, especially since it is our understanding that U.S. companies have done as much or more on the ground to fix the safety and health problems in Bangladeshi garment factories. The Senate Foreign Relations Committee held a hearing on this matter in July. We heard from government, industry, and labor witnesses all of whom stressed the importance of developing a common approach to labor safety in Bangladesh. I would be concerned by any action by the U.S. government that would intentionally or unintentionally divide this effort by explicitly favoring the European sponsored Accord over the U.S.-led Alliance. Such an action would undermine current efforts by the Accord and Alliance to work together on the development of joint technical standards, training and inspection protocols, and undermine cooperation among the Government of Bangladesh, the U.S. government and European governments.

I urge you to reject language that would favor European companies in the Accord at the expense of U.S. companies in the Alliance.

Sincerely,

Bob Corker Ranking Member Committee on Foreign Relations

2 of 2