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PRESS RELEASE

THE RANA PLAZA COORDINATION COMMITTEE PAYS OUT BDT 76 CRORE (USD 9.84 MILLION) TO THE INJURED AND THE FAMILY MEMBERS OF DECEASED AND MISSING WORKERS OF RANA PLAZA BUILDING COLLAPSE

Background

1. NGOs, brands and retailers, BGMEA, trade unions and the Government of Bangladesh formed the Rana Plaza Coordination Committee (CC) with International Labour Organisation (ILO) as its neutral Chair in September 2013 with the purpose of ensuring payments to the victims, their families and dependents for losses and needs arising from the accident.
2. A claims process was established based on International Labour Organisation standards on employment injury, and the Rana Plaza Claims Administration (RPCA) was formed for that purpose. Payments are funded by various sources and notably through the Rana Plaza Donors Trust Fund ("Trust Fund"), which is open to contributions from any organization, company or individual wishing to support the delivery of financial and medical support to the Rana Plaza families.
3. Total 2871 claims have been received from the Rana Plaza injured workers and dependants of deceased and missing workers. Out of which 2839 claims have been reviewed by RPCA, approved by the Commissioners, and authorized by the Rana Plaza Coordination Committee for payments. The remaining 32 claims plus approximately 20-30 additional deceased claims that may yet to be filed will be included in the final installment.
4. Claims received from rescuers and other persons as injured or deceased as a result of the Rana Plaza building collapse are also included.
5. The compensation to the beneficiaries is calculated on the basis of ILO Convention 121. The amounts awarded to each claimant is different, as they are based on the

last salaries of the deceased and missing or injured workers, upgraded retroactively in accordance with the latest wages for the RMG sector issued by the Government of Bangladesh in December 2013, the number and age of the dependants in case of deceased and missing workers, and the disability level percentage in case of injured workers.

6. Amounts awarded for the deceased and missing workers are apportioned among the family members: as a result the share of each family member has been separately calculated and paid into his/her bank account. Each eligible family member of the deceased and missing workers and injured workers has received a document named 'Notice of Award' (NoA) which provides information on the awarded amounts, claimant's details including name, date of birth, relationship with the victim, deducted amount and remaining amount. All NoAs (around 5000) have been sent to the claimants through approximately 500 Upazilla Nirbahi Offices. RPCA has verified through telephone calls to each and every claimant to ensure that the NoAs have been received by the claimants or are being delivered. Each claimant is entitled to bring to the attention of the Executive Commissioner any possible computational, clerical, or factual error in his/her award, within a period of 30 days from the receipt of the Notice of Award, for the Commissioners' consideration. (To file a request for correction, RPCA may be contacted through telephone number 01733336022 for further instructions. This number is the existing RPCA hotline also for enquiries from claimants.)

7. There are a number of workers whose medical assessments have shown no injury at the time of the assessments. Since the calculation of compensation is based on the level of disability of the worker, in such cases the initial payment of BDT 50,000 from Rana Plaza Trust Fund, together with nine month salaries, totalling BDT 95,000 that they have previously received is the amount they receive. It is also recalled that the amounts received from the Prime Minister Welfare Fund and the initial payment of BDT 50,000 from the Trust Fund are deducted from the total entitlement of each claimant. As a result, where amounts received from the Prime Minister Welfare Fund and the initial payment of BDT 50,000 is higher than the total calculated compensation, a claimant will not receive any additional amount and the NoA will show zero in the 'Total Remaining Amount' column.

8. Rana Plaza Coordination Committee has discussed the desirability of making supplementary payments, subsequent to full payments of all awards, separate and beyond what was agreed under the Arrangement. It should be noted that the supplementary payments are totally dependent and will only occur if, and to the extent, that funds additional to the payment of full awards may become available for this purpose in future. It should be noted that at present funds are not available in the Trust Fund for this purpose. It is, however, the desire of the Coordination Committee to acquire necessary funds for supplementary payments and efforts are ongoing for this purpose.

Payments made

9. The Rana Plaza Claims Administration has made available on 8 April 2015 approximately BDT 31 Crore to eligible claimants. Payments were made in respect of injured workers, dependants of the deceased and missing workers of Rana Plaza building collapse.
10. BDT 31 Crore, which is approximately 30% of total awards, was paid out through Dutch Bangla Bank accounts to 2968 eligible dependents of deceased and missing workers and to injured persons. This payment consists of 2277 dependants from deceased workers, 282 dependants from missing workers and 409 injured workers.
11. The above payment is in addition to 40% payment of all awards after deduction amounting to approximately BDT 29.40 Crore which was paid through Dutch Bangla Bank accounts to 2,770 eligible dependants of deceased and missing workers and to injured person in five separate instalments from September to December 2014.
12. In addition, approximately BDT 15.50 Crore was paid through bKash as initial payment to injured workers, dependants of the deceased and missing workers as well as non-injured workers on 23 April 2014.
13. These payments are authorized by the multi-stakeholders Rana Plaza Coordination Committee, and paid out of the Trust Fund set up for the purpose of providing compensation to the Rana Plaza injured and the families of the deceased and missing workers.

14. With these payments, in total approximately BDT76Crore equivalent to USD 9.85 million has so far been paid to the Rana Plaza injured workers, dependants of the deceased and missing workers. This award is 70% of the total awards approved by the Commissioners, after deduction of amounts paid to the injured and families of the deceased and missing workers from Prime Minister Welfare Fund and initial payment of BDT 50,000 from the Trust Fund. The total amount for all issued awards is approximately BDT 126 Crore equivalent to USD 16.4 million.
15. As part of the entitlement under the ILO Convention 121, the Coordination Committee is about to finalize an arrangement for long-term medical care and allied costs for the injured workers.
16. It is estimated that a total USD \$30 million, after the deduction of amounts received from Prime Minister Welfare fund, is required for the full payment to the Rana Plaza injured workers and the family members of deceased and missing workers, including claims of New Wave Bottom workers paid separately by Primark, as well as long term medical care and allied costs for injured workers. Such estimated amount includes an estimation of potential supplementary payments. So far, the amounts either received in the Trust Fund or spent otherwise for the benefit of Rana Plaza workers and expected to be recognized as contribution to the Trust Fund total approximately USD 24 million.
17. The remaining 30% of awards will be paid to the claimants as soon as funds become available at the Trust Fund.
18. A list of all the payments made so far by RPCA is attached herewith.