



His Excellency Dr. Hassan Fakhro
Minister of Industry and Commerce
Manama, Kingdom of Bahrain

MAY 06 2013

His Excellency Dr. Jameel Humaidan
Minister of Labour
Manama, Kingdom of Bahrain

Your Excellencies:

The United States hereby requests consultations with the Government of Bahrain pursuant to Article 15.6.1 of *The United States – Bahrain Free Trade Agreement* (FTA) to discuss issues and matters related to Bahrain’s obligations under paragraphs 1 and 2 of Article 15.1 of the FTA. Article 15.6.1 establishes that “[a] Party may request consultations with the other Party regarding any matter arising under this Chapter.”

Article 15.1.1 of the FTA requires that a Party “strive to ensure” that labor principles in the *1998 ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up* and internationally recognized labor rights as set forth in Article 15.7 of the FTA are “recognized and protected by its law.” Article 15.1.2 of the FTA further requires a Party to “strive to ensure that its laws provide for labor standards consistent with the internationally recognized labor rights set forth in Article 15.7 and []strive to improve those standards in that light.” For well over a year, the United States has conducted an extensive examination of Bahrain’s compliance with its obligations under Chapter Fifteen (Labor) of the FTA. This examination has included (1) a careful review of Bahrain’s labor laws, particularly with respect to freedom of association and the elimination of discrimination in employment and occupation, (2) extensive collection of factual evidence, and (3) a careful analysis of Bahrain’s obligations under the Labor Chapter of the FTA.

Based on this examination and review of matters of law and fact, the Government of Bahrain appears to be failing to meet its obligations under Article 15.1.1, by not striving to ensure that freedom of association and the elimination of discrimination in employment and occupation are recognized and protected by its laws, and Article 15.1.2, by not striving to ensure that its laws

provide for labor standards consistent with internationally recognized labor rights and not striving to improve those standards.

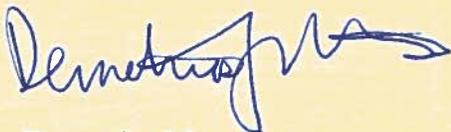
For example, based on a review of the events in Bahrain following the March 2011 general strike, it appears that the Government of Bahrain has not remedied shortcomings in its legal framework governing freedom of association; did not prevent or discourage employers from using these shortcomings to retaliate against organizers, supporters, or participants in the March 2011 general strike; and has enacted labor law amendments that weaken protection of freedom of association.

In addition, Bahraini law on discrimination in employment and occupation does not appear to recognize and protect certain international standards. As a result, Bahraini law did not prohibit widespread dismissals in the wake of the general strike of March 2011 that have been carried out in a discriminatory fashion, punishing workers for their religious (sectarian) identity or for political opinion. The subsequent reinstatement process does not appear to have addressed these concerns.

We note that Article 15.6.3 provides that “[i]f the consultations fail to resolve the matter, either Party may request that the Subcommittee on Labor Affairs be convened.” We also note that Article 15.6.5 provides that no Party “may have recourse to dispute settlement under this Agreement for any matter arising under any provision of this Chapter other than paragraph 1(a) of Article 15.2.”

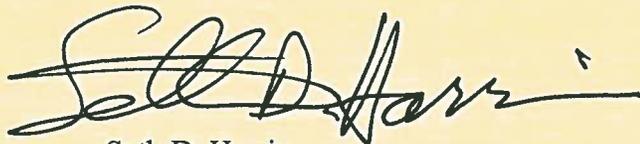
We look forward to your reply to the present request for consultations under Article 15.6.1 of the FTA and to fixing a mutually convenient date to hold consultations.

Sincerely,



Demetrios Marantis

Acting United States Trade Representative



Seth D. Harris

Acting United States Secretary of Labor

cc: Ambassador Houda Ezra Nonoo
Embassy of the Kingdom of Bahrain

Dr. Mohammad Al-Ansari
Undersecretary for Labour Affairs
Ministry of Labour