

RMG SUSTAINABILITY COUNCIL (RSC)

MONTHLY UPDATE

July 2023



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Delivering world-class sustainable workplace safety programmes

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We value your feedback on this document.

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Cover Photo: An image of a “Safety Committee Walk Trough” at an RSC covered factory.

RSC at a glance

The RMG Sustainability Council (RSC) is a safety monitoring body in the RMG sector of Bangladesh. It is a private initiative of the Bangladesh Industry, global brands, and global and local trade unions. The operations of Bangladesh Accord were transitioned to the RSC. Our vision is to ensure workplace safety, enabling sustainable business and developing the supply chain.

Our expertise lies in:

- Fire, Electrical, Structural and Boiler associated hazards identification in accordance with local & international standards.
- Advise remediation plans to mitigate safety risks.
- Communication & follow up on the identified issues and implement a firm warning procedure to ensure the production facilities do not fall behind on remediation.
- Ensuring enough training and capacity development of the safety committee members in the production facilities to identify and manage workplace safety risks.
- Ensure an independent complaints mechanism that ensures the anonymity of the complainant and follow up on their right to a safe workplace. Going forward we will also have a wing where environmental sustainability will be monitored and assessed.

MONTHLY UPDATE ON INSPECTION PROGRAMME

STATUS OF INSPECTION PROGRAMME (as of July 2023)

This section represents the total number of inspections the RSC has conducted. The RSC inspection programme consists of Structural, Electrical, Fire & Boiler safety inspections. The RSC carried out **11,522** inspections during the RSC period starting June 2020 till July 2023 (among a total of **57,355** inspections by the safety initiative since 2014).

- RSC engineers conducted **852 (Covered and Non-Covered Factory)** initial inspections during the RSC period among the total of **7,254** initial inspections.
- RSC engineers conducted **10,670** follow-ups and other safety inspections during the RSC period, among the **50,101** follow-ups and other safety inspections.

Following the initial inspections, the factory and the Brands are tasked with developing a Corrective Action Plan (CAP), which details time-bound remedial actions (based on the severity of the findings) for completion. Follow-up inspections are conducted to monitor the remediation and verify that corrective actions have been completed correctly. Other safety inspection includes post-incident inspection, OSH complaints initial inspection, OSH complaints verification inspection, unannounced OSH complaint inspections, and inspections based on Safety Committee Walk Through. Each factory is inspected on average approximately once every eight months.

FACTORY COVERAGE

- Covered factory account number: **1,914**.
- The number of factories awaiting initial assessments increased substantially in the months of **Sep 2022, Apr 2023 & July 2023** when many factory extension buildings were listed as new accounts.

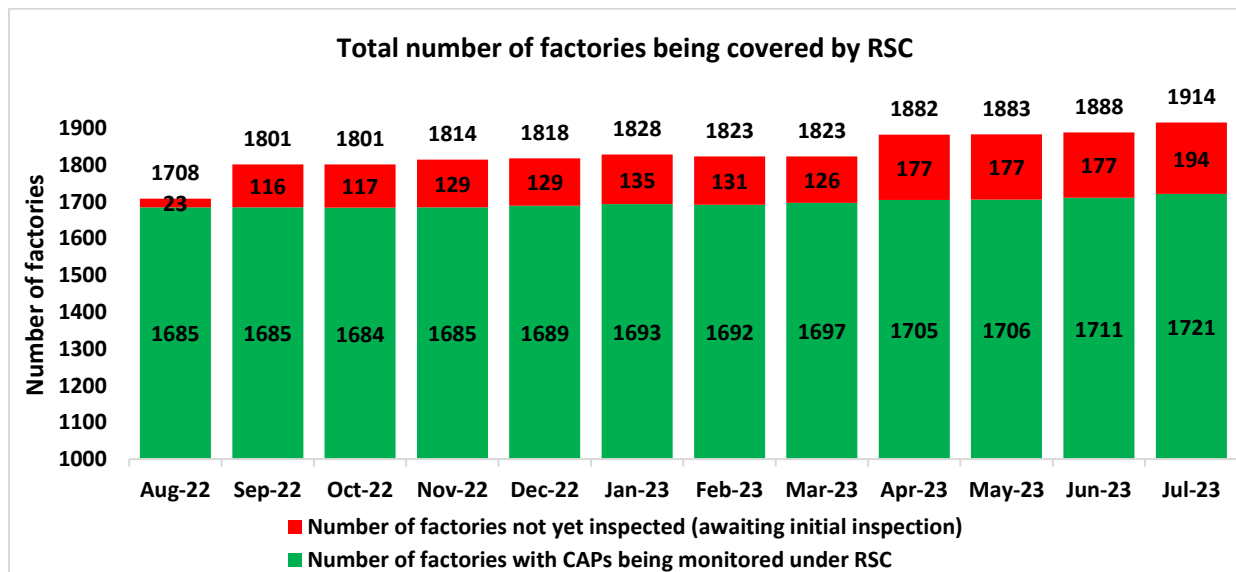


Figure 1: Number of factories covered by RSC in the last 1 year.

INSPECTIONS

- Total number of inspections: **293** in current month.
- Number of unique factories inspected: **119** in current month.
- The total inspection number is **2.5** times than the number of unique factories covered indicating multiple types of inspections being conducted simultaneously.

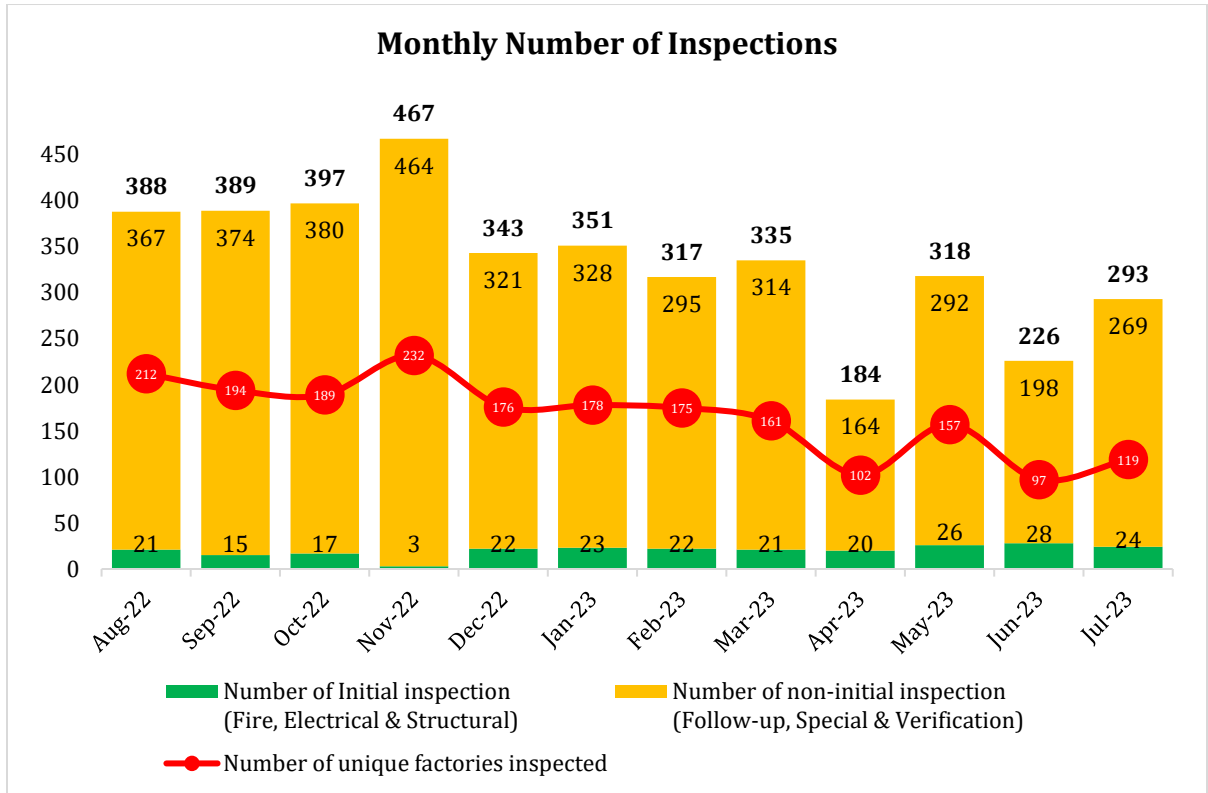


Figure 2: Number of Inspection conducted by the RSC in last 1 year

MONTHLY UPDATE ON SAFETY REMEDIATION

REMEDIATION PROGRESS ON INITIAL FINDINGS (as of July 2023)

- Total number of factories with Letters of Recognition (for 100% completion of Initial findings): **531** out of **1914**
- The number of 100% recognitions is limited by slow completion of initial Fire safety (Fire Alarm and Detection System-FADS & Suppression System-SUPS) items, which are still present a key challenge.

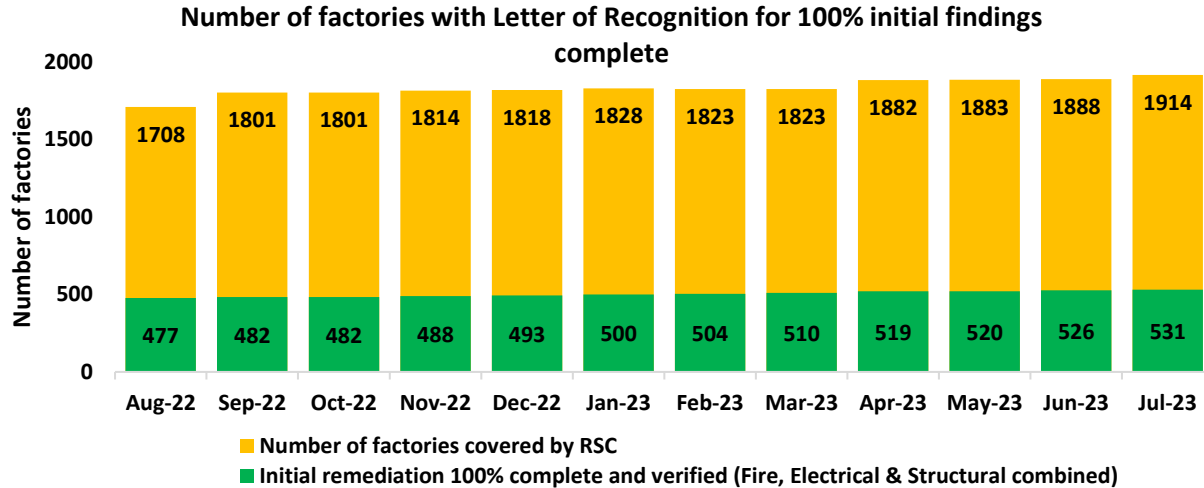


Figure 3: Number of Initial 100% remediated factories (combinedly recognised)

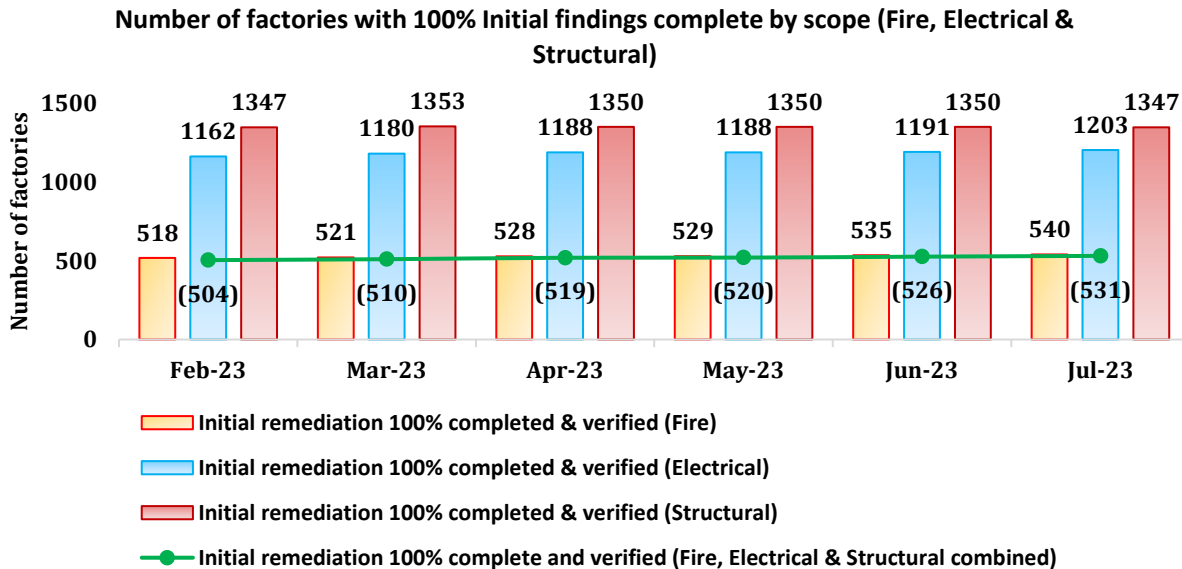


Figure 4: Number of Initial 100% remediated factories by scope (Fire, Electrical & Structural)

PROGRESS WITH REMEDIATION OF INITIAL FINDINGS (as of July 2023)

Progress with remediation is recorded as being at one of the following three stages:

- **In progress:** This is the default status for an inspection finding. It means that remediation of the inspection finding is underway.
- **Pending verification:** The “Pending Verification” status refers to a process where a factory reports to RSC that the finding(s) are corrected, but requires the RSC engineer’s verification through an inspection.
- **Corrected:** The finding has been verified as corrected by the RSC engineers through their follow-up verification inspection and/or testing visits.

The following graph shows the **834** factories that have recorded **100%** initial findings completed (includes Pending verification). From **Figure 3** above it can be seen that **531** of these factories have received a Letter of Recognition as having **100%** initial findings verified (Corrected) by inspection.

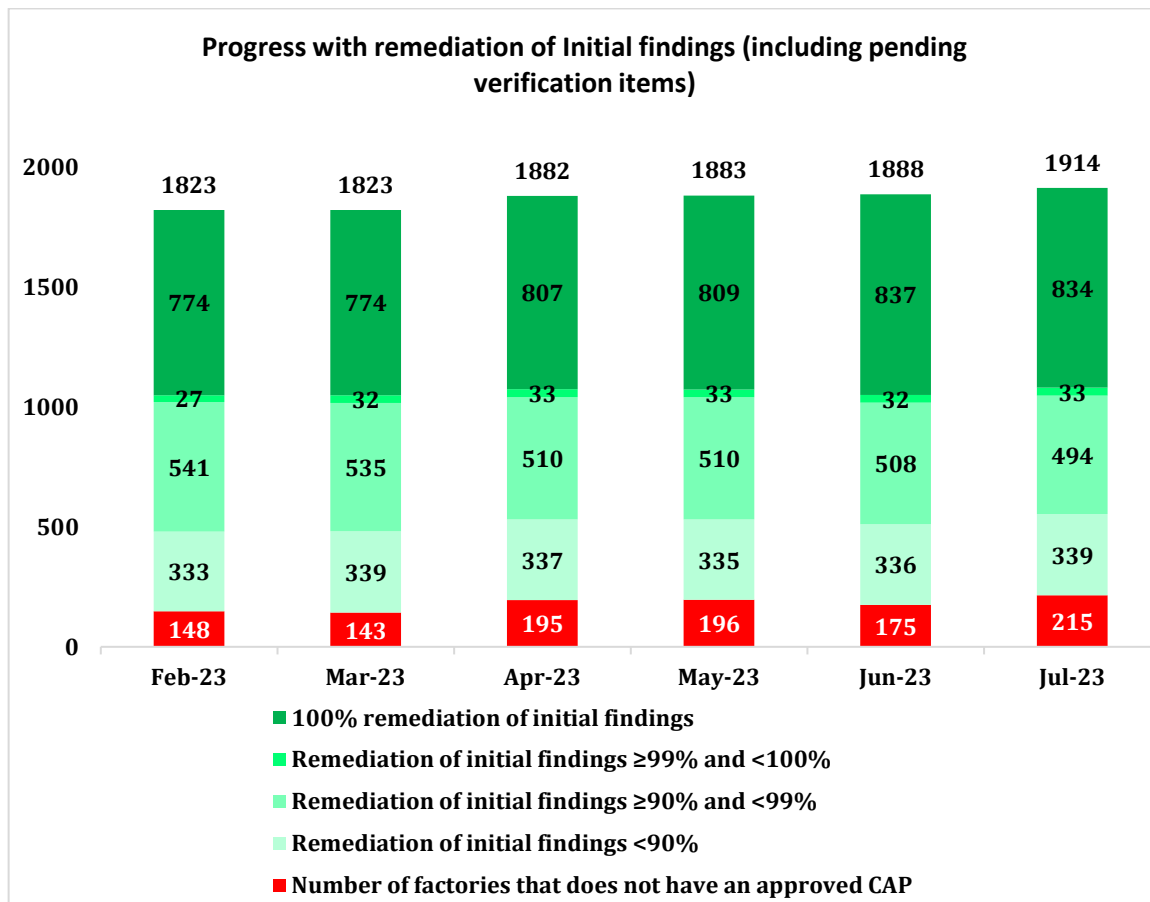


Figure 5: Initial remediation progress (%) considering pending verification items.

PROGRESS RATE ON MAJOR ITEMS BY DISCIPLINE

Remediation status of Fire Alarm and Detection systems (as of July 2023)

Figure 6 below demonstrates progress over the past 6 months with the three main stages for full testing and approvals of Fire Detection and Alarm Systems (FADS):

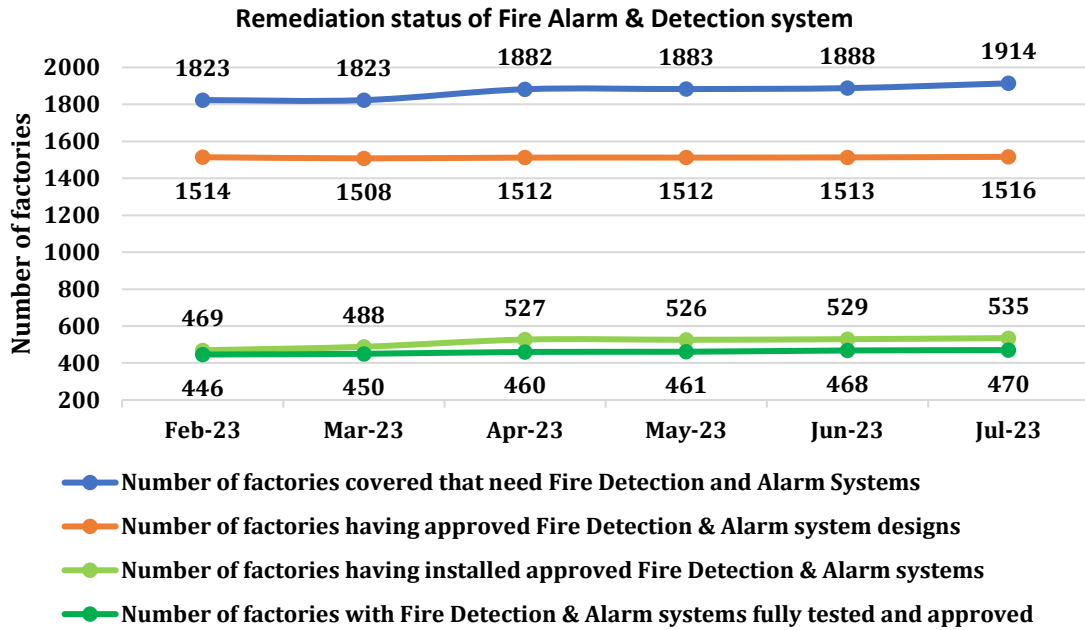


Figure 6: Remediation status of Fire Alarm and Detection System.

Remediation status of Fire Suppression systems (as of July 2023)

Figure 7 below demonstrates progress over the past 6 months with the three main stages for full testing and approvals of Fire Suppression Systems (SUPS):

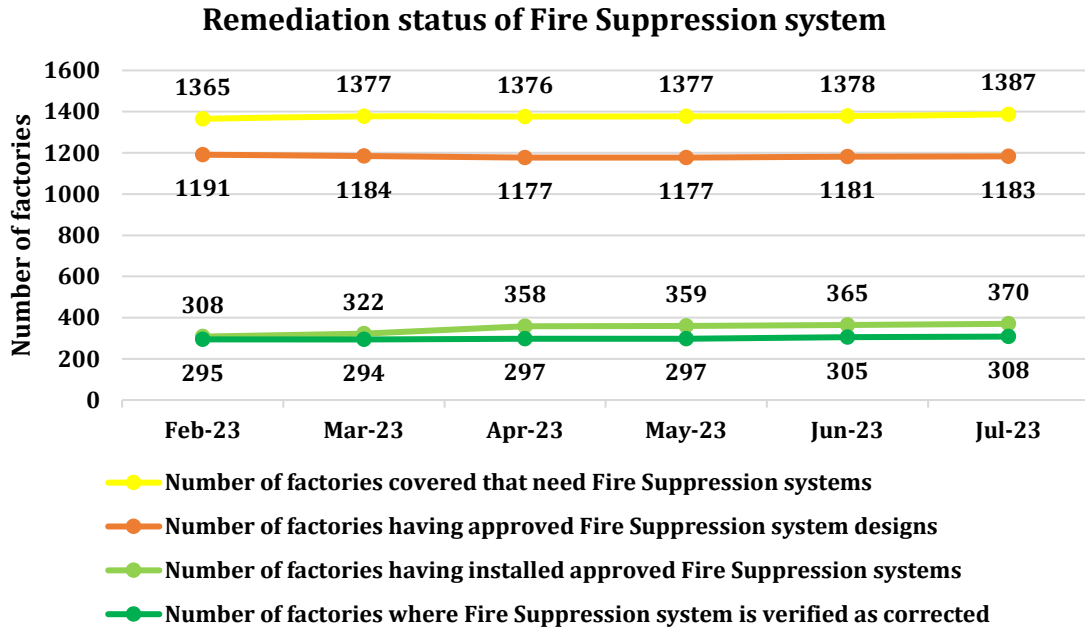


Figure 7: Remediation status of Fire Suppression System

Remediation status of Structural Items: Detailed engineering assessment-(D)EA:

- **Number of factories having accepted (D)EA: 1398.**
- **Number of factories completed the structural remediation: 881.**

The chart demonstrates the number of accepted (D)EAs, where it can be seen that there is a significant difference between desktop approval and the works onsite as verified by RSC.

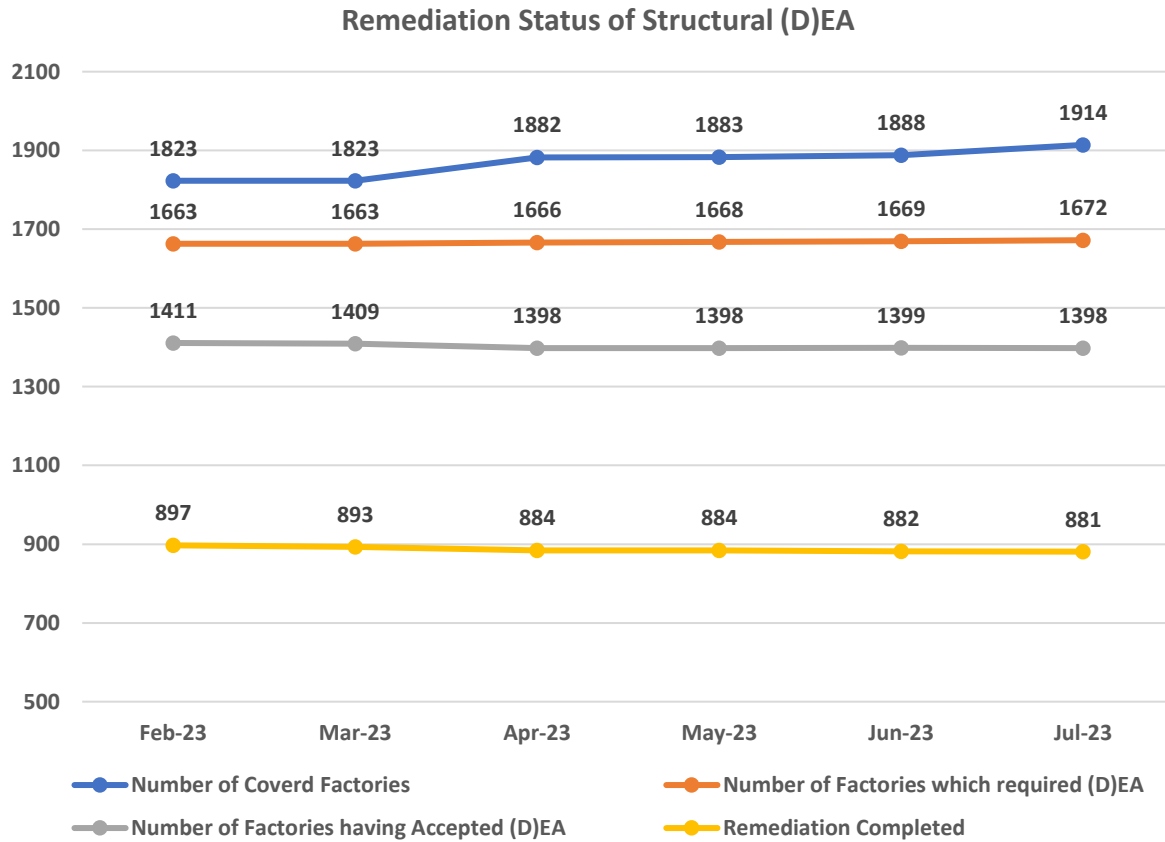


Figure 8: Remediation status of Structural (D)EA.

FACTORY ESCALATION STATUS (as of July 2023)

As of 30 July 2023, a total of **455** factories have been escalated, **292** to Stage 1 and **163** to Stage 2. There are **426** factories that were de-escalated after the escalation items were verified by the RSC. Out of the total RSC covered factories, **1033** have never gone to the escalation process. The percentage of different escalation stages of the RSC covered (**1914**) factories are shown in the pie chart below.

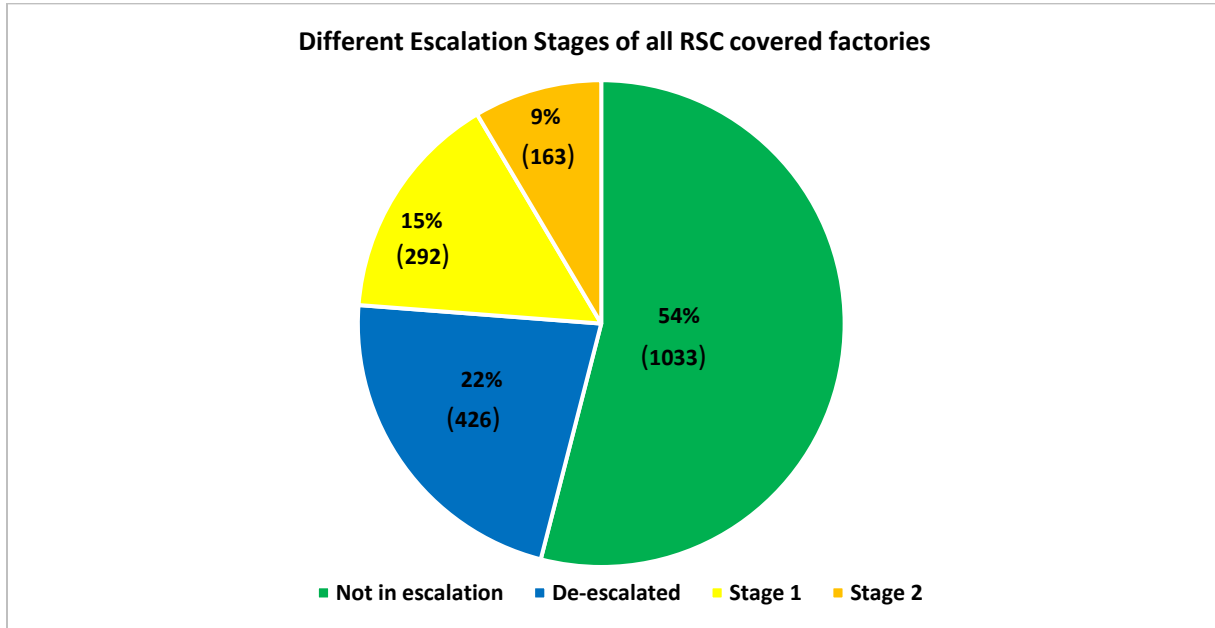


Figure 9: Escalation status of factories

LIST OF FACTORIES THAT RECEIVED STAGE 3 ESCALATION IN THE MONTH OF JULY 2023

The table below lists the names and account IDs of the factory that were escalated to stage 3. These factories have been made ineligible for business with RSC participating Brands as a result of failure to

ACCOUNT ID	ACCOUNT NAME	CURRENT ESCALATION STAGE	STAGE 3 ISSUED ON
12565	Harun Gimex Clothing Ltd.	Stage 3	24 July 2023

participate in the RSC prescribed Safety Programme and have been transferred to DIFE.

LIST OF FACTORIES THAT RECEIVED RECOMMENDATION OF PARTIAL/ FULL EVACUATION IN THE MONTH OF JULY 2023

During a structural assessment if the RSC engineer(s) find an immediate threat to the occupant of the factory building, then RSC could recommend immediate full evacuation for the factory building. In the month of July 2023, the RSC recommended One evacuation case listed in the following table.

ACCOUNT ID	ACCOUNT NAME	DATE OF RECOMMENDATION	EVACUATION TYPE
24629	Fakir Apparels Ltd (Extension)	25 July 2023	Full Evacuation

REPORTED FACTORY INCIDENT(S) IN THE MONTH OF JULY 2023

ACCOUNT ID	ACCOUNT NAME	DATE OF THE INCIDENT	INCIDENT SUMMARY
24629	Fakir Apparels Ltd. (Extension)	24 July 2023	<p>A fire incident at the factory on 24 July 2023 was reported through a media outlet. A loud explosion followed by a fire incident reportedly took place.</p> <p>At Fakir Apparels Ltd. (Extension) Location: Fatullah, Narayanganj on Monday (July 24) at around 10:22 am. Upon receiving the news, the RSC immediately dispatched a team of engineers to conduct the post-incident inspection and later shared the inspection report with all parties accordingly.</p>
24483	Laurels Fashion Ltd.	18 July 2023	<p>A fire incident at the factory on 18 July 2023 was reported through a media outlet. A loud explosion followed by a fire incident reportedly took place.</p> <p>At Laurels Fashion Ltd. Location: Dhaka-Mymensingh Highway Road, Gazipur on Tuesday (July 18) at around 5:7 pm. Upon receiving the news, the RSC immediately dispatched a team of engineers to conduct the post-incident inspection and later shared the inspection report with all parties accordingly.</p>

MONTHLY UPDATE ON WORKPLACE SAFETY PROGRAMME

STATUS OF OCCUPATIONAL SAFETY AND HEALTH COMPLAINTS MECHANISM (as of July 2023)

Workers at RSC-covered factories, and their representatives, have a right to raise complaints with the RSC Safety and Health Complaints Mechanism to remedy safety concerns that are not being effectively addressed at the factory level. Workers at covered factories, and their representatives, can raise concerns about safety and health risks safely, and if they so choose, confidentially, through the Safety and Health Complaints Mechanism. The Safety and Health Complaints Mechanism also protects complainants from reprisal, harassment, threat, or other retaliatory actions for exercising the right to file a complaint. This protection applies regardless of whether the complaint is determined to be OSH or non-OSH.

All complaints are assessed to determine if they fall under the occupational safety and health remit.

Occupational safety and health complaints are processed by RSC staff specialised in investigating and resolving complaints. RSC complaint specialists are responsible for verifying the delivery of the remedy of all complaints. Where complaints affect the safety of all workers/groups of workers, the RSC announces the findings and remediation requirements to all workers at the factory.

Complaints that fall outside of the remit of the Occupational Safety and Health Complaint Mechanism (i.e., non-OSH complaints) are forwarded to Factory Management, responsible brand, and labour signatories.

Complainants alleging issues at factories that are not covered by the RSC are provided with the contact information of the Government's Department of Inspection for Factories and Establishments (DIFE).

Total Complaints Received (1 June 2020 – 31 July 2023)

Since June 2020, the RSC has received **4,796** complaints out of which **1,244 (26%)** are Occupational Safety & Health (OSH) related complaints and **3,602 (75%)** are non-OSH related complaints.¹

Types of OSH Complaints

- Engineering (structural/fire/electrical): **78**
- COVID-19 related: **356**.
- Reprisal for having filed a complaint: **30**.

No. of OSH Complaints Resolved

Since June 2020, the RSC has resolved **523** complaint.

¹ A complaint may contain both OSH and non-OSH allegations. Percentages therefore add up to more than 100%.

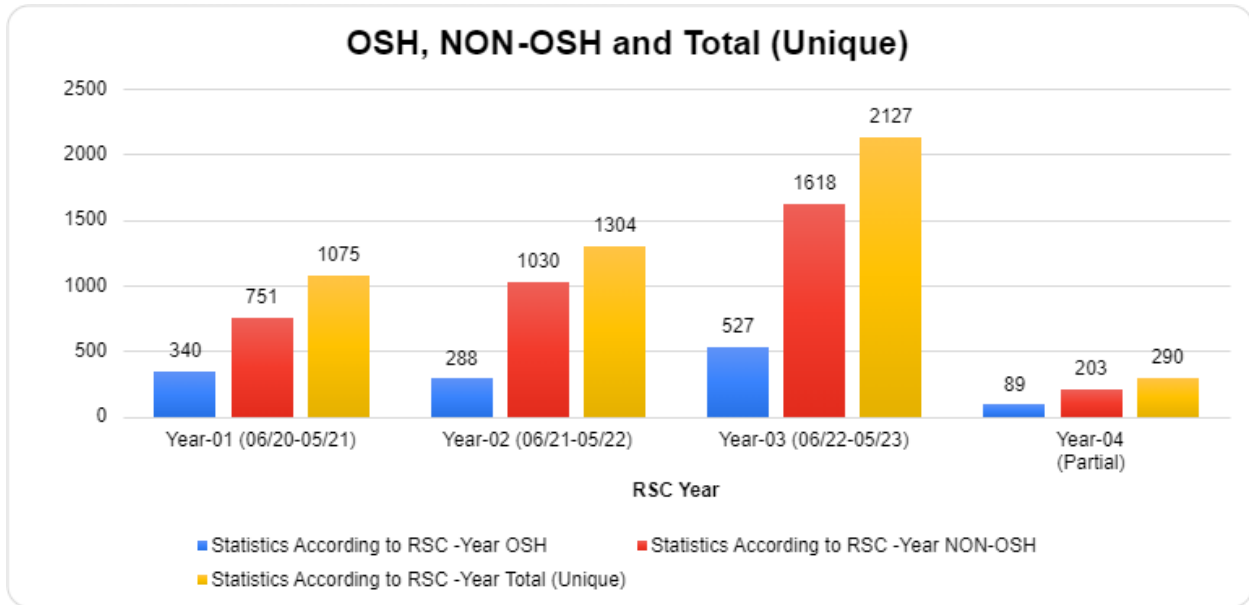


Figure 10: OSH Complaints RSC Period (1 June 2020 – 31 July 2023)

OSH TRAINING PROGRAMME (as of July 2023)

Key functions of the OSH Training Programme

Facilitation of Safety Training

- The RSC Safety Committee and Safety Training (SCST) Programme currently consists of 8 training modules conducted through 8 sessions for the members of the factory Safety Committee.
- As part of the training programme, the Safety Committee and the RSC OSH Training Programme Specialist conduct Walkthrough (WT) (a type of inspection) at the factory to identify actual or any potential safety and health hazards.

All Employee Meetings

- Following a preliminary consultation (Initial Meeting) with the factory management, the RSC OSH Training department schedules 3 “All Employee Meetings (AEM)” on the factory grounds, where all employees of the factory are invited to participate.

A factory receives a **Letter of Acknowledgement** (LoA) from RSC after participating all the activities designed under the Safety Committee and Safety Training (SCST) Programme.

Committee members conduct investigation immediately after any accidents/incidents take place at any factory.

Monthly Status Of OSH Training Programme

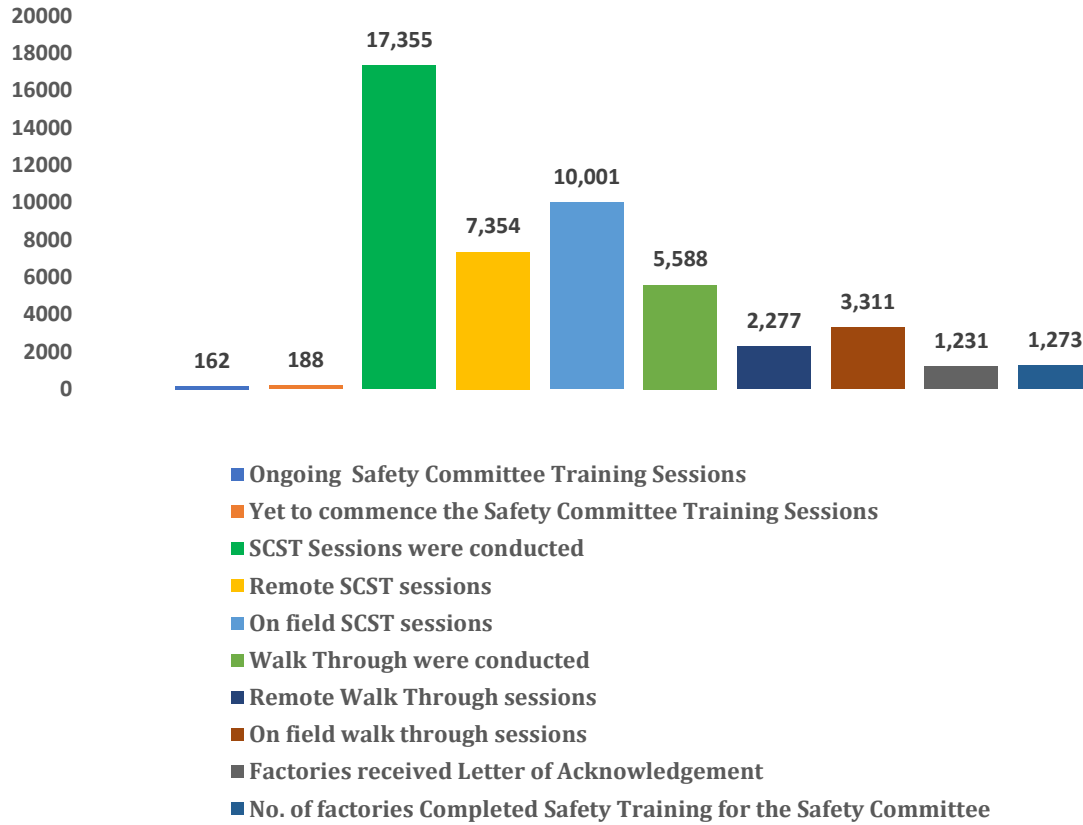


Figure 11: OSH Training Programme in July 2023

OSH Training Programme Update Status

OSH Training Programme Features	(As of July 2023)
Ongoing Safety Committee Training Sessions	162
Yet to commence the Safety Committee Training Sessions	188
SCST Sessions were conducted	17,355
Walk Through were conducted	5,588
Remote WALK-THROUGH sessions	2,277
On-field walk-through sessions	3,311
No. of factories Completed Safety Training for the Safety Committee	1,273
Factories received a Letter of Acknowledgement	1,231