

## Minutes of Meeting

Board of Directors (BoD) Meeting

19 March 2022: 10:00 am – 4:45 pm (Bangladesh Standard Time)

 Venue: Hotel Amari, Dhaka  
 and Zoom Conference Call

### Attendees:

	Members	Role	Organisation	Attended / Apologies
<b>Industry Representatives</b>	Rubana Huq	Director	BGMEA	Yes
	Shafiul Islam Mohiuddin	Director, Co-Chair	BGMEA	Yes
	Miran Ali	Director	BGMEA	Yes
	Sharif Zahir	Director	BGMEA	Yes
	Faruque Hassan	Director	BGMEA	Yes
	Mohammad Hatem	Director	BKMEA	Yes
<b>Brand Representatives</b>	Masarrat Quader Syeda	Director, Co-Chair	H&M	Yes
	Jorge Alonso Campo	Director	Inditex	Yes
	Michael Bride	Director	PVH	No
	Felicity Tapsell	Director	Bestseller	Yes
	Bernardo Cruza	Director	El Corte Ingles	No
	Jochen Juette-Overmeyer	Director	Otto Group	Yes
<b>Trade Union Representatives</b>	Christina Hajagos-Clausen	Director	IndustriALL Global Union	Yes
	Amirul Haque Amin	Director, Co-Chair	National Garment Workers Federation (NGWF)	Yes
	Kamrul Anam	Director	Bangladesh Textile and Garments Workers League (BTGWL)	Yes
	Babul Akter	Director	Bangladesh Garment and Industrial Workers Federation (BGIWF)	Yes
	China Rahman	Director	Federation of Garment Workers	Yes
	Alke Boessiger	Director	UNI Global Union	Yes
<b>Neutral Conveners</b>	Dan Rees	Convener	ILO	Yes
<b>Observer</b>	Rajendra Kumar Acharya	Observer	UNI Global Union	Yes
	Apoorva Kaiwar	Observer	IndustriALL Global Union	Yes
	Nafis Ud Doula	Observer	BGMEA	Yes
<b>RSC Representatives</b>	Iqbal M Hussain	MD and ACSO	RSC	Yes
	Mohammad Momanul Islam (Momen)	Financial Controller	RSC	Yes
	Kirstine Drew	Head of Workplace Programmes	RSC	Yes

	Members	Role	Organisation	Attended / Apologies
	A. J. M. Zobaidur Rahman	Manager- Media & Communications	RSC	Yes
	Afsana Akhi	Administrative Assistant-Translator	RSC	Yes
	Md Erfanul Haq	Communications Officer	RSC	Yes
	Robeul Haque Rana	Head of IT	RSC	Yes

Meeting Agenda:
<ol style="list-style-type: none"> <li>1. Previous Minutes of Meeting</li> <li>2. Update on OSH Committee</li> <li>3. Update on Article 8 Committee</li> <li>4. Update on GCC</li> <li>5. Finance Update               <ol style="list-style-type: none"> <li>a. Update on Tax Exemption</li> <li>b. Budget Update</li> <li>c. Directors &amp; Officers Liability Insurance</li> </ol> </li> <li>6. Update on No Brand Factory and Orphan factories</li> <li>7. Recruitment of CSO and OSH Complaints Manager</li> <li>8. RSC Update</li> <li>9. HR Review Update</li> <li>10. Funding Sustainability</li> <li>11. AOB</li> </ol>

ITEMS	DESCRIPTIONS	REMARKS
1.	<b>Previous Minutes of Meeting</b>	
	<p>Dan Rees extended everyone a warm welcome to the RSC BoD meeting in 2022, which was being held through online video conferencing (zoom) and physical presence – a popular hybrid method. The requisite quorum being present, Dan called the Meeting to order.</p> <p>Thereafter, Dan read the pre-circulated agenda for the BoD to approve. The BoD unanimously approved the agenda and agreed to follow the meeting proceedings accordingly.</p> <p>Dan then took up the first agenda relating to approval of any</p>	

	<p>pending minutes of previous meeting/s. The BoDs unanimously approved the previous minutes of the meeting. With the approval of BoDs, Dan proposed to follow the next agenda items for discussion.</p>	<p>1.1 The BoD approved previous meeting minutes.</p>
<b>2.</b>	<b>Update on OSH Committee</b>	
	<p>Dan took up the second agenda item related to OSH Committee Update and invited Iqbal (RSC) to do a presentation.</p> <p>Iqbal informed that from 1 October 2021 to 28 February 2022, the RSC has received 103 OSH complaints and 410 non-OSH complaints.</p> <p>The OSH Committee members recently have had a meeting on 16 March 2022. Rubana (Industry) requested an update from the RSC on total number of OSH complaints with the breakdowns. The RSC noted that the status, description and outcome of every complaint lodged with the RSC are published. Industry requested the RSC to provide a complete breakdown of the complaints. Industry also suggested providing a regular update on the status of the ongoing OSH complaints. The RSC agreed to provide the total number of OSH related complaints with a complete breakdown and regular status updates of the ongoing OSH complaints.</p>	<p>2.1. The RSC to conduct a feasibility study on Environmental due Diligence.</p> <p>2.2. The RSC to provide the total number of OSH related complaints with breakdown.</p> <p>2.3. The RSC to provide regular status updates of the ongoing OSH complaints.</p>
<b>3.</b>	<b>Article 8 Committee Update</b>	
	<p>Dan took up the third agenda item related to Article 8 Committee Update and invited Iqbal to do a presentation.</p> <p>Iqbal noted that out of 28 Article 8 cases, 7 were recommended for escalation. These cases were then further referred to the Article 8 committee. Three of these 7 cases have been resolved by the Article 8 committee. One of the 7 is still in progress. Iqbal added that the RSC had shared Legal Opinions on Article 8 with the committee members.</p> <p>Amin (TU) noted that the Bangladesh Labour Law (BLA, 2006) accepts distances up to 40 km, which turned out to be inhumane for the workers. On that note, Rubana (Industry) informed that it's been a good practice in many factories to provide transport facilities for the workers. Sharif (Industry) also responded that even the government employees and bankers get transferred from one district to another.</p> <p>Amin and Christina (TU) added that the RSC can't legislate for all different circumstances. Still, TU would continue their negotiation with Industry and Brand as the TU believes that the existing Bangladesh Labour Law isn't adequate.</p>	

	<p>On that note, Dan mentioned that a proposal is being prepared, and once the proposal is ready, it will be shared with the BoD for review.</p> <p>Later, Rubana and Miran (Industry) suggested the RSC to produce a report on the unresolved factories on a case-by-case basis.</p> <p>Mohiuddin (Industry) suggested deciding within a specific timeframe on the unresolved 4 cases as all three parties are present at the meeting. The RSC agreed to create an action plan to produce a report on the four unresolved factories on a case-by-case basis.</p> <p>Rubana (Industry) and Jochen (Brand) suggested de-escalating the factories that received escalation only for Article 8. Dan called for a motion and all three parties approved the de-escalation request.</p>	<p>3.1 The RSC to create an action plan to produce a report on the 4 unresolved factories on a case-by-case basis.</p> <p>3.2 The RSC to de-escalate the factories that received escalation only for Article 8.</p>
<b>4.</b>	<b>Update on GCC</b>	
	<p>Dan took up the fourth agenda item related to the GCC update and Invited Iqbal to do his presentation.</p> <p>Iqbal noted that the Ministry of Commerce (MOC) issued a license to RSC to run activities in Bangladesh as per the RSC's Memorandum of Association and Article of Association. Iqbal informed that there are 25 conditions in the RSC's Licence. He added that some of the conditions, especially number 10, refer to GCC formation and coordination with the government, particularly the Ministry of Labour and Employment (MoLE) and other concerned ministries. Iqbal then briefly highlighted some major conditions of the RSC's license.</p> <p>Iqbal Informed that the RSC has already attended two GCC meetings arranged by the MOC. The first GCC meeting was convened in December 2021 and the second in February 2022. The GCC was formed with the participation of representatives from the Ministry of Foreign Affairs, Ministry of Textiles and Jute, Ministry of Labour &amp; Employment, Ministry of Industry, Ministry of Commerce, BEZA and BEPZA. As an action of the second GCC meeting, the RSC had shared Quarterly Aggregated Reports (QAR) with the GCC members and DIFE. The RSC is still waiting for a response from DIFE on the QARs.</p> <p>Iqbal also added that the RSC is currently conducting Boiler external visual Inspection at the covered factories. Recently, the RSC has developed Boiler Inspection Technical Guideline and SOP and shared these files with the Chief Inspector of Boilers (CloB), and currently waiting for CloB's response. In response to a letter regarding boiler inspection from CloB (written on behalf of the factory named Epyllion), the RSC responded that they are trying</p>	<p>4.1. The RSC to raise the following topics at next meeting on with MoLE, MoC and BoDs:</p>

	<p>to mitigate any safety related risks at their covered factories. Currently, the RSC is also sharing their major observations of the visual inspections with the CloB. However, the RSC requested for BoDs' support to influence the current Inspector General, Department of Inspection for Factories and Establishments (DIFE) to engage more with the RSC like his predecessor.</p> <p>Jochen (Brand) noted that GCC meetings are very important for the RSC because GCC would help to build good relationship with the government. Jochen (Brand) suggested for tripartite representation at the GCC meeting, engaging Brands, Industry and TU. He also suggested having a clear discussion on the boiler inspection programme at the GCC. Amin (TU) also suggested Brands and TU representation at the GCC.</p> <p>The RSC noted that they have already discussed with the MOC where they emphasised on the joint representation of BoD at GCC. The MOC responded that the MD of the RSC could represent the organisation and the BoDs. Furthermore, MOC have invited Industry because of the connection with the Industry in Licensing the RSC.</p> <p>Alke (TU) emphasised on the need for better coordination among the different stakeholders on the Boiler related issues so that the RSC could carry forward the Boiler Safety Programme. The RSC informed that the BoD has a meeting with MOC and MoLE on next Monday (21 March 2022). The RSC suggested that the BoD could discuss the topic of boiler inspection, tripartite representation and GCC at the meeting. Rubana (Industry) seconded the proposal.</p> <p>Christina (TU) suggested sharing the translation of the GCC minutes with the BoD. The RSC noted that they have been sharing the translated minutes with the EC. The RSC agreed to check and re-share the translation with the RSC BoD.</p> <p>Dan wrapped up the discussion and sought approval on the three points that need to be discussed at the next meeting with RSC BoD, MoLE and MOC. The BoD unanimously approved the resolution.</p>	<p>a. Underline the importance of tripartite representation of BoD at the GCC meeting.</p> <p>b. Importance of IG, DIFE and IG, CIOB to respond to RSC/ participate in the GCC.</p> <p>c. Potential risk and importance of addressing the boiler safety issues at the RSC covered factories.</p> <p>4.2. The RSC to share translations of the GCC minutes with all the BoD.</p>
5	<p><b>Finance Update</b></p>	
	<p>Dan took up the fourth agenda item related to GCC update and Invited Iqbal to do his presentation. Iqbal started his presentation with an update on Tax exemption.</p> <p><b>a. Update on Tax Exemption</b></p> <p>The RSC noted that their legal counsel has visited NBR office on 14 February 2022 and had a meeting with first and second secretary (Taxes Appeal and exemption Department of NBR). The RSC's</p>	

Legal Counsel is trying to arrange another meeting with NBR Chairman.

The RSC Finance team and Legal Counsel jointly worked and submitted the zero-tax return/ Nil tax return on 14 March for the assessment year 2020-2021 and 2021-2022 and received a certificate on 15 March 2022. If the RSC could complete the assessment on zero-tax rate basis at the Deputy Commissioner of Tax (DCT) level, then RSC could use the momentum to get Tax exemption SRO from NBR, Iqbal added.

Jochen (Brand) suggested to ensure that the RSC doesn't have any existing balance at the end of the fiscal year that might be considered profit and subsequently imposing Tax on the RSC. He also added that the RSC needs a quick decision on the Tax Exemption.

The RSC noted that depending on the decision of the NBR, the RSC has a contingency plan to achieve a zero/ small opening balance that includes deferred payments and adjustments of the RSC's fiscal year.

Hatem (Industry) informed that the BGMEA and BKMEA leadership have met with the NBR Chairman to discuss the Tax Exemption. In response to Dan's comment, Hatem (Industry) added that as this is a bureaucratic system, the decision on Tax Exemption would require time. Later, Hatem (Industry) expressed that he is hopeful that the issue will be resolved quickly. Mohiuddin (Industry) added that all stakeholders have the same concern regarding the Tax Exemption. The Industry has facilitated the process and pushed the NBR for this exemption. He added that the NBR has agreed in principle on the Tax Exemption.

Christina (TU) suggested that to avoid any further complications on Tax Exemption, the RSC could match its fiscal year with the national fiscal year. Mohiuddin and Sharif (Industry) seconded Christina's proposal.

The RSC noted that they could match the RSC year with the Bangladeshi Tax year, leading to a 13-month budget plan in the RSC's third year.

Dan called for a motion on the 13-month budget on the RSC's third year and alignment of the fiscal year with the Bangladesh Tax year. All three co-Chairs approved the proposal.

5.1. The RSC to prepare a 13-month budget for its third year and match its fiscal year with Bangladesh's tax year.

**b. Budget Update**

Iqbal started his presentation on update on 2021-22 budget with the following key point.

- Actual expenditure in Q1 was USD 1.16 million
- The Budget for Q2 was USD 1.32 million, Q3 was USD 2.09 million.
- The Revised Budget in Q4 is USD 1.84 million and approved budget was USD 2.17 million.
- The Revised budget for the year 2021-2022 is USD 6.43 million, which went down from USD 6.76 million.

Iqbal then shared the budget variance report as of 28 February 2022 and the fund contribution of RSC fiscal year 2021-22. Iqbal added that fund contribution from Brands is USD 4.45 million, and Industry is USD 1.12 million which is 80% and 20% respectively. Iqbal informed that Brands have paid USD 4.2 million to date.

Iqbal informed that as of 1 March 2022 total available fund was USD 1.97 million. Adjusting deferred expense, safety fund, gratuity payment of 2020 and increment available fund is USD 805,262. Therefore, considering the Brand contribution of USD 248,107 available balance would be USD 1.05 million. This available balance would cover 87% of April 2022 expenses, including staff salary and festival bonuses, motor pool, cell phone, utility bill, internet bill, and Korn Ferry payment. Iqbal then requested Miran (Industry) and Masarrat (Brand) to share an update with the BoD on the fund contribution of Industry and Brand, respectively.

Masarrat (Brand) lauded the RSC finance team for the flexibility and quick response to the changes accordingly. She added that Brand went through a detailed breakdown of the RSC's expenditure and would provide their comments at the upcoming Finance Committee (FC) meeting.

Masarrat (Brand) suggested that as discussed, over the next five years, the Brands and the Industry would agree to split the fund contribution as follows:

2<sup>nd</sup> Year: Brand (80%) and Industry (20%), 3<sup>rd</sup> Year: Brand (80%) and Industry (20%), 4<sup>th</sup> Year: Brand (70%) and Industry (30%), 5<sup>th</sup> Year: Brand (60%) and Industry (40%), 6<sup>th</sup> Year: Brand (50%) and Industry (50%). From 6<sup>th</sup> year fund contribution would be equally split between Brand and Industry.

In response to RSC's query, Masarrat (Brand) responded that Brands are ready to transfer the remaining contribution to the RSC for Quarter 4 (Q4) and suggested RSC to send a formal request to the Brands to expedite the process.

*\*At this point in time Industry requested to audio record the meeting for internal use. The BoD agreed to the proposal and requested RSC to audio-record the meeting.*

5.2. Masarrat (Brand) to provide comments on RSC's expenditure at the next FC meeting.

5.3. The RSC to send a formal request to Brands via email to transfer the Brand's remaining contribution to the RSC.

Miran (Industry) noted that Industry has no disagreement on the contribution plan shared by Brands. However, Industry prefers to contribute to the last quarter. He added that Budget of RSC should be progressively reduced. This safety programme in its different form has been running in this country for almost nine years. As the factories follow a certain level of remediation, the follow-up level should be reduced. Therefore, the requirement of engineers would be less. However, the Industry is currently waiting for the HR review. On that note, Masarrat (Brand) suggested to have a discussion at the finance committee.

Iqbal clarified that the approved budget for 2021-22 is USD 6.76 million. However, based on actual expenditure and Q4 budget review, the required budget would be USD 5.56 million.

Sharif (Industry) added that Industry might not be able to raise the fund contribution as expected by the RSC by the third week of April. Miran (Industry) added that BGMEA has already started sending invoices to the factories. As several emails bounced back, Industry is now planning to send requests to the factory via registered post. Both Miran and Hatem (Industry) noted that the fundraising would be completed by mid of May 2022. Masarrat (Brand) noted that Brands will inform their supplier factories that the funding models of RSC have changed and would encourage the factories to pay the invoices. Industry lauded Brands proposal.

Iqbal noted that the RSC still needs to cover 13% of April 2022 expenses (approximately USD 100,000) by the end of April. Sharif (Industry) noted that factories will have to pay Eid bonuses for their staff. Therefore, it would be tough for the Industry to raise fund by the end of April. Jochen (Brand) noted that it would be difficult for the brands to raise money on such short notice.

Mohiuddin (Industry) noted that shortage of fund isn't good for any healthy organisation. He added that it is evident that there is a challenge from the Brands and Industry. Mohiuddin (Industry) requested the FC committee to develop a concrete solution for the funding crisis within a time frame.

Masarrat (Brand) added that by the end of April 2022 either Brand or the Industry would step up so the payments and salaries could be paid. Brand and Industry is committed to ensure that salaries of the staff could be paid regularly, she added.

Dan summarised the discussion and requested the FC to provide any details needed by the end of March.

5.4. Brand to send letters to supplier factories to inform them about the changed fee structure and encourage them to pay the invoices sent by the Industry.

5.5. Brand/Industry to come up with a solution for the RSC funding scarcity by the mid-April.

5.6. FC to come up with a detailed analysis on the required budget by the end of March.

	<p><b>c. Directors &amp; Officers Liability Insurance</b> Iqbal noted that RSC choose to work with Pioneer Limited for their better pricing. The RSC had several meetings with the MD and DD of Pioneer to draft an agreement that covers all BoDs. Currently, the draft policy of Directors &amp; Officers Liability Insurance is under review.</p> <p>Iqbal added that draft rules and trust deed for Provident Fund and Gratuity Fund has been vetted by the Legal Counsel. RSC will share the draft policies with the EC. In response to Masarrat's query Iqbal informed that the RSC already have provisions for provident and gratuity fund.</p>	<p>5.7. The RSC to work on the Directors' and Other Liability Insurance.</p> <p>5.8. The RSC to share reviewed draft of the provident fund and gratuity fund with the EC.</p>
<p><b>6.</b></p>	<p><b>Update on No Brand Factories and Orphan Factories.</b></p>	
	<p>Dan took up the sixth agenda item and invited Iqbal again to share his presentation.</p> <p>Iqbal shared some background regarding this agenda and noted that the factories that were previously covered by the transition Accord &amp; RSC and currently no International Accord signatories are now sourcing from those factories are known to be "<b>Orphan factories.</b>"</p> <p>On the other hand, the factories that were never been covered under the Accord or RSC programme but interested to participate under RSC's Inspection, Remediation &amp; Workplace safety programme are the "<b>No Brand factories</b>". Iqbal then requested the Industry to share an update.</p> <p>Miran (Industry) noted that the Industry has categorised these two type of factories under the same umbrella. Out of 200 orphan factories, 173 has been responded. Among these 173 factories, 141 wish to remain in the RSC programme and 31 wish to leave the programme. For these 31 factories, Miran (Industry) suggested that the RSC should communicate with them and inform them about the consequences of leaving the safety programme. Should the factories still choose to leave, the RSC would delist them from its database, he added. Christina (TU) opined that Industry should inform the 141 factories about the fee structure.</p> <p>Miran (Industry) suggested that for the 141 factories (Orphan factories) and 39 new factories (No Brand factories) that wish to join the RSC programme, the Industry will develop a compliance mechanism for these factories. This compliance mechanism will be applicable for these factories until any brand takes them on board. Then, once the factories start sourcing for a Brand, the</p>	<p>6.1. The RSC to write a letter to the independent factories to inform them about the consequences of leaving if they choose to leave the RSC. Subsequently, The RSC to delist the factories those who still choose to leave.</p> <p>6.2. The Industry to send a letter to Orphan Factories (141) about the fee structure who wish to remain in the RSC.</p>

generic Brand compliance procedure would apply. The Industry would need two months to draft a compliance mechanism. Once the draft is ready, it will be shared with the BoD for review.

Jochen (Brand) added that development of any compliance would be challenging. The only compliance of factories is achieved through the Brands and International Accord. The RSC currently doesn't have its own compliance mechanism. As per Articles of Association, the RSC was supposed to adopt the rules of the International Accord which still hasn't taken place. He stated that the first step should be the RSC having their own set of rules. However, the Brand association and the Shondhi can't comply because they depend on the compliance of their members. Therefore, the Industry/ Brand should have laws and regulations in the association which would hold the member/ supplier factories accountable to the rules of the RSC. This would ultimately lead to a functional compliance mechanism, Jochen (Brand) opined. Otherwise, the new factories with no Brands wouldn't have a legal responsibility to comply with the RSC.

Christina (TU) added that it was discussed earlier that these 39 factories (No Brand Factories) would be taken under a pilot programme. Referring to the "RSC procedure on initial Inspection for unlisted Factories" Christina (TU) opined that the 39 factories would go under this category. The original procedure indicates that Brands could sponsor inspection at the unlisted factories and the initial inspection could be done by three third party firms as agreed she informed. Later Christina (TU) suggested to follow the original procedure and not to reinvent the wheels.

Miran (Industry) suggested that instead of using third party inspection procedure, it is preferable that the RSC should inspect by themselves. Rubana (Industry) added that the Shondhi should have an internal mechanism so that the factories not only pay fees to the RSC but also agree to maintain the standard of RSC. Rubana (Industry) added that the Industry have to discuss this agenda with all their members to make the SPV more robust and then come up with a compliance mechanism.

Mohiuddin (Industry) requested BGMEA and BKMEA to get engaged, communicate with their members and come back with a proposal. The RSC BoDs are entitled to amend any existing provision adopted by the RSC. Jochen (Brand) added that as per the provision of the Brands association, any amendment of the RSC rules will be automatically adopted by the Brands.

In response to Mohiuddin's query, Iqbal noted that through the current mechanism, the Brands holds their supplier factories accountable. Masarrat (Brand) added that having an effective and

6.3. The Shondhi (Industry) to provide a draft of their compliance

	<p>reliable compliance mechanism is very crucial for the RSC. She opined that it would enable the BoDs to open the discussion of adding new possible Brands like the American Brands.</p> <p>Dan requested for a timeline from Shondhi (Industry) to get rules in place. Industry responded that they could share a draft in one month. The RSC noted that it would cross-check the exact number of No Brand and Orphan Factories. Masarrat (Brand) suggested changing the name from Orphan to “Independent.”</p>	<p>mechanism for No Brand Factories within a month.</p> <p>6.4. The RSC to cross-check the number of No Brand and Orphan Factories.</p>
<b>7.</b>	<b>Recruitment of CSO and OSH Complaints Manager</b>	
	<p>Dan then took up the seventh agenda Item and invited Rubana (Industry) to share an update.</p> <p>Rubana (Industry) noted that all three parties (Industry, Brands and Trade Unions) have agreed to employ the most competent candidate to fill in the CSO position of the RSC.</p> <p>Regarding recruitment of OSH Complaints Manager, it has been discussed that Local Capacity Building is crucial. The current position holder would work as a consultant and a handover should take place. Meanwhile, Alke (TU) will renegotiate with the current position holder regarding the exit package.</p> <p>Alke (TU) clarified that it was also discussed in the Wednesday meeting that the existing Complaints Mechanism is very crucial for the credibility of the RSC. It was also agreed that the RSC should look for a Local skilled professional for the OSH Complaints Manager Position. However, the current position holder will also be considered for the position. Masarrat (Brand) and Miran (Industry) also added that the secondment of a local person from ILO could also be an option.</p>	<p>7.1. The RSC to Draft CSO offer (T&amp;C).</p>

**Lunch Break: 1 hour**

## Session 2

ITEMS	DESCRIPTIONS	REMARKS
8	<p><b>RSC Update</b></p> <p>Dan welcomed everyone in the second session. He then picked up the eight agenda Item and Invited Iqbal to do his presentation. Iqbal started his presentation with RSC overview. Some Key points regarding the RSC overview are as follows</p> <ol style="list-style-type: none"> <li>1. The RSC completed 5750 inspections and 7,687 training sessions arranged till February 2022.</li> <li>2. The RSC issued 166 recognition letters.</li> <li>3. The RSC received 2145 complaints (OSH and Non-OSH) and resolved 228 OSH complaints.</li> <li>4. 14 days KPI on inspection reporting has been achieved with Zero schedule cancellation and zero incomplete inspection.</li> <li>5. The FLS Department completed 12 Supplementary Papers and 10 Technical Remediation Guidelines.</li> <li>6. Boiler Inspection Technical Guideline and SOP has been completed. The Technical Guideline is already shared with the CloB for their comments.</li> <li>7. The RSC Technical Guidelines (Standard) is uploaded on the RSC website for use by the relevant stakeholders.</li> </ol> <p>Iqbal then continued his presentation covered the following sections: RCH, Engineering team, OSH, Training, Admin and Communication.</p> <p>During the Q&amp;A session, Miran (Industry) proposed that the RSC should nullify the COVID-19 rules for the time being. The BoD agreed on the proposal.</p> <p>Christina (TU) noted that the TU have been monitoring the frequency of fire incidents at the apparel Industries of Bangladesh. From January 2021 to March 2022, at least 46 fire incidents took place and out of these 46 factories, 22 have been covered by the RSC. The RSC noted that through cross-departmental initiative, the RSC is trying to figure out the reason behind these frequent fire incidents. Christina (TU) suggested preparing a memo analysis on the increased number of fire incidents/hazards at the next BoD meeting.</p> <p>Jorge (Brand) requested the RSC to provide a list of factories that have been inspected under individual categories for the last 3/6 months. In response to Jochen's query Iqbal noted that the RSC follows the same process as before for escalation. First, the RSC</p>	<p>8.1. The RSC to nullify the COVID-19 rules.</p> <p>8.2. The RSC secretariate to prepare a memo/ analysis on the increased number of fire incidents/hazards at the next BoD meeting.</p> <p>8.3. The RSC to provide a list of factories that have been inspected</p>

	<p>highlights the issues to the Brands and later, the Brands issue the escalation. However, in case of stage 3 escalation, RSC informs Brands and the International Accord.</p> <p>Masarrat (Brand) appreciated the RSC for recruiting MCM to perform stakeholder management actively. She suggested that the RSC should engage with its stakeholders proactively. She added that with the COVID-19 protocols being dropped, Brands are expecting an increase in inspection numbers and overall progress rate of the factories.</p>	<p>under individual categories for the last 3/6 months.</p> <p>8.4. The RSC to engage with stakeholders proactively.</p>
<b>9.</b>	<b>HR Review Update</b>	
	<p>Dan took up the ninth agenda item and invited Iqbal to share an update.</p> <p>Iqbal noted that with the prior approval of RSC BOD, the RSC engaged Korn Ferry (KF) as their HR consultant from February 2022.</p> <p>Korn Ferry approach in Two (2) phases: Organisation review, and Talent assessment and development.</p> <p>In phase-1, KF proposed five modules and in phase-2, two modules. Based on KF's module, KF proposed their 9 months project timeline. From Module 1: Organisation Design Review and interviews with MD and Acting CSO and N-1 have been completed and KF will continue to review N-2. KF would also review the Grading/Banding Structure by May.</p> <p>Miran and Rubana (Industry) suggested checking with KF if they could complete the entire assessment within a shorter timeline. Miran (Industry) later suggested continuing the two phases parallelly and completing the review by July. Iqbal agreed to discuss the proposal with KF and get back to EC. Iqbal also suggested that it might be possible to run phase-1 and phase-2 concomitantly.</p> <p>Iqbal clarified that the HR review is not about downsizing rather helping and developing the staff to grow.</p>	<p>9.1. The RSC to ask Korn Ferry to implement the two phases parallelly and (try) complete the HR review by July 2022.</p>
<b>10.</b>	<b>Funding Sustainability</b>	
	<p>Iqbal informed that RSC had convened several Funding Sustainability Committee meetings back in 2021. Later, Funding Sustainability Committee Meeting was combined with the Finance meeting. Iqbal noted that RSC has two phases, make safe and keep safe. He added that currently, 441 factories have completed initial findings and these factories could be considered as phase 2. These 441 factories could be considered under a group and RSC could charge them for their services like monitoring and training. Iqbal also informed about another</p>	<p>10.1. RSC presented potential funding models that need to be explored in the upcoming funding committee meeting.</p>

	<p>possible option of charging registration fees for the No Brand Factories. Iqbal then discussed the challenges of running income-generating activities.</p> <p>Referring to the Funding Contribution Strategy, Faruque (Industry) proposed all the parties to continue their funding for the RSC for next two years at least. Mohiuddin (Industry) seconded Faruque adding that in the meantime , the FC could work on developing strategy and plan for Funding Sustainability.</p> <p>Rubana (Industry) noted that RSC as an organisation must have some sort of mechanism to raise its own fund. Faruque, Rubana and Mohiuddin (Industry) proposed to have a committee within the Board who would work on securing funds from external sources/ development partners. All parties agreed to submit names for the Funding Sustainability committee by the following week. Dan expressed his interest in attending the first meeting. Felicity (Brand) proposed that to facilitate the fundraising, a discussion on increasing the value of RSC could take place later at the trust-building meeting.</p>	<p>10.2. All parties to propose names of the representative for the Funding Sustainability committee by next week.</p> <p>10.3. RSC's Neutral Convener to attend the first meeting of Funding Sustainability committee.</p>
<b>11.</b>	<b>AOB</b>	
	<p><b>a. Advisory Committee</b></p> <p>Christina (TU) noted that in the last BoD meeting a ToR regarding advisory committee was submitted. She requested to amend the ToR that reflects the agreed decisions of the EC.</p> <p><b>b. Overlapping of Inspection with Elevate Limited (Nirapon)</b></p> <p>Miran (Industry) suggested that the RSC should not conduct inspections at the factories that Elevate Limited has already inspected. RSC agreed on the proposal and would check the current policy to ensure no overlapping occurs. However, Iqbal informed that from the risk management point of view, the RSC conducted initial inspections in factories where the factories already have an initial inspection report conducted by other organisations long time ago.</p> <p><b>c. Meeting with MoLE, MOC and IBC members</b></p> <p>Anam (TU) noted that RSC the MoLE and MOC has asked the local TU several times about the updates on RSC. Iqbal mentioned that RSC has been regularly coordinating with MoLE and MoC through GCC. He added that The RSC already arranging meetings with Local TU BoDs quarterly to provide updates. Later, Anam (TU) proposed an honorarium for the BoDs members for attending the BoD meetings.</p>	<p>11.1. The RSC to amend the ToR to reflect agreed decisions of the EC meeting.</p> <p>11.2. The RSC to check the current policy and ensure no overlapping with Elevate Limited.</p>

	<p><b>d. Next BoD meeting.</b> Christina (TU) and Masarrat requested to provide a possible date for the next BoD meeting. Iqbal noted that he will get back with a possible date by next week, targeting May/ June.</p> <p><b>e. RSC Handbook</b> Jochen (Brand) requested to remove duplications in the Handbook and policies. The BoD/ EC will have a conversation to remove the duplication in the policies. After finalisation, the RSC would complete the translation of the different policies.</p>	<p>11.3. The RSC to get back with a possible date by next week targeting May/ June.</p> <p>11.4. The BoD/ EC to have a conversation to remove the duplication in the policies. After finalisation, the RSC would complete the translation of the different policies.</p>
--	---	--

Dan expressed his thanks to the BoD and RSC members of staff for taking the time to attend the meeting and for their continuing support and showing interest in the affairs of the organisation. He also thanked all the Directors, and Officials of the RSC, for joining the meeting. The BoD appreciated RSC team for informative presentation. The meeting concluded with the note of thanks by Iqbal to the BoD and everyone who attended the BoD meeting.

(Ends)