

Minutes of Meeting

RSC Board of Directors (BoD) Meeting - 29 April 2024: 2.00 pm - 7.00 pm (Bangladesh Standard Time)

Venue: 5th Floor East Tower, Shanta Forum, Tejgaon, Dhaka; and Teams

Attendees:

	Members	Role	Organization	Attended / Apologies
Industry Representatives	Rubana Huq	Director	BGMEA	No
	Shafiul Islam Mohiuddin	Director, Co-Chair	BGMEA	Yes
	Miran Ali	Director	BGMEA	Yes
	Nafis Ud Doula	Director	BGMEA	Yes
	Faruque Hassan	Director	BGMEA	No
	Mohammad Hatem	Director	BKMEA	Yes
Brand Representatives	Ziaur Rahman	Director	H&M	Yes
	Indalecio Perez	Director	Inditex	Yes
	Felicity Tapsell	Director	Bestseller	Yes
	Bernardo Cruza	Director	El Corte Ingles	Yes
	Jochen Juetten-Overmeyer	Director	Otto Group	Yes
Trade Union Representatives	Christina Hajagos-Clausen	Director	IndustriALL Global Union	Yes
	Ashutosh Bhattacharya	(New 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)	No
	China Rahman	Director	Federation of Garment Workers	Yes
	Alke Boessiger	Director	UNI Global Union	Yes
GIZ	Gundolf Klaehn		GIZ BD	Yes
	Werner Lange		GIZ BD	Yes
Neutral Conveners	Tuomo Poutiainen	Neutral Convener	ILO	Yes
Observer	Mr. Amer Salim	Observer	Co-chair - BGMEA Standing Committee on RSC	Yes
	Mr. Fazle Shamim Ehsan	Observer	Vice president, BKMEA	Yes
RSC Representatives	Abdul Haque	MD	RSC	Yes
	Md. Hassan Nawazis	CSO	RSC	Yes
	Shah Sefat Uddin Ahmed	Senior Head - Remediation Programme	RSC	Yes
	Mohammad Momanul Islam (Momen)	Financial Controller	RSC	Yes
	A. J. M. Zobaidur Rahman	Head- Media & Communications	RSC	Yes
	Ovijit Mutsuddi	Head - Occupational Safety and Health Complaints Mechanism	RSC	Yes
	Md. Masud Parvez	Head - Occupational Safety and Health Training Programme	RSC	Yes
	Tanima Yasmin	Communications Officer	RSC	Yes

Meeting Agenda:		
<ol style="list-style-type: none"> 1. Welcome and finalization of the BoD Agenda 2. Strategy and Achievements by Abdul Haque (MD) 3. Inspection & Remediation Update by Sefat Ahmed (Sr. HoD) 4. Training Update by Masud Pervez (HoD) 5. Presentation on SCAIP by Guldolf (GIZ) 6. Technical Update by Hassan Nawazis (CSO) 7. Complaints Department Update by Ovijit Musudii (HoD) 8. Update on Accounts by Momanul Islam (HoD) 9. AOB 		
Items	Description	Remarks
1	<p>Welcome and Finalization of the Agenda</p> <p>Tuomo Poutiainen (Neutral Convenor) welcomed the RSC Board of Directors (BoD) and requested to review the agenda. Tuomo called the meeting to order after the BoD agreed to the agenda.</p>	1. The BoD Meeting Agenda was approved.
2	<p>Strategy and Achievements by Abdul Haque (Managing Director)</p> <p>At the beginning of the presentation, Abdul Haque (RSC BoD) drew the attention of the Board by showing an RMG export comparison that clearly depicts that Bangladesh has improved in RMG export in the years 2022 - 2023. After a brief discussion over the growth of RMG exports, Abdul Haque briefly shared the RSC strategy and achievements with the Board. On the achievement, Abdul Haque mentioned that RSC has eliminated the initial inspection backlog. He informed the board that the initial inspection is now being conducted within 3 months from the listing of the factory adding that RSC is ensuring a regular inspection cycle for follow-up & other types of inspections (4 to 5 months).</p> <p>On the strategy, he mentioned that RSC is planning to digitalize and prioritize the boiler inspection. He informed the board that the Executive Committee (EC) has discussed the need for hiring additional engineers for boiler department. RSC will share a plan for hiring new engineers with EC. If required some engineers will be transferred from other departments to the Boiler department.</p> <p>The presentation is attached in the annexure.</p>	2.1 RSC to update the EC on the plan for hiring additional manpower for the Boiler department.
3	<p>Inspection & Remediation Update by Sefat (Sr. HoD)</p> <p>Sefat Ahmed (Sr. HoD) gave a presentation on the inspection, and remediation programmes highlighting the factory coverage, inspection numbers, remediations, and escalation status. He informed the board that initial inspection is now being conducted within 3</p>	

	<p>months from the listing of the factory adding that RSC is ensuring a regular inspection cycle for follow-up & other types of inspections (4 to 5 months).</p> <p>To support the factory in expediting the remediation, RSC is now conducting Stage 1 meeting and workshops on T&CVI installation. He further mentioned that in the RSC period, a total of 576 factories received Letter of Recognition (LoR) for completing initial CAP.</p> <p>The presentation is attached in the annexure.</p>	
4	<p>Training Update by Masud Pervez (HoD)</p> <p>Masud Parvez (HoD Training) informed the board that RSC is currently implementing the Training programme at 1346 factories. He shared with the Board that RSC is going to launch the training programme at the BEPZA-covered factories. The commencement letters for this programme have already been disseminated to the factories within the BEPZA.</p> <p>To highlight the other areas of development, Masud informed the board that RSC the training materials for All Employee Meetings (AEM) have been updated and reviewed by the Working Group. Kamrul Anam (TU) requested RSC to share the final draft of the module with the Working Group before printing.</p>	<p>4.1 RSC to convene a meeting with the working group to finalize the training materials before printing.</p> <p>Post-meeting note: RSC has already shared the final draft with the Working Group. The draft has been approved by the Working Group.</p>
5	<p>Presentation on SCAIP by Guldolf (GIZ)</p> <p>Guldolf Klaen (GIZ) briefly presented the activities of the SCAIP project that aims to improve the capacities of the RSC for monitoring safety, labour and environmental standards in the textile and garment sector. To respond to a question on the environmental audit (Output 3), Guldolf mentioned that international standards will be followed while designing the audit protocol. The Board requested the GIZ representative and RSC for a broader discussion on the proposal on environmental audit as many brands have their own programmes. In response to the comment, Abdul Haque mentioned that RSC will develop the programme covering water, chemicals, energy and waste. Tuomo commented that RSC is developing an approach for rolling out the proposed environmental audit protocol. As a next step, the board needs to review and approve. Abdul Haque mentioned that in collaboration with GIZ will work on developing a detailed programme and with the implementation plan, RSC will share it with EC for finalizing it for rolling out the programme.</p>	<p>5.1 RSC to share the detailed environmental audit protocol developed in collaboration with GIZ with EC by end of September 2024. After incorporating the feedback from EC, the final proposal will be submitted to the Board by December 2024 for approval.</p>
6	<p>Technical Update by Nawazis (Chief Safety Officer)</p> <p>In the technical update, Nawazis (CSO) mentioned that RSC's inspection and design review capacity has increased significantly. On the boiler safety, he informed that RSC and CloB have a common understanding regarding inspection. He also mentioned that RSC will need to hire 27 additional engineers to conduct planned inspections of Boilers. Tuomo wanted to know if the board is ready to approve the proposal for additional recruitment. Trade Union and Brand</p>	

	<p>agreed to the proposal. Industry informed that they would share their decision on this after having a meeting with Chief Inspector of Boiler (CloB) to check if they (CloB) do not have any reservation on RSC's boiler inspection.</p>	
7	<p>Complaints Department Update by Ovijit Mutsuddi (HoD)</p> <p>Ovijit in his presentation on the Complaints Mechanism (CCM) mentioned that 70% of the received complaints are marked as non-OSH. He then updated the board on the Comprehensive Complaints Mechanism (CCM) pilot programme that was launched on March 11, 2024. During this time, RSC received 57 non-OSH complaints under the CCM scope. Tuomo wanted to know if RSC has the right capacity to deal with the non-OSH complaints. In response, Ovijit mentioned that the team is following the same protocol adding that they dealt with similar complaints during the time of the Covid-19 pandemic. Jochen (Brand) informed the board that the Bangladesh chapter of the International Accord Agreement has identified the non-OSH as a scope for RSC. He requested RSC to share the pilot programme update with EC every two weeks. In response, RSC informed that the bi-weekly reports are currently being shared with the EC and the final report will be shared by the end of August 2024.</p>	<p>7.1 RSC to share an update on the pilot programme bi-weekly.</p> <p>7.2. A comprehensive report of the CCM programme to be shared with the board at the end of August 2024</p>
8	<p>Financial Position</p> <p>Momen presented the projected cash position as of 31 May 2024 which indicates negative balance of BDT 84 million. Momen informed the Board that Considering the current fund position and upcoming payment commitments, RSC can run its operations till May 2024 (maximum) and need to tap into safety fund and provision amount.</p> <p>Hatem (Industry) confirmed that BKMEA will transfer BDT 20 million by 5 May 2024. Miran and Nafis informed that after the townhall meeting, BGMEA will arrange fund to meet the May 2024 expenditure of RSC. The Board agreed to allow more time to industry before approving the escalation protocol for financial non-payment.</p> <p>Momen then shared the indication of the first draft budget for the next year (July 2024 to June 2025).</p>	<p>8.1. Momen to send fund request to BKMEA and BGMEA after the townhall meeting.</p> <p>8.2. RSC to arrange an urgent BOD/EC in the first week of May 2024 to discuss the payment issue with escalation protocol for financial non-payment.</p> <p>Post EC update: RSC has received BDT 20 million from BKMEA and got an indication that BGMEA preparing another cheque of BDT 30 million at least to cover May 2024 expenditures.</p>

<p>9</p>	<p>AOB</p> <p>Escalation protocol for non-payment</p> <p>RSC requested the Board to approve the Escalation Protocol for non-payment so that the protocol could be applied with immediate effect. Industry in response requested RSC to wait for a week so that they can discuss this at their board (BGMEA/BKMEA) and get back to RSC. Considering the urgency of the matter, Miran Ali proposed for an urgent EC/Board meeting next week for the approval of the protocol.</p> <p>Meeting with IBC members</p> <p>Kamrul Anam (TU) proposed RSC to hold meeting with IBC members on a regular basis for sharing information with the trade unions. In response, RSC confirmed that a meeting is being organized with IBC in late May.</p> <p>Adaption of new members of the Board</p> <p>Tuomo proposed Ashutosh Bhattacharya and Michael Bride as the new members of the Board representing Trade Union and Brands. The nominations were unanimously accepted by the Board of Directors.</p>	<p>9.1. RSC to convene an EC meeting next week to finalise the Escalation Protocol for non-payment.</p> <p>9.2 RSC to organize a meeting with IBC members in May 2024.</p>
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