

Minutes of Meeting

RSC BoD

14 December 2020: 20:00 – 22:00

Attendees:

	Members	Role	Organisation	Attended / Apologies
Industry Representatives	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
Brand Representatives	Roger Hubert	Director, Co-Chair	H&M	Yes
	Bob Chant	Director	Loblaw	Yes
	Michael Bride	Director	PVH	No
	Indalecio Perez	Director	Inditex	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
	Amirul Haque Amin	Director, Co-Chair	National Garment Workers Federation (NGWF)	No
	Kamrul Anam	Director	Bangladesh Textile and Garments Workers League (BTGWL)	No
	Babul Akter	Director	Bangladesh Garment and Industrial Workers Federation (BGIWF)	No
	China Rahman	Director	Federation of Garment Workers	No
	Alke Boessiger	Director	UNI Global Union	Yes
Neutral Conveners	Dan Rees	Convener	ILO	Yes
	Nazneen Ahmed	Neutral Convener	Bangladesh Institute of Development Studies (BIDS)	Yes - part
MD and aCSO	Iqbal M Hussain	MD and Acting CSO	RSC	Yes
Translator	Md Erfanul Haq	Acting Communications Officer	RSC	Yes
IT	Robeul Haque Rana	Head of IT	RSC	Yes

ITEMS	DESCRIPTIONS	LEAD	REMARKS
1	Approval of the Previous minutes of meeting	Dan	Open meeting
	The BoD unanimously approved previous minutes of meeting and current meeting agenda.		
2	Introduction: Dr Nazneen Ahmed 2 nd Neutral Convener	Dan/Iqbal	
	Iqbal informed as agreed at the previous BoD mtg in Oct. that brands, union and industry representatives and himself had an introductory meeting with Dr Nazneen Ahmed, Ph.D. Senior Research Fellow Bangladesh Institute of Development Studies (BIDS) to offer her a Neutral Convener role at the RSC and was asked to join the RSC BoD for an introduction to the rest of the BoD. Dr Ahmed attended the BoD to introduce herself. Of particular interest to the RSC is Dr. Ahmed's Ph.D. in Economics from the University of Wageningen, the Netherlands, her specialisation is in conducting research in the areas of RMG sector, gender and labour issues.		
3	Trade Union's (TU) RSC Performance Indicators	Alke/Iqbal	
	Iqbal informed the TU have performance indicators for the RSC, namely 1. hiring of CSO, 2. number of inspections, 3. cooperation between Accord secretariat and RSC, 4. complaints mechanism, 5. application of SOPs and finally 6. boiler programme. It was reported that overall feedback from the TU regarding the RSC performance has been positive. As per TU's request addition clarification has been provided on boiler safety programme and escalation.		Iqbal will have a meeting with the Industrial representatives.
	Alke (Labour) agreed with Iqbal and added that website development is a key element to maintain transparency and public communication.		
	Mohiuddin (Co-chair, industry) informed that due to Covid-19 the industry is facing unprecedented challenges including price drop and loss of potential buyers. Factories are struggling to catch business seasons due to frequent issuing of CAPs by RSC.		
	Rubana (Industry) indicated the low rate of Recognition (100% initial findings CAP completion) and proposed to convene an open session with the RSC for clarification. She also proposed to have the Industry's performance indicator for the RSC. Sharif and Rubana both agreed with Mohiuddin and added that currently the follow up inspections usually takes up to 4 months. RSC's slow progress has a direct financial consequence to the factories.		
	Jochen (Brand) asked about the practical impact of deep dive pilot programme that has been recently adopted by RSC.		

Iqbal assured that the RSC colleagues have been briefed about the potential consequences of missing a season due to delayed initial inspections and remediation/compliance. It is to be noted that RSC will not only improve workplace safety and the work of the RSC will have a positive impact on the GDP of Bangladesh. Iqbal reported the RSC’s key performance indicator (KPI) for completing inspection reports is 14 days, on the whole huge improvement has been made in this regards, whereas previously this KPI was not being met.

Cristina (Labour) also supported and commended Rubana’s proposal.

4 RSC Finance Update Iqbal/Roger

The RSC monthly expenses report (Jun-Nov 2020) was presented by the Iqbal. It is to be noted that limited operations due to lockdown has resulted less operational costs for the RSC. Iqbal also informed that USD3.15 million has been received from the Accord and as on Dec 2020 cash position is USD1.24 million. Iqbal added that Total Fixed asset (in book value) received from the Accord is USD557,990.

Iqbal will take necessary actions and will provide feedback on the raised issues to the financial committee.

Roger advised to include cash flow forecasting in the quarterly reports. Roger also advised the RSC accounts team to produce its own inventory and opening balance sheet with proper book value. Iqbal noted the Roger’s feedback and proposed to take necessary actions.

5 RSC Governance Iqbal
A **Advisory Council**
B **Government Coordination Council**
C **CSO recruitment**

A. Advisory Council
 Iqbal informed that the formation of an Advisory Council is in progress. Once the Advisory Council develops Terms of references (ToR), they will eventually work on establishing Government Coordination Council (GCC). Iqbal informed that a knowledge sharing meeting was held between ILO and RSC representatives.

B. Government Coordination Council (GCC)
 Dan noted that ILO has deep engagement with the Government through coordination cell and offered to share their experience and strategies with the RSC Government Coordination Council representatives upon its readiness.

C. CSO Recruitment
 Iqbal noted that HR Review Committee (HRRC) had assigned Iqbal to provide information on recruitment process. After Iqbal’s investigation, a meeting between HRRC and Korn Ferry (KF), a head-hunting firm was held last week. Based on the HRRC’s requirement KF provided a proposal. Should the HRRC accept KF’s proposal, KF will provide an appointment within 10 weeks.

6	RSC Functions Update	Iqbal
	<p>Iqbal explained his pull management technique of asking ‘how’ questions is motivational and leads to the team to achieve tasks with new ideas. This is opposed to asking ‘why’, which can lead to taking a defensive and closed approach. Iqbal added, the ‘how’ is already serving to create a positive problem-solving mindset.</p> <p>In the HR update Iqbal informed that RSC has invested in new HR and accounting software for increasing efficiency. HR team is in its final stage to recruit Lead fire engineer. Second round interview will be conducted for recruitment of Complaint Case Handler. In order to be maintain transparency, RSC has developed interview review process.</p> <p>Virtual Private Network (VPN) connections (Any Desk) has been established to facilitate work from home (WfH). Engineering design review software ETABS and STAAD Pro Has been made available for the Structural team. Iqbal also informed that dedicated chat room service through MS Yammer has been introduced to facilitate effective communications among the team members, since most WfH. Electronic Safety Committee (SC) Evaluation form has been developed that can directly pull data into RSC FFC database. Iqbal added that RSC website will get a major upgrade by January 2021. An enquiry function has been configured for factories and brands to get on touch.</p> <p>Iqbal spoke about when systems and process are in place, teams are encouraged to work autonomously they continue to and go onto complete task to completion. An presented a case for the dual impact of tackling issues from both ends leading to an accelerated positive outcome.</p> <p>Iqbal informed that since the resumption of inspections, 1142 inspections has been conducted in 572 factories. Currently 22% of factories have received recognition letter for initial findings. The ICU deep dive pilot programme is making an impact, as we have learnt amongst others the RSC can better communicate with factories. Iqbal added that ICU deep dive has improved communication and cooperation between teams and delivered proper description of CAPs. We are seeing encouraging signs of a more targeted approach, with an upward movement in the drive to remediate and improve efficacy. We continue to review and work towards findings solutions to the FADs and SUPs.</p> <p>Coordination with the Accord Secretariat colleagues has helped with better definition for the inspection schedule category for prioritisation, we a marked improvement for the now better defined 100% initial findings factories.</p> <p>The RSC is now using the Case Management Tool (CMT) developed by Accord Secretariat with local input, helps to manage the days to</p>	<p>Iqbal will provide an overall follow-up that shows the efficiencies of these new approaches in the next BoDs meeting.</p>

task of case handlers and increase efficiency and effectiveness of follow ups with factories. The RSC is now taking ownership of the CMT.

Currently 1231 factories have completed 90% of their initial finding. 315 factories have completed 100% initial findings (315 Recognition letter). Iqbal shared the statistics of Finance protocol cases, Closure and relocation protocol, and Escalation summary (total) the RSC resumed escalations after inspections resumed in September. The total number of stage 1 = 300, stage 2 = 121, stage 3 = 174 and de-escalated = 383.

Iqbal shared the SOP of Pending Technical queries and informed that currently there are 55 unsolved queries.

Iqbal updated the RSC has taken various initiatives across all departments, primarily engineering in an effort to find small refinements that will add to the drive to create efficiencies and lead to efficacy. The project code named 'grease the wheels', identified where small improvements can make a big difference. Iqbal noted that RSC has aimed to review 70 DEAs within 21 working days. Key challenges that had been faced by DEA reviews were resolved through providing access to ETABs, STAAD pro software and development of optimised excel spreadsheet. Frequent online meetings with the factories have been arranged with more specific feedbacks on the DEA. Pre-meeting with factory management for conducting initial inspection has enabled RSC to work more efficiently in reduced timeframe.

Within the Electrical Department we identified a bottleneck in the SLD (single line diagram), improvements have been made to ease the pressure on the quality control reviews by training the review engineers such that reviews are carried out in a more standardised manner, capturing comments with clarity and better language. Slides presenting SLD guidelines, and workflows were shown.

Bar charts representing work progress for the fire life safety department's depicted the capacity vs output for various tasks such as initial inspections, follow ups and testing and commissioning. Notably the chart shows areas for improvement, where the output is slow especially for follow ups, and testing, the RSC has taken initiatives to make improvements in these areas, such as provide technical guidance to both our own engineers and that of the factory.

In 2020, more than 826 complaints have already been lodged through the OSH complaints mechanism. At least 78 complaints have been lodged only in November 2020. A training manual has been developed for the new recruits at SHCMH Team. Cross-collaboration between the departments has been arranged to improve efficiency.

From September-November 12036 safety training sessions (remote) has been arranged by the RSC. Iqbal added that current capacity of

RSC is 26 training sessions per day using 13 blue jeans link. In collaboration with Accord, an online Safety Committee Assessment form and Safety Trainers evaluation form has been developed that can directly pull data to the RSC database. NEBOSH training for RSC trainers will be conducted soon.

Roger (Brand) commended Iqbal for introducing new efficient approach and added that MS Yammer should be used with proper training and caution as it can trigger potential data breach among employees. Iqbal confirms that this new approach/methodology completely aligns with the SOPs.

Bob (Brand) commended Iqbal’s presentation and suggested that measuring employees morale during this unprecedented time is very important to identify anomalies and explore more opportunities. Iqbal assured that all RSC employees has been briefed about the impact of their work in the national growth and subsequently the team leads has shown enthusiasm and pro-activeness in the projects that goes through “grease the wheels” approach.

Mohiuddin (Co-chair, Industry) commended Iqbal’s presentation and asks what measures will be taken for the engineers/employees that lacks the desired skills/ doesn’t follow SOP. Iqbal noted that employees especially the young one’s will receive proper training/guidance from the RSC. Should the fail to perform according, their cases will be forwarded to HR review committee. Iqbal also added that teams are encouraged to compete with each other to deliver higher performance. Christina (TU) suggested to provide an follow-up on the overall outcomes of these new approaches adopted by Iqbal.

7 RSC Sustainability Funding Committee

Dan informed that RSC Sustainability Funding Committee has been formed and Alke (Labour), Miran (Industry) and Roger (Brand) will respectively represent three parties. Iqbal informed that the committee is planning to sit for an initial meeting soon after holiday seasons.

8 Entry of New factories in RSC Rubana

Rubana (Industry) suggested that many no brand factories are willingly coming forward to be enlisted as RSC covered factories, which could be an option for RSC’s sustainable funding. An introduction of subscription fee’s for inclusion of these enthusiastic factories, could lead to a properly structured sustainable funding for RSC.

Dan asked to take up the discussion on inspection fees for no brand factories at the Sustainability Finance committee meeting

Miran (Industry) and Mohiuddin (Co-chair, Industry) both supported Rubana’s (Industry) proposal and confirmed that transition agreement signed with the Accord allows BGMEA to nominate factories for inclusion in the RSC with an appropriate methodology determined by RSC BoD’s.

Miran (Industry) suggested that, as the Accord-RSC agreement ends on May'21, any funding onward from the Brands should be directly from brands SVP.

Rubana (Industry) noted that, in order to maintain RSC's credibility, the BoD must act together.

Iqbal proposed a plan for inspection fees for the new no brand factories. Roger (Brand) informed that the proposal needs to be approved by the Sustainability Finance committee.

9 AOB

N/A