

Minutes of Meeting

RSC Emergency BoD Meeting

22 March 2021: 19:00 – 21:00

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)	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	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
MD and aCSO	Iqbal M Hussain			Yes
Translator	Md Erfanul Haq			Yes
IT	Rana			Yes

ITEMS	DESCRIPTIONS	LEAD	REMARKS
1	<p>Approval of the Previous minutes of meeting</p> <p>Rubana (Industry) asked for the access of OSH protocols and suggested to discuss these protocols in the executive board meeting and later on provide the revised version of the protocols to the Board Members for their feedback.</p> <p>Christina (Labour) and Miran (Industry) provided their comments on the meeting minutes.</p>	Dan Rees (DR)	<p>Open meeting</p> <p>Iqbal (MD and Acting CSO, RSC) will make necessary amendments to the previous minutes of meeting and will send it to BODs by this week.</p>
2 A. B. C.	<p>RSC Governance</p> <p>Advisory Council</p> <p>Government Coordination Council</p> <p>CSO recruitment</p> <p>A. Advisory Council Iqbal informed that he has prepared a draft Terms of Reference (ToR) which will be shared to the Executive Committee for coordination. Executive committee is already working on Advisory council to make sure that certain individuals for example Chief Inspector of Boilers (CIOB) could be reached for advice.</p> <p>B. Government Coordination Council In order to develop coordination between RCC, RSC and other stakeholders, Iqbal will request George Faller (ILO) to convene a meeting with RSC Executive Committee, ILO, MoLE (Ministry of Labour and Employment) and DIFE. Jochen (Brand) asked that what other stakeholders will be considered for GCC. Iqbal explained that MoLE, DIFE and any other relevant ministries (governmental bodies) related to RMG and workplace safety and sustainability will be considered. Rubana (Industry) informed that Labour Secretary already had an initial meeting with Industry Representatives, ILO, RCC and RSC. Kamrul (Labour) and Rubana (Industry) both suggested that the Labour Secretary should be requested to convene another meeting ensuring the participation all relevant parties.</p> <p>C. CSO recruitment Iqbal noted that after reviewing the terms and conditions KornFerry has been appointed for CSO recruitment. The whole recruitment process (CV review, Interview and sending offers) through this programme will be completed within 10 weeks period. Weekly updates will be provided by KornFerry.</p>	Iqbal	<p>It has been unanimously decided to advance the establishment of Advisory Council and Government Coordination Council as proposed.</p>

3	RSC Finance Update	Iqbal
<p>Iqbal noted that USD 6.23 million budget has been approved for RSC for June 2020 to May 2021. He added that till the end of February 2021, USD 4.93 million has been expended and based on forecast till May 2021, the RSC will have USD 1.3 million budget surplus/underspend. The RSC has received USD 4.62 million from June to February 2021 and requires another USD 301,856 from the Accord. Iqbal proposed that the RSC is permitted to retain the budget underspend as continuity funding for the RSC whilst negotiations are taking shape between Brands and Industry.</p> <p>Iqbal informed that the RSC has been registered under section 28 and as per RSC's Auditors observation, should there be any budget surplus, a potential tax might be imposed on RSC. Iqbal also added that he and Imtiaz Islam (Legal Shelter) has been working on a tax waver for RSC from NBR (National Board of Revenue) and RSC BoD's will be updated accordingly.</p> <p>Roger (Brand) noted that during the formation of RSC, Imtiaz (Legal Shelter) assured that there will be no tax liability as RSC is a not-profit organisation. He added that for 2020-2021 fiscal year the RSC is not going to have any surplus. Iqbal explained that RSC has been registered as RJSC (Registered Joint Stock Companies) under section 28 of Bangladesh Companies Act where any surplus money has been considered as profit. As the RSC has been registered as RJSC, therefore we will attract tax liabilities. Imtiaz (Legal Shelter) informed Iqbal that he is aware of the situation and is currently working on the waver. Miran (Industry) noted that he doesn't recall any written statement from Imtiaz (Legal Shelter) that promises zero tax liability for RSC and suggested that the Board should let Imtiaz to get a waver for RSC. Miran (Industry) asked whether RSC could use this budget surplus in the next fiscal year? Roger (Brand) explained that the Accord funding is based on the actual cost of RSC and will only cover 2020-2021 fiscal year. However, the RSC Funding Committee will take initiative so that the surplus funds could be used by the RSC for the next fiscal year. Rubana (Industry) noted that without proper support from the Brands the RSC can't be economically feasible which might lead to restructuring HR. Roger (Brand) added that all of us wants the RSC to continue on</p> <p>The RSC will try to obtain a waver for 2020-2021 fiscal year from NBR (National Board of Revenue). Iqbal and Roger will analyse the matter.</p> <p>Jochen to update the BoD on Accord foundations legal position with respect to underspent funding.</p>		

solid ground but unfortunately, we are currently stuck in the funding committee decision. Miran (Industry) added that he and Roger (Brand) has discussed the common position of Industry and it could be discussed extensively on the next agenda.

Jochen (Brands) added, there is a legal angle, in that what does the Accord Foundation do with any surplus funding? This is a legal question and needs to be looked into.

4 RSC Sustainability (Funding) Committee Iqbal

Iqbal informed that the Sustainability (Funding) Committee already had three meetings, once in January and twice in February. Although Initial discussions centred around possible funding models, lately, discussions going on how the Brand and Industry would contribute.

RSC to convene an RSC Sustainability Funding Committee Meeting on 7/8 April

The target budget of for 2021-22 is USD 8.0 million to cover all of RSC's core objectives and Sustainability function and growth.

Iqbal noted that it was readily agreed at the outset that a simple funding model would be adopted, the less moving parts the better. He proposed a funding model with 2 phases. Phase 1-make safe and Phase-2 keep safe. He added that in Phase-2, the RSC may be able to charge for services likes safety monitoring inspections, training, and certifications. He also proposed the current budget under spend is retained by the RSC for continuity funding with whilst negotiations are taking shape.

Iqbal informed that the RSC had a meeting with GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) and they have shown interests to support the RSC's Environmental Sustainability programme with project support not cash injection.

It was agreed by both Brands and Industry that given the urgency of the RSC's 2021-22 Funding; a funding meeting is convened at the earliest opportunity. It was agreed to target the 7 or 8 April.

5 RSC Functions Update Iqbal

HR Update

Iqbal noted that Lead Engineer-Fire safety and Deputy Lead Engineer - Fire safety and 3 Complaint

handlers has been recruited. Five Boiler Safety Engineers will receive their offer letter on 22 March 2021. He added that Protocols Technical Operations Manager, Finance Manager and Communications Manager will be recruited in near future along with the backfill positions as per the agreed budget.

All staff successfully completed HR refresher training. Skills development refresher training on Boiler Safety has been initiated on 21 March 2021. Safety Committee Training Team and Inspection Engineers are going to receive NEBOSH training.

Iqbal noted that a uniform structure and pay banding will be established along with performance review. The RSC initiatives and HR related activity are going to create opportunities for career development and progression. During this pandemic, a number of RSC colleagues have been tested COVID-Positive. However, the RSC has requested the Ministry of Health to provide vaccination for its employees who are aged under 40.

IT Update

Iqbal reported the RSC is pleased to announce the website is live as of 1 March. All firms have vision, aims, mission and objectives the RSC is not different and has developed its own, a copy of these will be shared, we welcome the BoD to provide feedback. Amongst the many initiatives taken by RSC's IT department, we have started to coordinate the hand over of editable format documents trackers etc from Accord. Notable initiatives are the exciting SharePoint platform which gives the RSC's various departments an departmental collaboration and data management.

Remediation Update

Iqbal reported project code named grease the wheels is going well. And reported the RSC has 1670 covered factories and conducted 2919 inspections at 1103 factories. Highlights being the inspections covered on:

Electrical Follow Up Inspection 576
Fire Follow Up Inspection 386
Structural Follow Up Inspection 328
Pre-T&CVI 302
T&CVI 154

And taking advantage of the Covid19 restrictions the RSC conducts many online video conferences, to date 3534 VC's have been convened.

ICU Deep Dive

Iqbal reported the ICU DD programme is ongoing and the current data sets are:

- Total number of factory covered in ICU deep dive: 219
- Total number of factory received Recognition Letter (RL): 41
- Total number received better CAP: 177*
- * Better CAP (Active, Solution Driven, Action Oriented & Concise action plan)
 - Up to August 2020, total number of Recognition Letter (RL) issued: 280
[Total (Through the inspection & remediation since 2013 to May 2020)]
 - Since RSC (September-2020 to February-2021) 360
 - Recognition Letter increased: +80
 - ✓ 29% improvement within 6 months

6	Progress Update	Iqbal
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Remediation Update

We continue to inject efficiency and efficacy in the RCS’s operations, especially in the FLS team,

We currently have 1253 factories at 90%+ completed. With 639 initial findings at 100% (360 Recognition Letter, RL). Inspections convened (big ticket items (T&CVI) (September 2020-February 2021) = 153. Furthermore, FADs reviews are down to 614 from 1303 and SUPs reviews down to 513 from 1096.

The RSC is pleased to report we have developed the capability to run and management the case management tool (CMT) used by the RCH.

The RSC reports the functions of Finance Protocol Cases, Closure and Relocation Protocol and the Escalation Protocol are all operational and posting results since resumption of inspections in September 2020.

The RSC has instigated a deep review of the pending technical queries and with the onboarding of the head and deputy of the FLS department is making progress. To assist engineers the RSC has developed and trained them on a technical query SOP. And further the RSC has segmented queries by groups

especially the ones that can be dealt with by applying the Technical Sub-committee (TSC) Guidance Notes (GN).

The RSC reports that in recognition of Covid19 Pandemic and the need for timely onboarding of factories for initial inspections the RSC has increased to 20 inspection per month instead of 10.

In a further effort to increase efficacy and reduce the number of follow up inspections the RSC has developed a new Initial Inspections SOP. And furthermore, in recognition of the previous inefficiency of the close out meeting in light of the AK fashions case, a standard closeout meeting template has been produced for formal and to facilitate for an audit trial.

All three engineering departs are showing upwards trends on being able match capacity and output for design reviews, however the RSC remains concerned at the pass rate of factory submitted designs. The RSC will take initiative to create training for factories to assist in improving the quality of the design submissions.

The RSC is pleased to update the BoD on the progress being made with the Boiler safety programme. As plan of work has been developed and shared with Accord with regular fortnightly calls. Recruitment, training, purchase of testing equipment and tew rutting of SOPs and technical guidance notes is in progress.

OSH Complaints Mechanism

The RSC's OSHCM continues to perform and is well used by factory workers, with record numbers of complaints being handled.

2020: 885 complaints

RSC period: > 815 complaints

2021: high level of non-OSH complaints

Successfully resolved >105 OSH complaints

Reducing backlog including of 'severe' cases

And 2 of three new recruits have already joined the team.

Safety Committee Safety Training (SCST)

The RSC has increased it BlueJeans links from 8 to 13, thus now being able to conduct 26 training session a day. The RSC now covers 'Covid safety measures'

awareness. Overall, the RSC has completed 13,252 session with a further 4,207 in the pipeline.

7	Approve RSC Quarterly Aggregate Report Iqbal update the BoD, the RSC's first quarterly aggregate report (QAR) has been review by the executive committee and is now the RSC seeks the co-chairs approval	Iqbal	RSC to send a copy of the final QAR to co-chairs for seeking their approval.
8	OSH Protocol Industry proposal to review the OSH protocol, in this respect a proposal is to be submitted.	Iqbal Rubana	Industry to submit proposal
9	TSC-GN update Iqbal reported that the RSC is making strong progress with the TSC-GN and its application to technical queries that have been in delay for quite some time. Initiatives are underway to cover the likes of: ➤ Negative Suction Condition ➤ Un-protected steel structure ➤ Inadequate pump size ➤ Sprinkler in Fire Pump Room	Iqbal	
10	AOB Role of BoD in Complaints Handling Following a recent occurrence, Christina (Labour) brought to the attention of the BoD, that it is not permissible for any RSC board director to attend a complaint hearing in a dual capacity of representing their cohort and the RSC. This is not constitutionally acceptable.	Christina	