

Internship Report

On

Social Compliance of RMG Sector

in Bangladesh

Submitted by

Abu Bakar Mohammad Ekram Hossain

ID: 112-14-505

Faculty of Business and Economics

Daffodil International University

Supervised By

Asit Ghosh

Assistant Professor

Daffodil International University



Daffodil International University

Dhaka, Bangladesh.

Internship Report

On

Social Compliance of RMG Sector

in Bangladesh

Submitted by

Abu Bakar Mohammad Ekram Hossain

ID: 112-14-505

Faculty of Business and Economics

Daffodil International University

Supervised By

Asit Ghosh

Assistant Professor

Daffodil International University



Daffodil International University

Dhaka, Bangladesh.

December 2018

06 December 2018

Asit Ghosh
Assistant Professor
Department of Business Administration,
Daffodil International University

Subject: Submission of Internship Report.

Dear Sir:

It gives me great pleasure to submit the internship report on “**Social Compliance of RMG Sector in Bangladesh**”. The report consists of the overview of the Current condition of Social Compliance, Activities of Accord & Alliance etc. It’s a great pleasure to let you know that I have tried to make my paper as comprehensive as possible.

I am grateful to you for giving me such an opportunity as well the guidelines that you have invested on me and I appreciate this internship program. I hope that you will cordially receive my internship paper.

Your acceptance of the report will make all the endeavors fruitful and requesting to consider the limitations with a soft view that had made due to my limitations and oblige thereby.

Yours faithfully,

Abu Bakar Mohammad Ekram Hossain
ID: 112-14-505
Program: MBA
Textile & Apparel Management & Merchandising
Department of Business Administration.
Daffodil International University

LETTER OF APPROVAL

This internship report prepared by Abu Bakar Mohammad Ekram Hossain, bearing **ID: 112-14-505** is approved for partial Fulfillment of the requirement for the Degree of MASTERS IN BUSINESS ADMINISTRATION. He has completed his internship program at his own working organization named Astra Supply Chain Services Ltd. The student has completed his four months internship program in on “**Social Compliance of RMG Sector in Bangladesh**” under my supervision. During the internship period, I found him Sincere, hardworking and enthusiastic.

Asit Ghosh

.....

ASSISTANT PROFESSOR

DAFFODIL INTERNATIONAL UNIVERSITY

Preface

The Internship report is made on the topic of **Social Compliance of RMG Sector in Bangladesh**. Now the business is so challenging in the world. So, I try to recognize how to improve social compliance in our RMG sector. If we maintain the compliance perfectly as per Bangladesh Labor Law and Buyer Code of Conduct in our RMG sector, we can produce the products in productive way and also will get a strong skilled workforces. Customer would like to see the fully compliance in our RMG sector and after observing the compliance, customer gives the order in Bangladesh market.

These types of report help the students to acquire particular knowledge on Basic Social Compliance factor on RMG sector. It will also help the manufacturers like a Garment factory to continue business with better competence.

The Basic factors of Compliance for all customers are same like Child Labor, Young Labor, Forced Labor, Discrimination, Harassment and Abuse etc.

Abstract

To attract a customer, Social Compliance is the main factor for the RMG sector. There are few reasons for Social compliance; such as to stop the recruitment of child labor, to stop discrimination, harassment and abuse, to keep standard working hours which can improve the socio-economic condition of the RMG sector. The samples were verified with the standard scale and graded accordingly. I have got a guideline by my supervisor to make my project easily. However, I have faced some restrictions to collect some document from the factory. We are trying to show out this project very easily. This study is carried out on 15 factories report of Child labor, Young Labor, Working Hours, Wages and Benefits, Discrimination were reviewed. For all reports we have found satisfactory results considering the national and international standard.

Executive Summary

The purpose of this report is to focus the area of social compliance of RMG sector in Bangladesh. The Bangladeshi RMG sector is a leading garment manufacturing industry in the world that has been rising geometrically during the last three decades. Due to some bad experience like “Rana Plaza Accident” and “Tazreen Fashion Factory Fire Accident”, RMG sector lost its Goodwill all over the world. Laws and codes are often violated by the industrialists of our country by taking advantage of poor surveillance of Government authorities.

In this report, The Compliance authority is dedicated to the goal of a safe and sustainable Bangladeshi Ready-Made Garment ("RMG") industry where no worker needs to fear fires, building collapses, or other accidents that should be banned with reasonable health and safety measures. There is an agreement of signatories to establish a fire and building safety program in Bangladesh for five years period. The program will stand on the National Action Plan on Fire Safety (NAP) for the meaningful improvement of fire safety in Bangladesh. This report also covers the activities of Accord and Alliance in Bangladesh in RMG factory to ensure the fire, electric and building safety of factory. This report covers the different types of social compliance that should maintain by the RMG factory and accord and alliance activity in Bangladesh.

CONTENTS

Serial No	Particulars	Page No
	Letter of Transmittal	i
	Letter of Approval	ii
	Preface	iii
	Abstract	iv
	Executive Summary	v
Chapter 1	Introduction	1
1.1	Background & Description of the study topic	2-3
1.2	Objective of the Study	4
1.2.a	General Objective	4
1.2.b	Specific Objective	4
1.3	Limitations	4
Chapter 2	Company Profile	5
2.1	Astra Supply Chain Services	6
2.2	Inspection Services	6
2.3	Inline Inspection	7
2.4	Final Inspection	7
2.5	The Astra Qc Inspectors	8
2.6	Description of Internship Work Related Section in Audit Service	8
2.7	Social Audit	8-9
2.8	Fire Safety Audit	9-10
2.9	Quality Audit	10
2.10	Training	11
2.10.a	Astra Training Program	11
2.10.b	Pre-audit Visit	12
2.10.c	Cap Follow up Visit	12
2.10.d	Individual Training Session	12
2.10.e	Seminar	12
Chapter 3	Data Collection And Processing	13

3.1	Data Description	14
3.2	Data Collection Method	14
3.3	Data Processing And Presentation	14
Chapter 4	Discussion on The Objectives	15
4.1	Objective 1	16
4.1.1	Overview	16
4.1.2	Benefits	16-18
4.1.3	Major Focus Area	18
4.1.3.a	Compliance with Laws and Workplace Regulations	18
4.1.3.b	Prohibition of Forced Labor	19
4.1.3.c	Prohibition of Child Labor	19-21
4.1.3.d	Prohibition of Harassment or Abuse	21
4.1.3.e	Compensation and Benefits	22
4.1.3.f	Hours of Work	23
4.1.3.g	Prohibition of Discrimination	23-24
4.1.3.h	Health and Worker Safety	24-26
4.1.3.i	Freedom of Association (FOA) and Collective Bargaining	27
4.1.3.j	Environment	27
4.1.3.k	Fire, Electric and Building Safety	27
4.2	Objective 2	28
4.2.1	Social Compliance Audits	28
4.2.2	What is Accord	28
4.2.2.a	Fundamental Goal of Accord	29
4.2.2.a.a	Fire Prevention	29
4.2.2.a.b	Early Warning of Fire	29
4.2.2.a.c	Containment of the Fire	29
4.2.2.a.d	Safe and Efficient Evacuation	30
4.2.3	What is Alliance	30
4.2.3.a	Fundamental Goal of Alliance	30
4.2.4	Inspection- Accord vs Alliance	31-32
4.2.4.a	Case Study 1	33
4.2.4.b	Case Study 2	34
4.2.4.c	Studies Comparison Chart	35-36
4.3	Objective 3	36-37
4.3.1	For Management (top and Mid-Level)	37
4.3.2	For workers	38
Chapter 5	Conclusion & Recommendation	39
5.1	Conclusions	40
5.2	Recommendations	41
Chapter 6	Internship Experience	42
6.1	Experience Related to Work, Workflow & People Met	43-44
6.2	Significant Pleasant and /or Unpleasant Incidences	44
6.3	Work-Internship Topic Linkage	44

Chapter 7	References	45-46
-----------	------------	-------

Table: 1

Figure No	Particulars	Page No
Figure 1	RMG factory in Bangladesh	2
Figure 2	Current RMG scenario in Bangladesh	3
Figure 3	Astra Supply Chain Services Ltd.	6
Figure 4	Final inspection procedure	7
Figure 5	Social Audit Procedure	9
Figure 6	Fire Safety Audit procedure	9
Figure 7	Different steps of Astra Training	11
Figure 8	Overview of remediation report	
Figure 9	Percentage of Remedied factory safety issues	

Table: 2

Table 1	BGMEA Membership and Employment	17
Table 2	Minimum salary as per new gazette-2018	18
Table 3	Compliance Audit Chart	18
Table 4	Forced Labor Status in Factories	19
Table 5	Child Labor status in factories	20-21
Table 6	Abuse status in factories	21
Table 7	Salary status of Garments workers in BDT.	22

Table 8	Working hour status of factories in weekly including 2 hours overtime	23
Table 9	Discrimination status of factories	24
Table 10	Health and Safety status in factories	25-26
Table 11	Overall factories current status under Accord and Alliance	32

CHAPTER 1: INTRODUCTION

1.1 Background & Description of the Study Topic

In the late 1970s, the readymade garment (RMG) industry starts its journey in Bangladesh and emerged a tiger within a short period in the economy through exports, employment creation, eliminating poverty, developing infrastructure and women empowerment. United States of America (USA) and the European Union (EU) is the main export market of Bangladesh. Bangladesh export garments at an impressive rate in recent years. A record level of US\$10.7 billion earned in 2007-2008 in the RMG sector. In addition, over 75 percent of the country's total export earnings are coming through RMG, creating employment almost 5 million people, over 10 percent of the country's GDP, and donates around 40% of its manufacturing output. The key success of RMG sector is not only depended on availability of cheap labor and government's liberal policy but also depended on maintaining the compliance with codes of conduct.

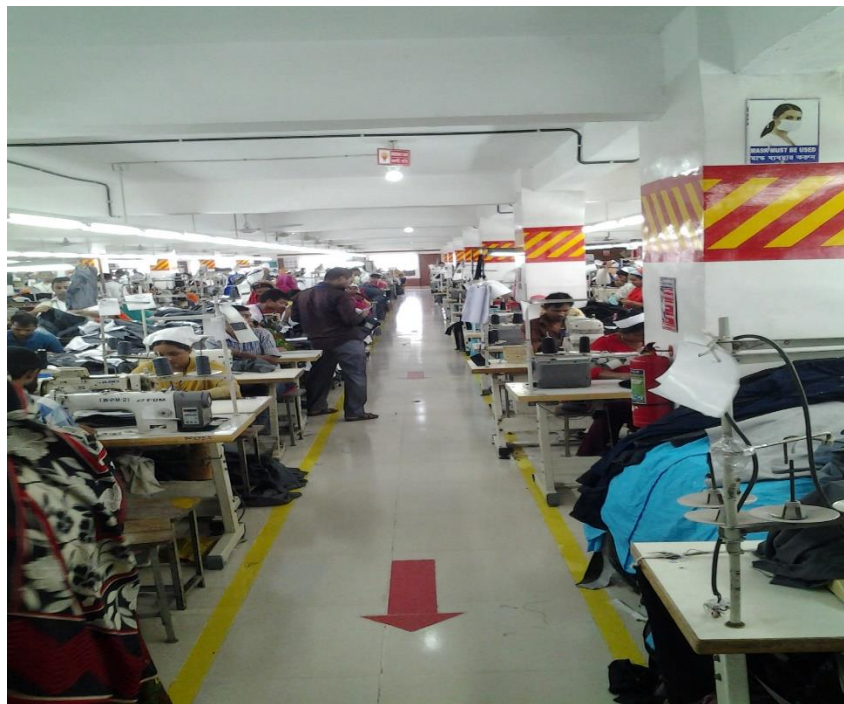


Fig 1: RMG factory in Bangladesh



Figure 2: Current RMG scenario in Bangladesh

The Bangladeshi RMG sector is the leading industry in the world for its constant growing over the last three decades. Today 80% of the national exports are coming through RMG. These number shows the sector is the most leading manufacturing industry in Bangladesh. Despite of this I want to explore of both Opportunities and Challenges regarding Social Compliance of RMG Factories in Bangladesh.

1.2 Objective of the Study

1.2. a. General Objective

Concentrating on the overall Social Compliance specifically Fire, Electric and Building Safety (maintained by Accord and Alliance) and basic compliance in readymade garments sectors of Bangladesh.

1.2. b. Specific Objective

- To deliver an overview of the present social compliance situation in the garment Factories.
- To illustrates **Fire and Building Safety** and **Worker Safety** compliance in readymade garments sectors of Bangladesh.
- To find out the acceptability of compliance provisions among the existing Employee group.

1.3 Limitations

- Due to the company's limitations, unable to acquire sufficient information. (Business secrecy and confidentiality).
- Time was also a limitation. Gathering a huge amount of information during working for only four months was really a difficult job.

CHAPTER 2: COMPANY PROFILE

2.1 Astra Supply Chain Services Ltd.



Figure 3: Astra Supply Chain Services Ltd.

A global supply chain service provider named ASTRA is providing excellence service to brands and retailers in long-term partnerships. Four services are providing like social audit, quality audit, product inspection, and supply chain management solutions by ASTRA.

ASTRA Supply Chain Services Limited (ASTRA) is the member of the Otto Group. Otto Group, globally active group of retailers and retail-related service providers with 123 major companies and operating its business in more than 30 countries in Europe, North – and South America as well as Asia. One of the world's largest online retailers is The Otto Group.

Hermes Otto International's strategic direction is coming through ASTRA and global services in the areas of compliance and product inspections by ASTRA.

2.2 Inspection Services:

The careful examination of a product against a specification of a customer to confirm with your quality requirements and expectations.

2.3 Inline Inspection

A product conforms to its design and specification called Quality. In-line inspection is done physically in the production floor, usually when the first few finished pieces come out of the line, in order to recognize potential matters at an initial time. Materials, dimensions, appearance, and regulatory requirements etc. is assessed of the selected samples during Inline Inspection.

2.4 Final inspection

Final product is carefully inspected based on the customer requirement before shipment called Final Inspection. Final inspections are vital in safeguarding the compliance of the finished product with customer expected quality level. Astra can service final AQL random inspections on-site at your factory. In addition, ASTRA have broad knowledge and actual know-how in the set up and management of inspection centers.



Figure 4: Final inspection procedure

Final Random Inspection (FRI) or Pre-Shipment Inspection (PSI) are the physical inspections that monitors the conformity of production in the declared places.

Based on the defined statistical method of acceptable quality level (AQL) and your requirements, ASTRA will choice random samples from your defined order.

2.5 The ASTRA QC inspectors

Highly Qualified Inspection Staff-

- Have extensive product knowledge in terms of quality requirements
- Have at least of five years' experience in quality inspection
- Are periodically trained in up-to-date skills, knowledge and requirements
- Are regularly monitored by evaluated by senior supervisor.

2.6 Description of internship work related section in Audit Services:

Greater clearness on supplier's presentation is essential for selecting the right supplier, as well as driving continuous improvement in the supply chain.

2.7 Social Audit:

Social audits of working, healthcare, social and environmental conditions of factories is done by ASTRA.

Social and environmental aspects are judged by interviews, document verification and site tour. Audits are done based on customer's code of conduct, the country laws and regulations, relevant UN, ILO Conventions and Company own policy and procedure.

ASTRA social audits cover all important areas:



Figure 5: Social Audit Procedure

2.8 Fire Safety Audit:



Figure 6: Fire Safety Audit procedure

Ensuring the fire safety standards continues to be a major issue throughout the manufacturing industry in last decade.

Fire prevention is not just satisfying the local fire safety regulation but also includes an assessment of management systems, fire risk, worker awareness and engagement - all of which are verified during a Fire Safety Audit. An onsite assessments to evaluate the actual fire safety condition of your factory is done by the Astra auditors.

2.9 Quality Audit

Considering the ISO 9001, Astra developed a comprehensive quality audit checklist for Apparel and Home Textiles and hardware as well.

Astra audits provide insights into a factory's quality planning, quality control, quality assurance and quality improvement in which listed by right hand side criteria are assessed for all concerned divisions available in the production floor in a factory. Astra evaluate a number of criteria. ASTRA auditors will record all findings, both best practice and non-compliance (NC), in an electronic audit report like cSmart that helps a factory in detail how a factory manages quality throughout production.

- Organizational Structure
- Physical Set Up
- Facilities and Equipment
- In-house Quality Control System
- Handling of Non-Conforming Materials/ Products
- Documentation Control
- Labor Conditions

2.10 Training:

The Astra training programs carry additional significance to your organization. Astra auditors provide consultancy and training based on extensive know-how and deep understanding of products, quality and compliance requirements.

2.10. (a) Astra Training program



Figure 7: Different steps of Astra Training

Astra auditor offers a comprehensive training program with various programs at different stages along the audit cycle.

Astra Auditors developed tools based on longstanding market knowledge and experience.

Depending on individual requests Astra Auditor can set up tailor-made training sessions in order to focus on particular zones to improve the conditions. This support assists your factory in working towards the next audit requirements.

2.10. (b) Pre-audit visit

To develop a factory, Astra auditor visit the factory and observe the factory in detail. Astra auditors verify the site, workers interview and document verification considering the customer requirements that will help the client to achieve a good result.

2.10. (c) CAP follow up visit

This module supports factories in their remediation progress. Astra auditors verify the issues of CAP practically in detail and supports the factory to close the issue. As such, factory gets help from the Astra through CAP follow up.

2.10.(d) Individual Training session

A request can come from factory for an individual training session based on their needs.

A training is a tailor-made in-depth sitting to support factories with practical guidance and best practice solutions.

2.10.(e) Seminar

Astra auditors propose seminars covering a variety of topics such as social compliance aspects, environmental issues or product knowledge.

Seminars include up-to-date topics with professional, market proficient lecturers helpful for all members.

The selected topics based on popular requests and interests and recent market topics.

CHAPTER 3: Data Collection and processing

3.1 Data Description

The data are collected dedicated on Social Compliance of RMG Sector in Bangladesh

3.2 Data Collection Methods

Two types of data primary and secondary data are used in this report.

Primary Sources

- Collect data or information directly from the officials.
- Interview survey carefully planned and showed to calculate the social Compliance performance of garment industry.

Secondary Sources

- Consulting official documents of garment industries.
- Internet.
- Industry manuals.

3.3 Data Processing and Presentation

Total organizations were selected for this study. The numbers of respondent personnel of each level of the organization are as under. Since the sample size of the study is very small. So it may not fully represent the real picture of the organization circumstances regarding social compliance and Accord & Alliance status, but the data may be represent of different levels of the organization.

After collecting data, it way processed through MS word, excel applications to find out different percentages of the collected data.

CHAPTER 4: DISCUSSION ON THE STUDY OBJECTIVES

4.1 Objective-1: To offer an overview of the present social compliance condition in the garment factories

4.1.1 Overview

Social Compliance in RMG sector is an important factor in international business area today and buyers from major global markets are increasingly demanding on social compliance standards to ensure the organization's verifiable obligation to certain factors such as

- Willing compliance with employment, health and hygiene, safety, and environment laws,
- Respect for basic civil & human rights, and
- Betterment of community and surroundings

Social Compliance is the result of conformance to the rules of social accountability by the extended organization including not only the organization's own policies and practices but also its supply and distribution channels. It is an ongoing process in which the involved parties keep on looking for better ways to protect the health, safety, and fundamental rights of their employees, and to protect and enhance the community and environment in which a factory runs.

4.1.2 Benefits

For Workers –

- Enhanced prospects to organize trade unions and bargain collectively.
- A way to educate workers on basic labor rights.
- A scope to work directly with business on labor rights issues.
- A way to generate public awareness of companies committed to assuring human working conditions.

For Business –

- Efforts company values into action.
- Enhances company and brand name.
- Improves employee recruitment, retention and productivity.
- Supports better supply chain management and performance.

For Consumers and Investors –

- Clear and credible assurance for ethical purchasing decisions.
- Identification of ethically made products and companies committed to ethical sourcing.
- Broad coverage of product categories and production geography.

Table 1: BGMEA Membership and Employment

YEAR	NUMBER OF GARMENT FACTORIES	EMPLOYMENT IN MILLION WORKERS
1984-85	384	0.12
1990-91	834	0.40
1995-96	2353	1.29
2000-01	3480	1.80
2005-06	4220	2.20
2010-11	5150	3.60
2013-14	4222	4.00
2014-15	4296	4.00
2015-16	4328	4.00
2016-17	4482	4.00
2017-18	4560	4.00

Table 2: Minimum salary as per new gazette-2018

Grade	Basic	House rent	Medical	Transport	Food	Gross salary
7	4100	2050	600	350	900	8000
6	4370	2185	600	350	900	8405
5	4670	2335	600	350	900	8855
4	4930	2465	600	350	900	9245
3	5160	2580	600	350	900	9590
2	8520	4260	600	350	900	14630
1	10440	5220	600	350	900	17510

Table 3: Compliance Audit Chart

Total factories	BGMEA listed	BSCI	SEDEX	ICS	WRAP
6000	4560	1750 (+/-)	1200 (+/-)	530 (+/-)	580 (+/-)

4.1.3 Major Focus Areas

4.1.3.a Compliance with Laws and Workplace Regulations

Facilities will comply with laws and regulations in all locations where they conduct business. All facilities will comply with the legal requirements and standards of their industry under the local and national laws of the jurisdictions in which the facilities are doing business, along with any applicable international laws. This will cover all labor and employment laws of those jurisdictions, as well as laws governing the conduct of business in general, including rules and standards of ethics dealing with corruption and transparency, and any relevant environmental laws.

4.1.3.b Prohibition of Forced Labor

Involuntary, forced or trafficked labor will never use in the Facility. All employment should be voluntarily. The facility cannot keep any original certificate of the employees.

Table 4: Forced Labor Status in Factories

Facility Name	Forced Labor
Azim & Son (Pvt) Ltd Unit 2	No
A AND A Trousers Ltd.	No
Bottoms Gallery(Pvt) Ltd.	No
Cotton Club (BD) Ltd.	No
Cotton Clothing (BD) Ltd	No
Tropical Knitex Ltd.	No
Daeyu Bangladesh Ltd	No
Islam Knit Design Ltd	No
Jeans & Polo Limited.	No
Louietex Manufacturing Ltd	No

4.1.3.c Prohibition of Child Labor

The facility will never employ below 14 years employee as per Bangladesh Labor Law 2018 and International Labor Standard. Facility can employ young workers (more than 14 years and below 18 years) with following Bangladesh Labor Law 2006 like do not involve in any hazardous work or heavy machinery operation.

Table 5: Child Labor status in factories

Factory Name	Total workers	Child or Young workers	Age between 25 to 30 Years	Age above 30 Years	Remarks
Azim & Son (Pvt) Ltd Unit 2	1264	No	18%	82%	No Child or Young workers
A AND A Trousers Ltd.	2500	No	25%	75%	No Child or Young workers
Bottoms Gallery(Pvt) Ltd.	1900	No	30%	70%	No Child or Young workers
Cotton Club (BD) Ltd.	2200	No	15%	85%	No Child or Young workers
Cotton Clothing (BD) Ltd	980	No	17%	83%	No Child or Young workers
Tropical Knitex Ltd.	2375	No	20%	80%	No Child or Young workers
Daeyu Bangladesh Ltd	1600	No	10%	90%	No Child or Young workers
Islam Knit Design Ltd	2750	No	28%	72%	No Child or Young

					workers
Jeans & Polo Limited.	780	No	35%	65%	No Child or Young workers
Louietex Manufacturing Ltd	1400	No	30%	70%	No Child or Young workers

4.1.3.d Prohibition of Harassment or Abuse

The facility will never involve with or accept sexual harassment, indecent or threatening gestures, abusive tone or language or any other kind of undesired physical or verbal contact, such as bullying. To avoid this harassment or abuse, facility should provide training to the top and mid-level management always on anti-harassment.

Table 6: Abuse status in factories

Facility Name	Harassment or Abuse
Azim & Son (Pvt) Ltd Unit 2	No
A AND A Trousers Ltd.	No
Bottoms Gallery(Pvt) Ltd.	No
Cotton Club (BD) Ltd.	No
Cotton Clothing (BD) Ltd	No
Tropical Knitex Ltd.	No
Daeyu Bangladesh Ltd	No
Islam Knit Design Ltd	No
Jeans & Polo Limited.	No
Louietex Manufacturing Ltd	No

4.1.3.e Compensation and Benefits

The facility should provide the wages and benefits to the workers as per their Grade and Designation by 7 of each month. The rate of the overtime should be always double of the basic salary. The facility should provide insurance facility to the workers. The facility should provide the minimum salary BDT. 5300.00 to the 7 Grade workers.

Table 7: Salary status of Garments workers in BDT.

Grade	Azim & Son (Pvt) Ltd Unit 2	A AND A Trousers Ltd.	Bottoms Gallery (Pvt) Ltd.	Cotton Club (BD) Ltd.	Cotton Clothing (BD) Ltd	Tropical Knitex Ltd.	Louietex Manufacturing Ltd
Grade 1	17000	16500	15000	18000	14000	16300	20000
Grade 2	12000	11500	13000	11000	12300	10800	12500
Grade 3	7500	7000	7900	7200	8000	7800	8200
Grade 4	7200	6800	7350	6800	7560	7000	7450
Grade 5	6500	6300	6900	6450	7090	6350	7050
Grade 6	6040	5900	6350	6050	6800	5900	6850
Grade 7	5800	5500	6000	5750	5600	5500	6000
Average Salary	8862	8500	8928	8750	8764	8521	9721

4.1.3.f Hours of Work

The facility should work 8 hours general duty in a day and should provide one day off after 6 working days. A worker can do maximum 2 hours overtime in a day and can do work on holiday getting substitute holiday for working on holiday.

Table 8 : Working hour status of factories in weekly including 2 hours overtime

Working hour	Azim & Son (Pvt) Ltd Unit 2 (Weekly)	A AND A Trousers Ltd. (Weekly)	Bottoms Gallery (Pvt) Ltd. (Weekly)	Cotton Club (BD) Ltd. (Weekly)	Cotton Clothing (BD) Ltd (Weekly)	Tropical Knitex Ltd. (Weekly)	Louietex Manufacturing Ltd (Weekly)
Peak	60	60	60	60	60	60	60
Medium	58	57	59	56	58	55	58
Low	51	50	49	52	54	51	49
Avg	56.33 hrs /week	55.66 hrs /week	56 hrs /week	56 hrs /week	57.33 hrs /week	55.33 hrs /week	52.33 hrs /week

4.1.3.g Prohibition of Discrimination

The facility cannot discriminate any employee in terms of employment, payment, promotion, and termination. The facilities should confirm that any employment decision - involving hiring, firing, assigning work, paying or promoting - is made without discriminating against the employees on the basis of race, color, national origin, gender, sexual orientation, religion, disability, or other similar factors (pregnancy, political opinion or affiliation, social status, etc.).

Table 9 : Discrimination status of factories

Facility Name	Discrimination
Azim & Son (Pvt) Ltd Unit 2	No
A AND A Trousers Ltd.	No
Bottoms Gallery(Pvt) Ltd.	No
Cotton Club (BD) Ltd.	No
Cotton Clothing (BD) Ltd	No
Tropical Knitex Ltd.	No
Daeyu Bangladesh Ltd	No
Islam Knit Design Ltd	No
Jeans & Polo Limited.	No
Louietex Manufacturing Ltd	No

4.1.3.h Health and Worker Safety

The facilities should provide a working environment where workers can work in safe and hygienic mode. Where residential housing is given to the workers, the facilities should provide a safe, healthy and hygienic housing. The Facilities should provide a safe, clean, healthy, productive and hygienic working place to their employees. The facility should provide pure drinking water, clean and separated toilet as gender, proper ventilation, dining hall, child care facility, doctors room and well lighted working place. The facility should provide a workable working place where an employee can work in safe mode. Further, facilities shall provide adequate training to all their workers on how to execute their jobs safely in a facility.

Table 10 : Health and Safety status in factories

Factory Name	Drinking water	Dining	Child Care	Doctor Room	Clear Aisle	Proper Personal Protective Equipment	No of Toilets as Gender	First Aid box	Fire Extinguisher	Fire Hydrant	Training on health and Safety
Azim & Son (Pvt) Ltd Unit 2	Yes	Yes	Yes	Yes	Yes	Yes	52	12	60	20	Yes
A AND A Trousers Ltd.	Yes	Yes	Yes	Yes	Yes	Yes	100	18	55	18	Yes
Bottoms Gallery (Pvt) Ltd.	Yes	Yes	Yes	Yes	Yes	Yes	80	15	75	24	Yes
Cotton Club (BD) Ltd.	Yes	Yes	Yes	Yes	Yes	Yes	90	17	64	22	Yes

Cotton Clothing (BD) Ltd	Yes	Yes	Yes	Yes	Yes	Yes	41	10	50	16	Yes
Tropical Knitex Ltd.	Yes	Yes	Yes	Yes	Yes	Yes	100	18	100	30	Yes
Daeyu Bangladesh Ltd	Yes	Yes	Yes	Yes	Yes	Yes	64	12	90	20	Yes
Islam Knit Design Ltd	Yes	Yes	Yes	Yes	Yes	Yes	110	20	100	40	Yes
Jeans & Polo Limited.	Yes	Yes	Yes	Yes	Yes	Yes	32	8	40	12	Yes
Louietex Manufacturing Ltd	Yes	Yes	Yes	Yes	Yes	Yes	58	11	30	10	Yes

4.1.3.i Freedom of Association (FOA) and Collective Bargaining

The facility will identify and honor the right of employees to implement their lawful rights of free association and collective bargaining. Facilities will honor the freedom of each employee to elect for him- or her-self whether or not to join a workers 'association. The Facility cannot discriminate against workers based on whether or not they choose to associate. Both the facility and the workers shall ensure the behavior in accordance with all relevant laws in this regard. Facilities will use the FOA to place the workers grievances.

4.1.3.j Environment

The facility will abide the environmental rules and regulations. If factory has washing facility, dyeing facility, factory should set up the Effluent Treatment plant (ETP) for treating the waste water. Also should treat the solid wastage maintaining the local regulations.

4.1.3.k Fire, Electric and Building Safety

The facilities will maintain fire, electric and building safety security procedures to guard against the introduction of unwanted accidental fire situations (i.e. fire explosion, electric short-circuit and other). Facilities will ensure adequate controls are in place to safeguard against introduction of any accidental fire or electrical or building case.

4.2 Objective 2: To illustrates Fire and Building Safety and Worker Safety compliance in readymade garments sectors of Bangladesh.

4.2.1 Social Compliance Audits

There are many local and international social compliance audits currently covers the whole RMG sector. But mainly two big safety assurance programs' has been taken by seeing two streams divided among Europe based and America based brands. EU based buyers' forum has taken an integrated program incorporating labor union representatives, trade bodies, government and donor agencies and declared the program as Accord' with a clear commitment to improve the industries fire & building safety conditions. On the other hand another group of retailers lead by Walmart & Gap under the supervision of US government formed the program as —Alliance with a clear commitment to ensure worker safety.

4.2.2 What is Accord

The Accord is an agreement among brands, unions, factories and Government to keep a safe working environment in terms of building, fire and electric. Under the Accord, all unsafe factories will be renovated and repaired with brands guaranteeing funds will be available for the necessary safety upgrade. Under the Accord, refusing workers right is dangerous work, including the right to refuse entering a dangerous building, is protected. All reports will be available publicly to know the condition of the factory. Both Accord' and Alliance' on Fire, electric and Building Safety and Worker Safety to coordinate their efforts to help improve safety in Bangladesh's current RMG factories which supply big brands to European and American market.

4.2.2.a Fundamental Goal of Accord

Fire safety and protection is a fundamental Accord goal. The Accord is primarily concerned with the life safety aspects of fire protection. The keys to fire life safety are:

- Fire prevention
- Early warning of the fire
- Containment of the fire
- Safe exits.

4.2.2.a.a Fire Prevention:

There is a system to fight with fire while firing. There are two systems in case of fire prevention like sprinkler system and fire hydrant system.

4.2.2.a.b Early warning of fire

There is a system to inform the all workers in the factory regarding fire. As such, all workers can go at outside safely.

4.2.2.a.c Containment of the fire

It is achieved by creating fire compartments using fire resistant walls and floors. Fire barriers are required from floor to floor in multi-story buildings, around certain rooms within the building, and to enclose exit stairwells. Sprinkler systems serve two functions: detecting the fire for immediate evacuation; and containing the fire at its source.

4.2.2.a.d Safe and efficient evacuation

It is accomplished by providing necessary exits (at least two), and ensuring that the exits remain free of smoke and fire by requiring fire barriers around the exit stairs. Exits should be locked free.

4.2.3 What is Alliance

The Alliance for Bangladesh Worker Safety, also known as "the Alliance", is a group of 28 major global retailers formed to develop and launch the Bangladesh Worker Safety Initiative, a binding, five-years undertaking to improve safety in Bangladeshi ready-made garment (RMG) factories after the 2013 Rana Plaza building collapse. Collectively, Alliance members represent the majority of North American imports of ready-made garments from Bangladesh where finished products are produced in more than 700 factories.

4.2.3.a Fundamental Goal of Alliance

A primary goal of the alliance is the arrangement of and partnership with the Bangladeshi and U.S. governments, as well as with the factory owners to ensure that there is responsibility among all parties and thus the opportunity for sustained and lasting change in Bangladesh. Main vision is that the Alliance will substantially improve working condition in the ready-made-garment (RMG) industry through upgrading factories, providing training to the workers and management, empowering female workers, and building institutions that can enforce and maintain safe working conditions throughout Bangladesh. Alliance work to achieve this vision through the implementation of initiatives in five strategic pillars:

- Standards & Inspections
- Remediation
- Worker Empowerment
- Training
- Sustainability

4.2.4 Inspection- ACCORD Vs ALLIANCE

Factories implement their CAPs with assistance from Accord and/or Alliance staff, engineers, and consultants. Accord and Alliance staff conduct numerous visits to screen and verify factories ‘corrective actions. After a factory has corrected all concerns noted in its CAP, a third party conducts a final inspection. Between the Accord and the Alliance there are 2,156 factories currently in the process of implementing their CAPs. The majority of safety issues reported fixed are electrical problems. Fire issues constitute the second-most remedied category. Efforts to remediate structural issues—the type of safety problem that led to the Rana Plaza collapse—lag considerably. Many factories are critically behind their timeframes for fixing structural, fire, and electrical issues.

Figure 8: Overview of remediation report

Member	Number of factories				Number of factories in each designation								Remediation progress rate % calculations						
	Active	Inactive responsible	Total	Lead brand	Inspected	CAP not finalised	CAP behind schedule	CAP on track	Initial CAP completed	CAP completed	CAP not implemented	No CAP	Inspected factories without CAP	Initial findings progress rate	New findings progress rate	Total progress rate	Initial findings corrected	New findings corrected	Total findings corrected
Accord AVG	1395	0	1395	1320	1314	1	1029	109	133	8	98	32	3%	89%	84%	87%	82%	70%	77%
Otto Group	29	0	29	17	29	0	22	2	4	1	0	0	0%	94%	85%	91%	90%	76%	85%

Table 11: Overall factories current status under Accord and Alliance

	Total Inspected factory	Approx. total number of workers	Remediated factories	Terminated factories	Review panel case	Factories transferred to Govt.
Accord	1690	2263313	139	85	34	48
Alliance	785	1389566	234	162	None	None

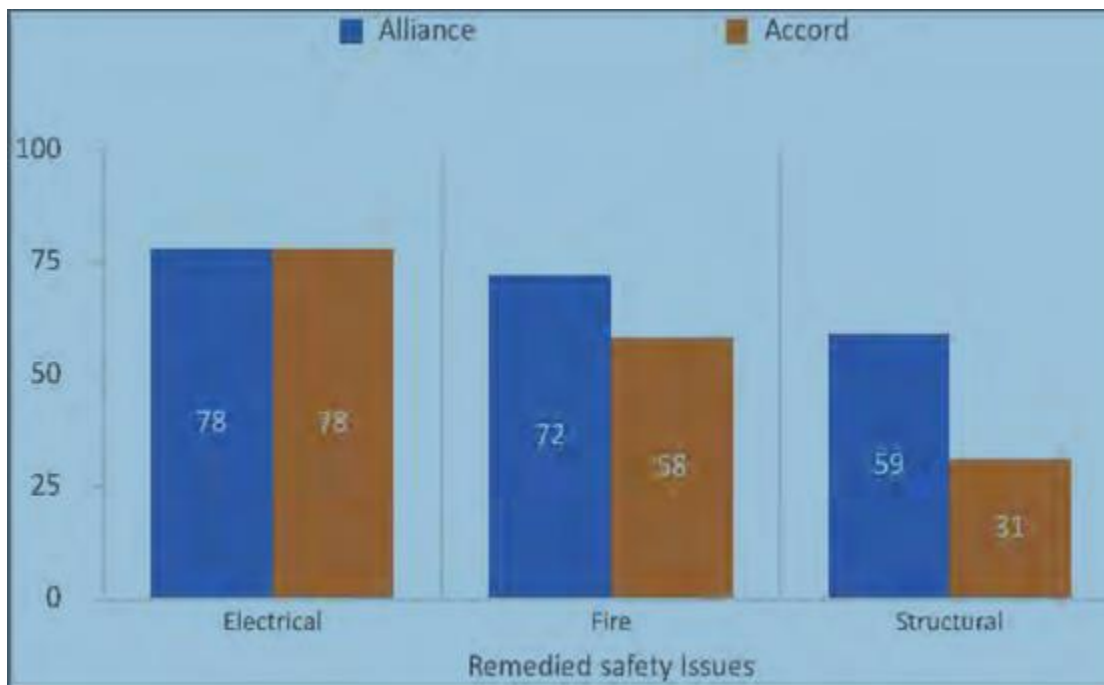


Figure 9: Percentage of Remedied factory safety issues

4.2.4.a Case Study-1

Factory Name	- Azim and Son (Pvt) Ltd. Unit 2
Factory Address	- Gacha Road, Fakir Market, Gazipur.
Total No of Employees	- 1750

Fire Safety - Fire Protection Construction

Azim and Son (Pvt) Ltd. Unit 2 provides fire-resistive rated opening or penetration protection for rated walls and assemblies in accordance with Accord Standard. More to add, openings and penetrations through rated walls and/or assemblies are protected.

Fire-resistive Rated Construction Barriers

There are separations between hazards provided with fire-resistive rated construction barriers. Azim and Son (Pvt) Ltd. Unit 2 facilitates Fire resistive rated construction barriers (with associated opening protection) between hazard types in accordance with Accord.

Fire Safety - Fire Protection System

Standpipe System

As per Accord standard factory needs to install standpipe system in all staircases. Factory management already installed the standpipe system as per Accord guidelines.

Fire Alarm System

Factory management already have installed fire alarm system throughout the factory premises.

Structural and Building Safety

Detail engineering Assessment (DEA) already have been approved by Accord. All the major issues corrected by the factory and verified by the Accord.

Electrical safety

LPS (Lightening Protection System) already installed by factory management. 58 out of 60 issues already corrected by the factory management and working on balance issues.

4.2.4.b Example- 2

Factory Name - Starlight Sweaters Ltd.
Factory Address - Vogra national university Gazipur Sadar, Dhaka
Total No of Employees -4740

Fire-Resistive Rated Construction

There are separations between hazards provided with fire-resistive rated construction barriers. Starlight Sweaters Ltd. facilitates Fire resistive rated construction barriers (with associated opening protection) between hazard types in accordance with Accord.

Sprinkler System

Design & Drawing already have approved by Accord and installation work also done. Now it is functional.

Fire Alarm System

Factory management already have installed fire alarm system throughout the factory premises.

Sprinkler System

Factory management already have install sprinkler system throughout the factory and now it is functional.

Structural and Building Safety – Accord Standard

Detail engineering Assessment (DEA) already have been approved by Accord. All the works done by the factory as per Accord guideline. All the issues corrected.

Electrical safety

Single line diagram (SLD) already approved by Accord and LPS (Lightening Protection System) already installed by factory management. 51 out of 74 issues already corrected by the factory management and working on balance issues.

4.2.4.c Studies Comparison Chart

Compliance Area	Compliance Factor	Compliance Level (Azim and Son (Pvt) Ltd. Unit 2)	Compliance Level (Starlight Sweaters Ltd.)
Fire Safety	fire-resistive rated opening or penetration protection	Completed	Completed
	fire-resistive rated construction barriers	Completed	Completed
	Standpipe System	Completed	Completed
	fire pumps	Completed	Completed
	fire alarm system	Completed	Completed
	automatic sprinkler system	Not Applicable	Completed
	controlling the automatic sprinkler systems	Not Applicable	Completed
	Fire department connections	Completed	Completed
Building Safety	distress, separations, or cracking	Completed	Completed
	Free of corrosion, physical damage or other types of deterioration.	Completed	Completed
	resist earthquake forces	Completed	Completed

	active signs of water intrusion	Completed	Completed
	Load plans	Completed	Completed
	structural design documents	Completed	Completed
Electrical Safety	SLD	In progress	Completed
	LPS	Completed	Completed

4.3 Objective-3: To find out the acceptability of compliance provisions among the existing Employee group.

To find out the acceptability of compliance provisions among the existing Employee group. I have worked with two factories named Starlight Sweaters Ltd. and Azim and Sons Pvt Ltd. Unit 2. As a process of audit and to get the detail information from factory management and workers I have interviewed 60 workers, 40 mid-level management and 10 top management from both factories.

Top management means: Owner, Director, Executive Director, Chief Executive officer, General Manager,

Mid-level management: Manager, Supervisor, Line chief, Floor In charge.

Workers: All floor level employee who are directly involved in production, operating machine and helping operators.

Interview method: I have taken interview in both way-

- a. Closed door
- b. Open door (In production floor and office).

Survey questions: Below are some questions those I have used during workers and all management interview.

4.3.1 For Management (Top and Mid-Level):

1. What you think about garments business in next 10 years in Bangladesh?
2. What are the major actors, their role, power, interests, relationships and capacity, which influences the negotiation regarding the working conditions in the Bangladeshi Garment Industry?
3. How are working conditions regulated and enforced by national government?
4. Do you feel any difference between today's garments environment and before 2000?
5. What is the level of awareness among workers regarding labour rights and how does it influence the working conditions?
6. What you think about the price negotiation with Brand and are they going to increase the price based on salary, compliance and others expenditure increased?
7. How could the working conditions setting be improved in the Bangladeshi garment industry?
8. Do you think that implementation of Compliance will help this industry to grow and increase export in near future?
9. How you deal with the workers in production floor and do you aware about the compliance rules?
10. Do you think that you are benefited by the Compliance rules and its application?

4.3.2 For workers:

1. Do you heard about the compliance rules and regulations?
2. What is compliance and its benefit?
3. Are you aware about your right and benefits?
4. Do you know the disciplinary procedure of this organization?
5. Do you think that implementation of Compliance will help this industry to grow and increase export in near future?
6. Do you think that you are benefited by the Compliance rules and its application?
7. How could the working conditions setting be improved in the Bangladeshi garment industry?
8. Do you feel any difference between compliance factory and non-compliance factory?
9. Are you happy to work with this factory and the benefit you are receiving?
10. Do you have any concern or suggestion that you want to share with me?

Hierarchy	Satisfaction level of Starlight Sweaters Ltd	Satisfaction level of (Azim and Son (Pvt) Ltd. Unit 2)	Criteria: 1%-30%=Low 31%-70%=Medium 71%-100%=High
Top management	Medium	Medium	
Mid-level management	Medium	Medium	
Workers	High	High	

CHAPTER 5: CONCLUSION & RECOMMENDATION

5.1 Conclusions

The RMG industries of Bangladesh are aware of the importance of social compliance, Accord and Alliance requirements. The government, private sector and development partners are pushing for full compliance with mandatory requirements as specified in the law. The Bangladesh labor law 2006 is a strong piece of legislation and covers most international standards like ILO, BSCI COC, ETI COC. By complying with this law, manufactures are only a few steps away from meeting international standards, a point they should capitalize on. Compliance is a key requirement for all global buyers; hence Bangladeshi manufacturers must equip themselves with these tools in order to maintain the dynamism of their industry. Hopefully the findings of above study will help the factory owners to think about the advantages of implementing compliance issues in their RMG factories.

5.2 Recommendations

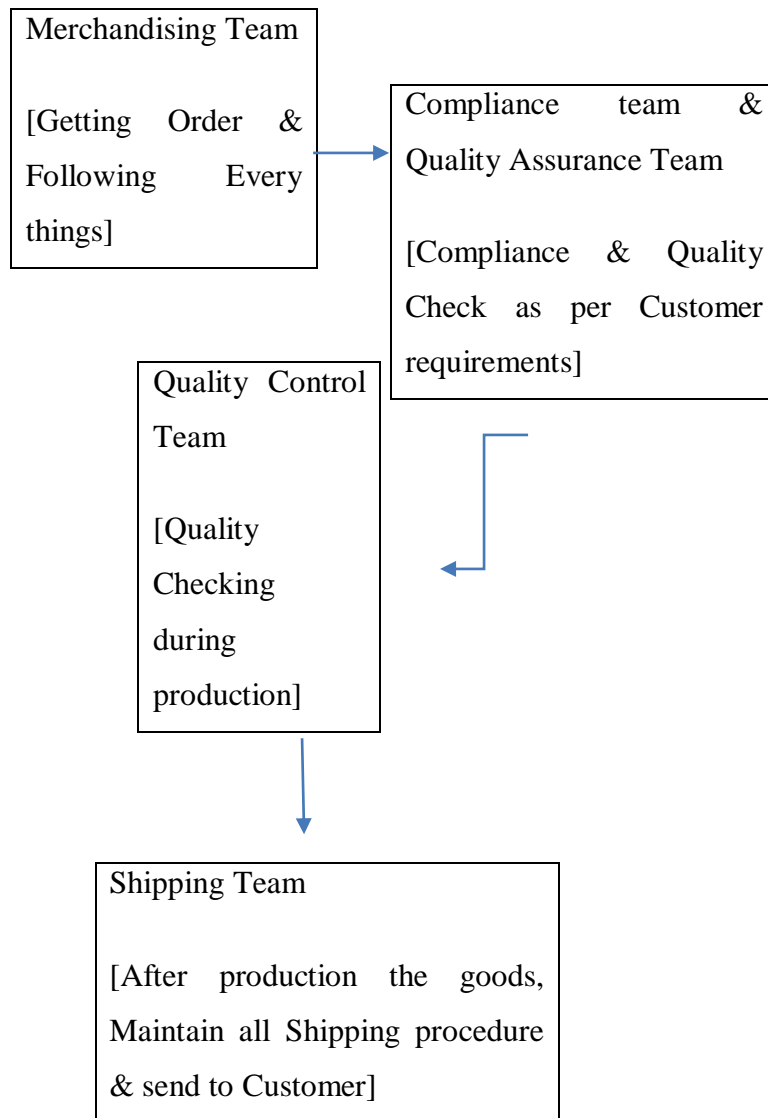
1. RMG factories should ensure proper production and official layout with perfect place materials, tools. Organization should tape up unused machine and keep it away from the manufacturing plant safely.
2. All of the employees related with this potential industry should be enthusiastic to avoid the conflict of interests. This means that employees and employers should not place themselves in situation that might face them to choose between their own interest, business or financial interest and the interests of readymade garment industries.
3. To be competitive, industries should comply with international standard code, such as ISO 9001, ILO convention or Buyer's COC (Code of Conduct).
4. Factories should have effective fire distinguisher and separate and adequate space for entrance and exit of the workers. Every displays and control systems should be clear to all employees and workers.
5. RMG industries should ensure health, safety and standard work environment for the employees. In this case, organizations should provide proper ventilation, sufficient light and air. For organizing such facilities owners should comply at a minimum with legal standards, minimize the use and discharge of hazardous substances and promote recycling of resources.
6. RMG factories must give their workers a proper training that they can overcome with any accidental issue.

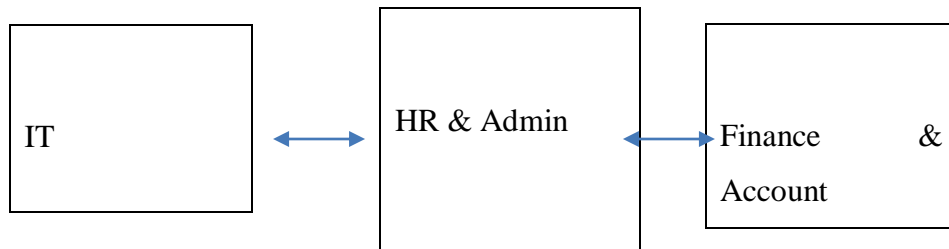
CHAPTER 6: INTERNSHIP EXPERIANCE

6.1 Experience related to work, workflow & people met

In internship time I met different type of people with different department. I am working with various department like; Merchandising Team / Quality team / Quality Control team / HR & Admin / Finance & Accounts etc.

Work flow with departments each other like below:





[IT, HR & Admin, Finance & Accounting those team give support to every department]

6.2 Significant pleasant and/or unpleasant incidences:

As I am an employee of Compliance department so I don't have vast knowledge in textile division and print & embroidery department. When I went in textile division, I had felt some experience of them:

1. During my interview session with factory management I felt that they really did not enjoy so much to share their views about their factories overall compliance status.
2. Most interesting part was workers interview and mid-level management interview as they were eagerly want to share lots of experience with me.
3. My boss was really happy and help me to get all the information related to my organization.

6.3 Work-internship topic linkage

As my topic of the study was selected as “Social Compliance of RMG Sector in Bangladesh” and it is proper linkage with my work & internship topic.

As I am Compliance personal so this subject is very relevant to me for future career development. It enhance my professional knowledge and broad my information relating to Social Compliance.

For Compliance professional Health & Safety knowledge is very important, by doing this task I have gathered sufficient knowledge on Health & Safety and basic compliance in RMG sector.

CHAPTER 7: REFERENCES

1. <https://www3.fairwear.org/ul/cms/fckuploaded/documents/countrystudies/bangladesh/WorkingconditionsintheBangladeshigarmentsectorSocialdialogueandcompliance.pdf>
2. <http://textilelearner.blogspot.com/2015/02/list-of-garments-industry-in-bangladesh-part-1.html>
3. <http://bangladeshaccord.org/factories/list-factories/>
4. <https://www3.fairwear.org/ul/cms/fck-uploaded/documents/countrystudies/bangladesh/WorkingconditionsintheBangladeshigarmentsectorSocialdialogueandcompliance.pdf>
5. <http://www.bangladeshworkersafety.org/bn>
6. <http://www.wrapcompliance.org/>
7. <https://www.sedexglobal.com/>
8. <https://ics-asso.org/>
9. <http://www.bgmea.com.bd/>