



**Department of Textile Engineering
Faculty of Science & Information Technology**

Thesis report on

Requirements of a Garment Factory to be complaint with laws

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DECLARATION

I sincerely declare that,

1. I am the sole writer of this report.

2. The details of training and experience contains in this report describe my Involvement as a trainee in the field of textile engineering.

3. All the information contains in this report is certain and correct to the Knowledge of the author.

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Abstract:

Over the last years, Ready Made Garments (RMG) sector experienced impressive growth rates and specifically woven and knitwear products are in high demand by the USA and European markets. Adherence with national and international compliance standards has become increasingly important to ensure customer requirements as well as to maintain the sectors competitiveness, but in many cases factory staff still lacks adequate skills and knowledge to ensure that required compliance standards are reached. This thesis addresses the need to increase the knowledge level of factory practitioners and other interested parties on major social and environmental issues in order to contribute to the sectors competitiveness and to play major role for job, income generation and national economy.

By doing this thesis we get to know about different social standards and the importance of the implementation their rules and regulations to make a factory complaint. The factories should follow and maintain the rules of WRAP, BSCI, OEKO-TEX etc. These rules are for worker safety. Workers are the important part of this sector. So their safety is very important issue.

To become a complaint factory Graphics and Alema Textile Ltd. are maintaining the rules and regulations of the standards such as BSCI, WRAP, OEKO-TEX etc. They are giving the facilities to their worker by following the rules. They implement the rules such as no child labor, no forced labor , no discrimination in appointment of employee, wages as paid as per law, anti corruption policy, latrine facilities, safe water etc. the authority give training to the worker for fight against fire and other hazards.

Compliance is an important issue for the garments industries. To being a factory complaint the social standards should be implemented. At present non compliance factories are in biggest threat for our industry.

1. Introduction

In general, compliance means conforming to a rule, such as a specification, policy, standard or law. Regulatory compliance describes the goal that corporations or public agencies aspire to achieve in their efforts to ensure that personnel are aware of and take steps to comply with relevant laws and regulations.

Due to the increasing number of regulations and need for operational transparency, organizations are increasingly adopting the use of consolidated and harmonized sets of compliance controls. This approach is used to ensure that all necessary governance requirements can be met without the unnecessary demand.

The ready-made garment (RMG) industry of Bangladesh started in the late 1970s and became a prominent player in the economy within a short period of time. The industry has contributed to export earnings, foreign exchange earnings, employment creation, poverty alleviation and the empowerment of International Journal of Engineering & Technology.

The export-quota system and the availability of cheap labor are the two main reasons behind the success of the industry. In order to export readymade garments, it is not only the quality parameters which are important towards acceptance of the product as per the intended end use, but also the working environment in which the garments are to be produced, is equally important so that sweatshop concept is totally taken care of and the code of conduct must be stretched towards achieving the objectives of social compliance issues. The core areas of social accountability are, basically based on the principles of international human rights, local culture and tradition. The prime objective of the system is to protect the human rights in readymade garment industries. Thus, Bangladesh has a stiff challenge ahead to meet the demand of world market.

1.1. Compliance

The term compliance is to satisfy your clients as per local law, client's standard or others international demand related on that matter. But this is theory however for branding your business to know & practice the compliance is must.

Compliance means to be in accordance of conformity or obedience or agreement to a command, rule and regulation.

1.2 Why the Bangladesh garments industry needs a domestic solution:

Following the worst industrial accident ever seen in Bangladesh and the loss of more than 1120 lives, with many more maimed and injured, it is not surprising that the rest of the world wants to step in and help Bangladesh solve its problems. There has been a need for garments buyers, international trade unions and governments to be seen to be doing something in the aftermath, and consumers from around the world have been calling for safer factory conditions from Bangladesh.

It is in this context that the Bangladesh Fire and Safety Accord, more commonly called the Geneva Accord or the EU Accord, was launched in April 2013 by many major international companies alongside Industrial Global Union and UNI Global Union. But is an Accord put together largely by foreigners and buyers in the best interest of the garments industry in Bangladesh.

The Accord has some very good points but sadly excludes many of the factories that most need help and reform. Since the Accord has been put together by the buyers – large companies buying garments from Bangladesh, it therefore relates only to the factories from which these buyers are sourcing. It is not, by any means, an industry wide solution and most certainly will not prevent another 'Rana Plaza' style disaster in the future.

The best case scenario following implementation of the Accord would be that non-compliant factories would be demolished and market forces would ensure that new compliant factories

might be built in their wake and that over time the industry would be more compliant and therefore able to attract more foreign investment and so a stronger industry would emerge.

The worst case scenario following the Accord's implementation is vastly different. It might suggest that more than five hundred factories might be closed down in the Dhaka metropolitan area, as many as one million people out of work and that this would lead to riots on the streets. It's a big risk but given that even talk about closing a single factory in recent weeks has led to riots, the risk of social unrest is very real.

Clearly an industry wide solution is necessary for the garments industry of Bangladesh. The garments industry is the single largest industry in this country employing as many as 4 million people, contributing to more than 70% of exports and a significant part of GDP. Clearly a foreign devised partial plan imposed on such an important industry in this country is not the way forward.

We all want to see a stronger and safer garments industry in Bangladesh and the only people that can make this happen are those from this country. In light of this a group of concerned individuals from various industries including the garments industry came together and have written a plan which includes the whole industry; which has a path to compliance for all currently non-compliant factories; which has ideas and suggestions for the financing of these and which has suggestions for the longer term strengthening of the industry.

At its heart though, it is a plan for Bangladesh by Bangladesh and puts the needs and issues of the whole garments industry in Bangladesh first. It looks holistically at the industry and has suggestions for the immediate, the medium and the long term.

The 10 point plan does not apply blame to any sector but seeks to work to resolve issues within the industry. Those factories which are severely non-compliant are not ignored in this plan, but rather it suggests, should have appropriate financing made available so that they can relocate and become a compliant factory. It is important that Bangladesh does not lose capacity or jobs in its garments industry. It is important that the issues with non-compliant factories are resolved in a

manner that is timely for safety issues but at the same time ensuring that Bangladesh can still supply its customers and maintain growth in this very important industry.

Right now the garments industry in Bangladesh needs a plan that is inclusive and collaborative, as the 10 point plan is. It needs the Government of Bangladesh, the BGMEA, the garments manufacturers, and the multi-lateral and bi-lateral donors to all work together behind a single inclusive plan – a plan by Bangladesh for Bangladesh.

1.3 Compliant industry in Bangladesh:

There are 5000 garments industry in Bangladesh (13 feb 2013) Five deadly incidents from November 2012 through May 2013 brought worker safety and labor violations in Bangladesh to world attention putting pressure on big global clothing brands such as Primark, Loblaw, Joe Fresh, Gap, Walmart, Nike, Tchibo, Calvin Klein and Tommy Hilfiger, and retailers to respond by using their economic weight to enact change. No factory owner has ever been prosecuted over the deaths of worker Other major fires 1990 and 2012, resulting in hundreds of accidental deaths, include those at That's It Sportswear Limited and the fire at Tazreen Fashions Ltd. Spectrum Sweater Industries, Phoenix Garments, Smart Export Garments, Garib and Garib, Matrix Sweater, KTS Composite Textile Mills and Sun Knitting. major foreign buyers looking for outsourcing demand compliance-related norms and standards regarding a safe and healthy work environment which includes fire-fighting equipment, evacuation protocols and mechanisms and appropriate installation of machines in the whole supply-chain. RMG insiders in Bangladesh complain about the pressure to comply and argue that RMG factory owners are hampered by a shortage of space in their rental units. In spite of this the industry exports totaled \$19 billion in 2011-2012. They expected export earnings to increase to \$23 billion in 2012-2013

Two dozen factory owners are also Members of Parliament in Bangladesh

Scott Nova of the Worker Rights Consortium, a rights advocacy group, claimed that auditors, some of whom were paid by the factories they inspect, sometimes investigated workers right issues such as hours or child labor but did not properly inspect factories' structural soundness or

fire safety violations. Nova argued that the cost of compliance to safety standards in all 5,000 clothing factories in Bangladesh is about \$3 billion (2013).

In 2000 garment entrepreneurs had a reputation for shirking custom duties, evading corporate taxes, remaining absent in capital markets, avoiding social projects such as education, healthcare, and disaster relief but, argued authors Quddus and Salim, these entrepreneurs took the risks needed to build the industry. Bangladesh successfully competes in the manufacturing industry by maintaining "lowest labor costs in the world." Garment workers' minimum wage was set at roughly \$37 a month in 2012 but since 2010 Bangladesh's double-digit inflation with no corresponding rise in minimum wage and labor rights, has led to protests.

A fire broke out on 24 November 2012, in the Tazreen Fashion factory in Dhaka killing 117 people and injuring 200. It was the deadliest factory fire in the history of Bangladesh. According to the New York Times, Walmart played a significant role in blocking reforms to have retailers pay more for apparel in order to help Bangladesh factories improve safety standards. Walmart director of ethical sourcing, Sridevi Kalavakolanu, asserted that the company would not agree to pay the higher cost, as such improvements in electrical and fire safety in the 4,500 factories would be a "very extensive and costly modification" and that "it is not financially feasible for the brands to make such investments.

On April 24, 910 textile workers factories making clothes for Western brands, were killed when a garment factory collapsed. The Savar building collapse was in the Rana Plaza complex, in Savar, an industrial corner 20 miles northwest of Dhaka, the capital of Bangladesh. It was the "world's deadliest industrial accident since the Bhopal disaster in India in 1984. While some 2,500 were rescued from the rubble including many who were injured, the total number of those missing remained unknown weeks later. The eight-story building, owned by Sohel Rana, associated with the ruling Awami League, was constructed on a "pond filled with sand". It only had planning approval for five floors. Owners used "shoddy building materials, including substandard rods, bricks and cement, and did not obtaining the necessary clearances." An engineer raised safety concerns after noticing cracks in the Rana Plaza complex the day before its collapse. In spite of this factories stayed open to fill overdue orders. When generators were restarted after a power blackout the building caved in. Six garment factories also in Rana Plaza

were cleared to re-open on May 9, 2013 after inspectors allegedly issued safety certificates. Nine people were arrested including four factory owners, the owner of the complex and the engineer who warned of the crack in the building.

Immediately following the April 24 deadly industrial accident, Mahbub Ahmed, the top civil servant in Bangladesh's Commerce Ministry, fearing the loss of contracts that represent 60 per cent of their textile industry exports, pleaded with the EU to not take tough, punitive measures or "impose any harsh trade conditions" on Bangladesh to "improve worker safety standards" that would hurt the "economically crucial textile industry" and lead to the loss of millions of jobs.

On May 9, 2013 eight people were killed when a fire broke out at a textile factory in an eleven-story building in the Mirpur industrial district owned by Tung Hai Group, a large garment exporter. Mohammad Atiqul Islam, president of the politically powerful textile industry lobby group, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), told Reuters that "the Bangladeshi managing director of the company and a senior police officer were among the dead."

2. Different social standards

There are many compliance bodies worldwide. Some of the major compliance bodies are:

- i. ILO
- ii. ISO 14001
- iii. WRAP
- iv. BSCI
- v. ETI
- vi. SAI
- vii. FLA

Graphics textiles are certified by:

,BSCI, WRAP, SEDEX, OEKO TEX Standard for Garments and fabric.

Alema textiles are certified by:

BSCI, SEDEX, Global Organic Textile Standard, OEKO TEX Standard for Garments and fabric

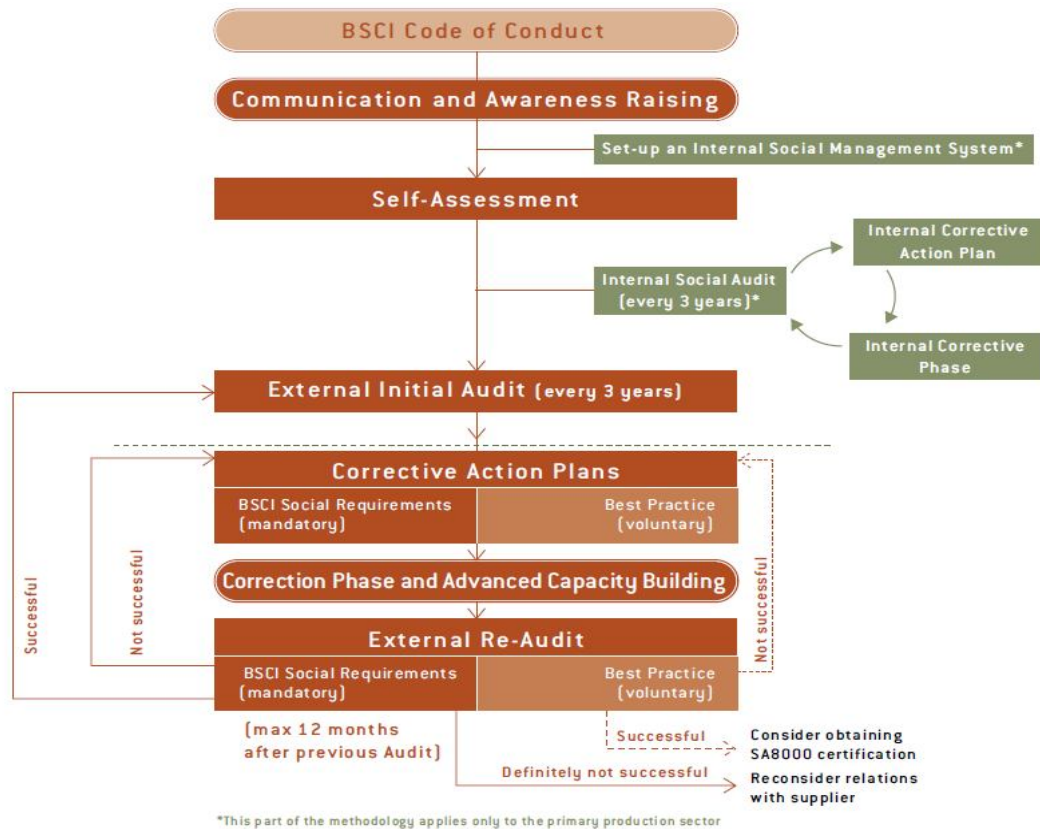
2.1 BSCI



BSCI provides companies with practical management, auditing tools and guidelines to implement BSCI's Code of Conduct and monitor improvements of working conditions in the supply chains. These documents are restricted to BSCI participants. BSCI audits can only be

conducted by SA8000 lead auditors of auditing companies that have been accredited by Social Accountability Accreditation Services (SAAS).

Process of BSCI social audits



Self-Assessment

Prior to the audit, producers complete a Self-Assessment. The objective is to introduce them to the practicalities of the BSCI Code and to prepare them for the audit. During this phase, we encourage producers to attend an Awareness Raising Workshop on BSCI implementation.

Initial Audit:

The initial audit aims to assess the performance of a producer against the BSCI Code of Conduct. Repeated every three years, the initial audit includes an inspection of the site, a thorough examination of company records and private interviews of a sample of employees to better understand the daily situation in the factory.

The Corrective Action Plans

If an initial audit shows non-compliances with the BSCI Code, the auditor prepares Corrective Action Plans (CAPs). The CAPs record which measures must be implemented and set a deadline for all requirements to be completed. Corrective actions for the best practices for industry remain voluntary. Advanced Workshops are offered during this phase to support producers tackle specific challenges.

Re-Audit:

Within twelve months after the initial audit, a re-audit must take place to check that all corrective actions have been implemented. If a company is still non-compliant, a second re-audit can take place. If a company is still non-compliant after a second audit and no measurable improvement is visible, we encourage participants to reconsider their relations with that producer. All producers who successfully comply with the BSCI Code of Conduct are encouraged to pass the SA8000 certification, which BSCI considers as its best practice.

Mechanism

BSCI sees social audits as a tool for checking the working conditions of a production site at a specific point in time. A further way to evaluate working conditions is to create a direct communication channel with producers, workers, NGOs, trade unions and governments. One of BSCI's tools to achieve this is through its complaint mechanism. Complaints are cases formally submitted when people feel wrongly treated with regard to BSCI's criteria or procedures or

JOINING FORCES FOR FREEDOM OF ASSOCIATION

In October 2010, we were made aware of a case of non-compliance related to freedom of association, found in a textile factory in Turkey. The clients of the factory included brands affiliated with BSCI and/or Dutch textile associations RND/VGT and Modint, as well as the Fair Wear Foundation.

Working together, we sent a clear signal to the factory and shared tools to address the problem. The Fair Labor Association (FLA) conducted an investigation through a lead auditor on behalf of this consortium of initiatives and associations.

A few months later, we collaborated with FLA to organise Awareness Raising and Advanced Workshops in Turkey to build suppliers' internal capacities to improving working conditions. The training sessions focused on improving compliance related to freedom of association and the right to collective bargaining. Each workshop provided more than 80 participants with an opportunity to learn and exchange with each other. These experiences reminded us that joining forces with strategic partners provides us more leverage for positive change.

when there is a discrepancy between BSCI's rules and practice.

The complaint mechanism aims to maintain control and transparency as well as identify opportunities for improving the BSCI system. All concerns and complaints raised against the system are brought to the attention of the BSCI Secretariat as the central entity to coordinate a resolution of the issues raised. In cases of major complaints, BSCI will open an investigation, collect information and it aims to provide an initial response within a maximum of 30 days. The length of the investigation will depend on the particular circumstances of the complaint. The BSCI Steering Committee and the BSCI Stakeholder Council are informed of all open investigations.

China, Bangladesh and India are the three most important sourcing countries for BSCI Participants; the complaint mechanism provides the possibility to raise complaints in local languages particularly for workers. In these countries the BSCI Code of Conduct, which must be displayed at the production site in all BSCI risk countries, also displays information about the complaint hotlines. In parallel, complaint cards are distributed to workers during BSCI audits. The cards explain in short and simple terms what the BSCI Code of Conduct is and what it means for the workers. The cards also contain the details of the BSCI hotline phone number and email address.

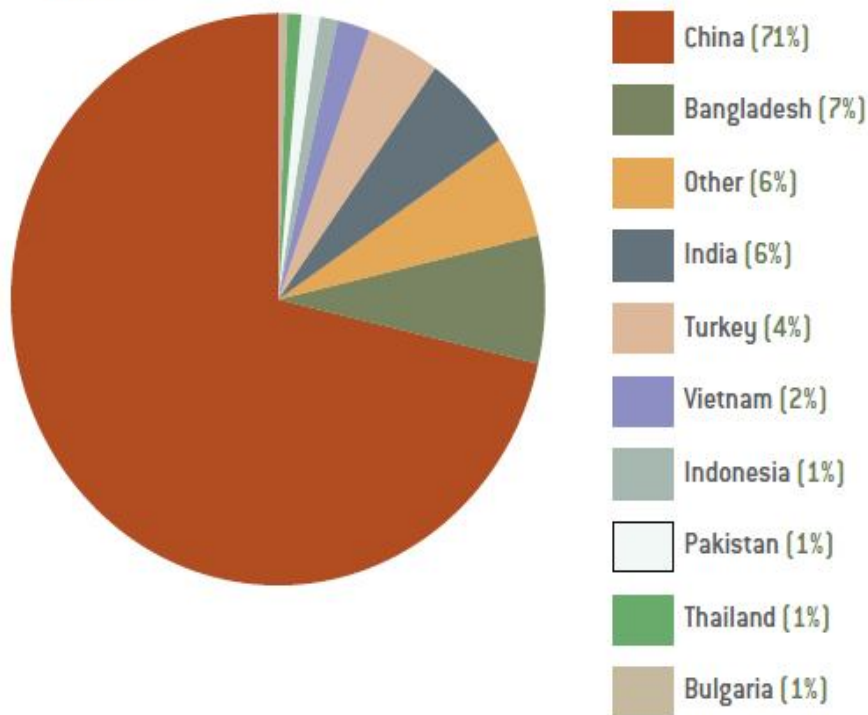
It is often a challenge to receive sufficient information to handle the complaints received. In 2011, 31 reports by workers were addressed in coordination with BSCI Participant

Sharing

A crucial tool BSCI offers to its Participants is the BSCI database which all producer profiles and information on auditing is shared exclusively between BSCI Participants. Sharing this information is important for our participants as it avoids unnecessary and costly multiple audits. The database also helps to track non-compliance issues and therefore highlights the types of training necessary for producers. Finally, the audit statistics available in the database allows us to evaluate the concrete results of our activities

The BSCI database contains more than 20.000 audits. By region, the main sourcing countries where BSCI audits are performed are China (71%), Bangladesh (7%) and India (6%).

DISTRIBUTION OF INITIAL AND RE-AUDITS BY COUNTRY IN 2010

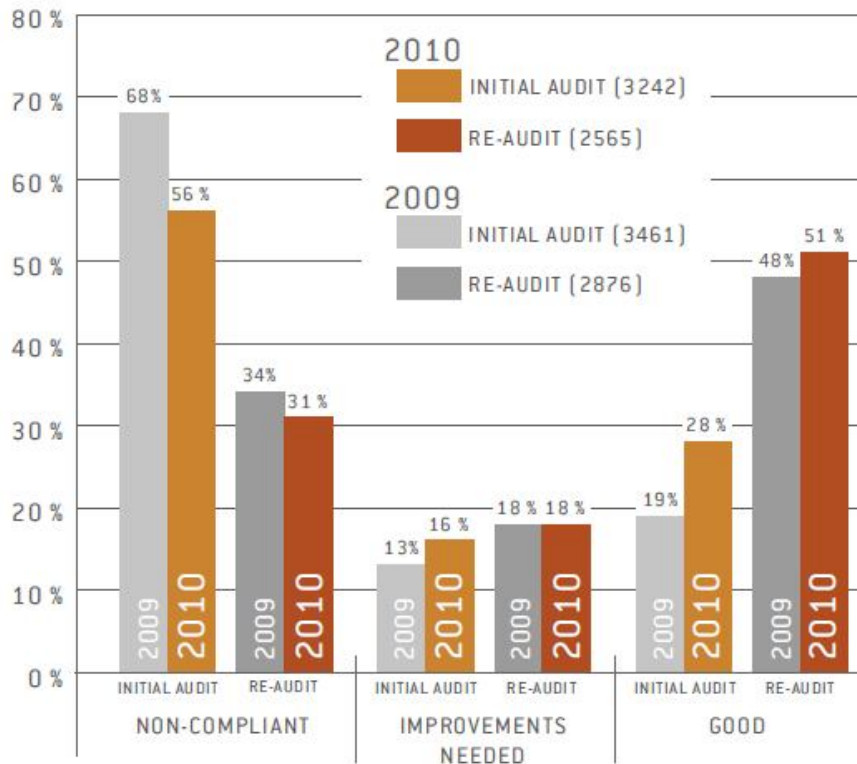


In order to assess the improvement that the implementation of the BSCI system has brought to the factories, the results of those producers which have been audited at least twice (audit and re-audit) are to be compared. The results of the 2010 initial audits show that the working conditions in supplying factories were greatly lagging behind the requirements of the BSCI Code (56%).

The results of the re-audits provide a much more positive picture since the number of compliant

companies has increased significantly (from 28% to 51%) whereas the number of non-compliant companies has decreased (31%). The results of all these audits prove that the implementation of the BSCI system brings a real improvement to the working conditions for most social issues.

SUPPLIERS IN THE PROCESS IN 2009 AND 2010



The fields of major non-compliances are linked to problems in the documentation, working time, compensation and to a certain extent to health and safety issues. All these non-compliances are linked to a lack of good management practice. Moreover, some issues are difficult to tackle in an audit - mainly discrimination, freedom of association and the right to collective bargaining. For all these reasons, the BSCI and its participants increasingly focus on capacity building in

supplier countries and especially on specific training sessions on management practices; because if this improves, many other issues can be solved more easily.

The ultimate goal of BSCI is to improve the working conditions in the global supply chain worldwide. This goal can only be achieved through a strong commitment from participants to implement the system. BSCI operates on the following principles:

- **Committed:** Our participants commit to implement the BSCI Code of Conduct as part of their business relations with producers, showing a willingness to improve the working conditions in their supply chain.
- **Consistent:** We offer a unique and uniform system for producers worldwide consisting of one Code of Conduct and one implementation process, ensuring consistency and comparability of audits.
- **Comprehensive:** The BSCI social compliance system is applicable to both large and small companies and covers all products (industrialized and primary production) sourced from any country.
- **Development oriented:** BSCI is not a certification scheme. We offer a step by step development approach that helps producers implement the Code of Conduct gradually. Producers who meet all BSCI requirements are encouraged to go further and achieve our best practice, the SA8000 social management system and certification developed by Social Accountability International (SAI).
- **Credible:** We only use external, experienced and independent auditing companies to perform audits.
- **Focused on risk countries:** We focus on risk countries * where violations of workers' rights occur frequently. The main sourcing countries, based on audits performed, are China, Bangladesh, India, Turkey and Vietnam.

- **Efficient:** Our common database of producers creates efficiencies and avoids duplicating audits at factories already in the system.
- **Knowledge-based:** Our system integrates learning at the producer level to develop their knowledge and skills on how to improve working conditions on the factory floor.
- **Collaborative:** BSCI cultivates involvement of relevant stakeholders in Europe and producer countries.

*The definition of risk countries is based on definitions in the Human Development Index of the United Nations and the Corruption Perceptions Index of Transparency International.

2.2 WRAP



WORLDWIDE RESPONSIBLE ACCREDITED PRODUCTION

WRAP is an independent, objective, non-profit team of global social compliance experts dedicated to promoting safe, lawful, humane, and ethical manufacturing around the world through certification and education.

WRAP 12 Principles

Compliance with Laws and Workplace Regulations: Facilities will comply with laws and regulations in all locations where they conduct business.

Prohibition of forced labor: facilities will not use involuntary, forced labor.

Prohibition of Child Labor Facilities will not hire any employee under the age of 14 or under the minimum age established by law for employment, whichever is greater, or any employee whose employment would interfere with compulsory schooling.

Prohibition of Harassment or Abuse Facilities will provide a work environment free of supervisory or co-worker harassment or abuse, and free of corporal punishment in any form.

Compensation and Benefits Facilities will pay at least the minimum total compensation required by local law, including all mandated wages, allowances & benefits.

Hours of Work Hours worked each day, and days worked each week, shall not exceed the limitations of the country's law. Facilities will provide at least one day off in every seven-day period, except as required to meet urgent business needs.

Prohibition of Discrimination Facilities will employ, pay, promote, and terminate workers on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs.

Health and Safety Facilities will provide a safe and healthy work environment. Where residential housing is provided for workers, facilities will provide safe and healthy housing.

Freedom of Association and Collective Bargaining Facilities will recognize and respect the right of employees to exercise their lawful rights of free association and collective bargaining.

Environment Facilities will comply with environmental rules, regulations and standards applicable to their operations, and will observe environmentally conscious practices in all locations where they operate.

Customs Compliance Facilities will comply with applicable customs laws, and in particular, will establish and maintain programs to comply with customs laws regarding illegal transshipment of finished products.

Security Facilities will maintain facility security procedures to guard against the introduction of non-manifested cargo into outbound shipments (i.e. drugs, explosives biohazards and /or other contraband).

Step 1: Self-Assessment

The Self-Assessment Handbook can be found on the website under [Handbooks](#).

The handbooks are written in English, Spanish, and Chinese and explain WRAP's principles and procedures. Facility management must adopt all the principles and prepare documentation that indicating that it is implementing certain procedures. When satisfied that it has complied with the requirements in the Handbook for a minimum of 90 days, the facility notifies WRAP that it is ready for monitoring.



Step 2 – Monitoring

WRAP authorizes facility management to hire an independent monitor from a list of monitoring companies and civil society organizations that regularly perform audits for compliance with policies and procedures required by third parties—in this case, WRAP. WRAP has accredited them to monitor facilities in one or more specified countries for compliance with WRAP's detailed policies and procedures.

The facility is responsible for paying any audit fees assessed by the monitoring firm. All WRAP audits are unannounced and a facility has six months from the date of registration payment to WRAP (Step 1, above) to have the monitor submit its report and recommendation to factory management.

Step 3 – Evaluation

The WRAP staff takes one of two actions:

1. WRAP Staff may notify the facility that it needs to correct certain procedures and have the monitor make an additional inspection and report. After the



factory makes the corrections, it must implement them for at least 90 days before the monitoring firm conducts its follow-up inspection. If the factory does not satisfactorily implement corrective actions within the original six-month grace period (see above), it must renew its application and repay the registration fee in order to be considered for certification.

2. WRAP Staff may recommend to the Certification Board that the factory be certified .

Step-4 certification

Certification The Certification Board (currently the Board of Directors of WRAP) studies the recommendation of the staff, including the monitor's report, and votes to award or withhold certification. (In the latter case, the staff will proceed as in Step 4 (A), above.) During the one year certification period, all facilities, especially those that needed a second audit, are subject to unannounced inspections

FEES

the facility bears all the costs associated with certification. Note that the only fee paid to WRAP is the registration fee (Step 1, above). The only other cost to the facility is the fee that it freely negotiates with an accredited monitor of its choice (Step 3). Only MasterCard and VISA credit cards are accepted.

Accreditation Requirements and Procedure

WRAP encourages all commercial and civil society organizations that are qualified to perform professional and objective evaluations of manufacturing facilities to apply for accreditation. These organizations are referred to as "monitors" in the following discussion. Their principals, employees, consultants, et al. who will be directly involved in WRAP monitoring activities are called "designated personnel"

I. Independence

- Monitors and their designated personnel cannot own any financial interest (including but not limited to equity, debt, or assets) nor hold legal, titular, membership, employment or representational interests or relationships in either the companies or the facilities that participate in WRAP's Certification Programs.
- Monitors and their designated personnel cannot be directly or indirectly related in a legal or familial capacity to the facilities and companies that participate in a WRAP Certification Program.
- Monitors and their designated personnel are prohibited from receiving, at any time, any compensation or promise thereof beyond the reasonable inspection fee negotiated with a factory (which must be reported to WRAP: see below). This does not preclude the monitor from receiving additional fees for additional legitimate inspections.

II. Skills

- Working knowledge of the WRAP Production Principles and the evidence of compliance stipulated in the Production Facility Self-Assessment Handbook and the WRAP Monitoring and Reporting Procedures Manual.
- Working knowledge of the laws and regulations that apply to the relevant category of manufacturing facilities of the specific jurisdiction, including but not limited to the areas of:
 - ❖ Labor(all laws and regulations applicable to the employment of personnel and to labor relations)
 - ❖ Occupational safety, health, and hygiene
 - ❖ Environmental impact
 - ❖ Exports and imports
- Working knowledge of the native language where the facility is located and the predominant language(s) used by its employees. The monitor must include at least one individual with this language capability on every on-site monitoring visit.

2.3 OEKO –TEX



In addition to human ecology aspects, the Oeko-Tex® Standard 1000, issued by "Oeko-Tex® International - Association for the Assessment of Environmentally Friendly Textiles", also covers production conditions in textile manufacturing. The objective of Oeko-Tex® Standard 1000 is to inspect production facilities and products for environmental compatibility and to document independently that steps are being taken and a certain level is achieved in the process. Criteria applicable to operations in this respect are:

- compliance with national laws
- waste water treatment, exhaust air emissions and handling of waste
- defined technologies, chemicals and dyestuffs
- defined work place conditions, compliance with social criteria
- quality management system
- Environmental management system.

When all production sites involved in a production line are certified according to Oeko-Tex® Standard 1000, the respective end product can be marked with the Oeko-Tex® Standard 100plus label.

Provision:

Textiles with Oeko tech 100 marks are:

- ❖ textile that do not contain allergenic dyes stuff and carcinogenic dyes stuff.
- ❖ Textiles that had been tested for pesticides and chlorinated phenols
- ❖ Textiles that have been tested for the release of heavy metals under artificial perspiration condition.
- ❖ Textiles free from formaldehyde or containing amount significantly lower than require legal limits.
- ❖ Textiles with a skin friendly ph.
- ❖ Textiles free from chloro organic carriers.
- ❖ Textiles for garments free from biologically active finishes.

Implementation and verification:

Companies can apply for certification when they comply with the requirements .the standard requires regular performing control tests on the license holder .furthermore the international association also perform market controls on its own costs. Every year for 10% of all certificates sample are collected from the market and verified.

For oeko-tex 1000, the company is monitored by an independent auditor from one of the member institute of the “OEKO-TEX” international association for the assessment of environmentally friendly textiles “the certification is valid for three years.

3. Code of conduct of different buyer:

3.1. C&A



General

The C&A Code of Conduct for the Supply of Merchandise (referred to in the text below as "The Code ") which was introduced in 1996, and updated in 1998, provides the basic contractual terms under which C&A conducts its' business. The Code has been accepted by all supply partners of C&A products, and has been implemented into all C&A buying and sourcing activities.

In combination with the auditing activities of SOCAM (Service Organisation for Compliance Audit Management), the Code offers C&A the opportunity to support the development of ethical and social standards throughout the C&A supply chain.

They recognize the importance of a continuing review of their Code, given practical experience and changing circumstances. These include increased globalization in recent years, and the associated growth of sourcing in the "less developed" countries, together with a proliferation of new codes and auditing options available in the market.

They believe that the Code, together with the monitoring activities of SOCAM , continue to provide C&A with a pragmatic and successful approach in ensuring that the important issues addressed in the Code can be matched by practical application in the supply chain.

Nevertheless, they think it timely to clarify the meaning of some of the terms used in the Code, given the increasing external stakeholder interest shown in recent years in our own, as well as the many alternative codes available.

The following comments should be regarded as our binding interpretation of the C&A Code of Conduct for the Supply of Merchandise.

Supplier Relationships

The understanding of our supply partners concerning the way that C&A expects business on its' behalf to be handled in all parts of the supply chain, is at the heart of the Code.

Recognizing the many different environments, cultures, social and business models which are inherent in conducting business on a global basis, the Code is based on a set of principles which believe to be universally acceptable, understandable and achievable.

It is not practical to name or refer to all of the international treaties and basic agreements pertinent to human rights and social standards which have been developed and implemented over many years. However, the most important amongst them could include the Universal Declaration of Human Rights, OECD Guidelines for International Enterprises, as well as a number of ILO conventions. Such treaties and agreements provide a framework within which business should be conducted, many of them having been ratified and transferred into the national laws in those countries where C&A merchandise is produced.

Fair and Honest Dealings

This phrase remains a fundamental contractual principle of the Code. It forms the general, abstract and basic principle for all business relationships within the C&A supply chain. It includes every party involved, from the component sourcing through to the final garment production process, and forms the general clause of the Code.

Practices, even if not specifically referred to in the Code, would be regarded as not being "fair and honest" if they were not in line with internationally accepted norms, and / or national legislation, as laid down in the conventions already mentioned. If national law neglects those principles, then those principles of compliance which come nearest to global standards should be the ones adhered to.

Our understanding of "fair and honest dealings" also includes behavior linked to the treatment of animals, as well as the environment as a whole, at least for those resources which are necessary for production. C&A regards animals as needing to be treated in a decent and humane way, without resort to cruelty, and with regard to any existing animal protection laws. This also includes the protection of endangered species and adherence to treaties such as CITES.

The principle of "fair and honest dealings" also includes that gifts and favors of whatever content should not be offered, promised, demanded or accepted in any circumstances which, due to their value or significance could compromise the independence of individuals in their decision-making process.

This is especially so if it were to imply an undue advantage, or sought to obtain or retain business, or any other improper advantage. Neither C&A nor a supply partner shall be approached for, or expected to pass on, a bribe.

They refer in this regard specifically to section VI of the OECD Guidelines for International Enterprises.

Legal Aspects and Intellectual Property Rights

The adherence to intellectual property rights of third parties is of utmost importance for their buying / sourcing policy. We will not accept any infringement or negligence in regard to third party intellectual property rights.

Both suppliers and Product Managers must ensure that such third party intellectual property rights are respected and those unlawful copies should neither be offered, nor produced. Suppliers must be aware of the sources of each design (whether fabric, garment or print) offered, by being aware of the origin of such designs, or copyrights.

C&A will hold their supply partners liable for any damages and costs which may result from unlawful copying, whether this is the result of poor due diligence or willful negligence. Criminal charges could also result from such eventualities.

Employment Conditions

They regard the basic principles related to employment conditions, and which are listed in the Code, as being applicable on a global basis. C&A would therefore expect that our supply partners would include these as part of their own corporate governance model, and in turn applicable to whomever are their own suppliers, and not only in relation to production for C&A. We want to do business with those who share our philosophy. This does not preclude that any supplier cannot exceed such basic norms, in all situations where that is possible.

Specifically, we would like to comment on some basic requirements related to two paragraphs in the Code under the umbrella of "Employment Conditions".

Child Labor

C&A refers via this clause to the legal minimum age for young workers, related to production activities as laid out by the ILO Minimum Age Convention (No. 138), and Worst Forms of Child Labor Convention (No. 182) which are today fully transferred into national laws.

In those countries where the convention no.182 has been ratified, our suppliers must adhere to national law regulations which are in accordance with these principles. This means that specific work in textile industries is regarded by national law as being hazardous in terms of the health, safety and morals of a child. In these cases, the minimum age for production workers is 18 years of age.

In regard to the Minimum Age Convention, the age of completion of compulsory schooling (not below 15 years) would be applicable. In certain "less developed countries", a minimum age of 14 years may apply, if allowed in those countries national laws, or, if work is performed according to those exceptions as set out in Article 6 and 7 of the Convention relating to schooling and education.

In the event that the Conventions are not ratified into national law, the absolute minimum age for working in the textile industry supply chain is considered to be 14 years.

C&A has asked SOCAM as part of its monitoring activities to check compliance with these various national norms.

Wages and Benefits

The underlying principle applicable here would be once more that of "fair and honest dealings".

The payment of salaries, wages, overtime payments as well as other benefits must at least be in line with the national legal or industrial minimum level as defined for such work.

Taking the local environment into account, if it is clear that such payments are not sufficient to meet the basic needs of life, it is expected that adjustments may be necessary in order to meet such basic needs.

As part of their employment contract, all workers should be aware of their payment conditions before they commence their employment. Any deductions from salaries/wages should be in accordance with national law, and should still allow that the basic needs of life can still be met.

As far as working hours are concerned, the framework is provided by both national laws and industry norms. In any case, we do not accept that workers are required to work on a regular basis for more than 48 hours per week and maximum 12 hours of overtime, whilst also recognizing their entitlement to one day of rest for each 7 day period.

Any one working day must not exceed 12 hours, whilst overtime work must be a balance between the individual capacity of a worker on the one hand, and business requirements on the other. Overtime working should be considered to be an exception, and not something to be requested on a regular basis throughout a given term of employment.

Salary payments should generally be paid latest by monthly installments. Any withholding of salaries for a later payment which are already due to employees are not allowed without the prior written consent of the employee(s) concerned.

Environmental Aspects

Supply partners are responsible for preventing chemical substances and other production waste from reaching the environment without being filtered or treated in an appropriate way. Sustainable production is an underlying requirement of the Code. All national standards and laws which set restrictions must be fully respected.

Production ecology is regarded as being as important as human ecology. No substance shall be used in a concentration which can cause harm either to the health or the well-being of any person working in the total supply chain, or indeed to the final consumer.

C&A has decided, and has stipulated in our General Delivery Instructions that we regard the EU General Product Safety Directive of 2001 as setting the requirement for the protection of the health and safety of consumers. C&A will not accept any unsafe product, and has implemented rigorous quality assurance systems in order to ensure we meet this objective.

C&A will offer support, information and know-how to our suppliers in helping them to meet the required standards to protect both the safety of humans and the environment. This applies as far as C&A is aware of specific knowledge in this area.

Freedom of Association

C&A recognizes and respects the rights of workers to join groups of their own choosing, and who can represent their interests, whether unions or other organizations, as long as such bodies are regarded as being legally in accordance with the relevant national laws.

We specifically acknowledge and act in accordance with ILO Conventions 87, 98 and 135. The right for collective bargaining is also acknowledged insofar as the national law of each respective country sets a legal framework for such rights. If, within any given national framework, those rights cannot be exercised, then C&A **respects** the right of such workers to build alternative structures to safeguard their legal rights.

C&A will take an active interest if we consider that the basic collective legal rights of workers are neglected, or when we consider that possible alternative structures are actively suppressed.

However, C&A will not get involved in conflicts which may arise within any of our supply partners, assuming proper execution of those rights.

Such issues should be resolved in a democratic way, respecting the rights of all parties involved.

Disclosure and Inspection

The monitoring of the Code is essential in terms of ensuring compliance with the Code. C&A has chosen the company SOCAM to perform this task.

Unannounced visits to production units are an important part of this process, and SOCAM auditors are expected to have full access to whichever production sites they choose to visit, taken from the addresses provided by our registered suppliers. This will enable SOCAM to be able to monitor compliance with our code.

C&A respects the confidentiality requested by our supply partners in terms of such information. Therefore, disclosure related to suppliers production facility addresses are provided by our supply base directly to SOCAM via a Supplier Statement.

The information provided and the audit results will be used for monitoring and auditing purposes by SOCAM, and will be treated as strictly confidential and not divulged to any third party including C&A Buying. Only in case of breach of the C&A Code of Conduct for the Supply of Merchandise SOCAM will present its audit report including the name and address of the relevant factory / production unit to C&A Sourcing Department for further action. In such cases, the C&A Sourcing Department will then write to the supplier to inform them of the nature of the infringement detected by SOCAM, and to invite an explanation of the circumstances, and where necessary, an action plan which will help to avoid a repeat of such infringements.

C&A reserves the right to be able to disclose general information relating to the processes which it has invited SOCAM to establish, as well as to the results of its' auditing processes, given that the confidentiality related to an individual supplier remains guaranteed.

In the event of any third party attention being drawn to an infringement detected at any specific supplier, C&A reserves the right to use any facts gathered by SOCAM to present its' own understanding of the facts publicly to the extent it sees as being necessary.

Sanctions

In order that the Code retains credibility, C&A has various sanctions at its' disposal to ensure that the conditions outlined in the Code are respected.

Only as a last resort would this result, however, in a cancellation of our business relationship. Increasingly, C&A sees the need not just for audits, but also for training and information to suppliers, to help them to understand the good business case by respecting the Code in order to be able to ensure a sustainable business relationship. Nevertheless, C&A reserves the right to suspend such a relationship in certain circumstances, until corrective plans have been submitted, and the necessary and agreed improvements either underway or undertaken.

Corrective Plans

Corrective plans are preferred to immediate cancellation of business relationships, and we also recognise that a reasonable and agreed time-period has to be allowed in order for the necessary corrective actions to be taken.

Specific actions are required for corrective plans relating to the **finding** of child labour working in a production unit used for the manufacture of merchandise destined for C&A. Where such a child's identity can be established by SOCAM, the supplier is asked to take responsibility to ensure that suitable education be made available to that child, given of course, the prior permission of the parents or guardians of that child. This could involve also financial support for the child as an additional requirement of a corrective plan.

3.2. Carrefour

Respect for Human Right

The Carrefour Group is promoting the respect of Human Rights and fundamental liberties within its company and among its suppliers.

Respecting Human rights at work is one of the Group's fundamental principles and in May 2001 the business signed a memorandum of understanding with an international trade union federation, the UNI (Union Networks International). The Group aims to monitor the application of the principles set out by the International Labor Organization (ILO) in the countries in which it operates, and in particular freedom of association, collective bargaining, and a ban on child labour.



Compliance with the Declaration of Human Rights, the ILO Conventions, or any other international agreement related to the Human Rights:

- The Carrefour group has signed an agreement with the UNI(Union Network International) in 2001, under which the Group commits to ensure the application of the principles set out by the ILO (in particular freedom of association, the right to collective bargaining and the abolition of child labor).
- The Carrefour Group has adhered to the United Nations Global Compact since 2001. It undertakes to respect and promote the ten principles on Human Rights, labor and environmental standards, and the fight against corruption.
- The Carrefour group Code of Conduct (updated in 2007), clearly refers to the Group's commitments to respect:
 - The Universal Declaration of Human Rights,
 - The ILO conventions,
 - The OECD guidelines,
 - The Global Compact principles,
 - The international agreement signed with UNI in May 2001,
 - The Diversity in Business Charter.
- The Group Social Charter contractually bounds all Carrefour suppliers (food and non-food). It was adopted in 2000 and revised in 2005. It includes six obligations contained in the Universal Declaration of Human Rights and ILO principles: prohibition of slavery and forced labor, prohibition of child labor, freedom of association and the right to collective bargaining, pay, working conditions, working hours and equal opportunity.

Freedom of association and right to collective bargaining:

- The Carrefour Group respects and promotes fundamental Human rights wherever it operates. The Group acts for the recognition of the freedom of association and the right to collective bargaining, which are stated in the Global Compact.
- In May 2001, it signed an agreement with the international trade union association UNI (Union Network International). The Group has undertaken to monitor the application of the principles of the ILO (International Labor Organization), in particular with regard to freedom of association, collective bargaining and the condemnation of child labor.
- The Group Code of Conduct (updated in 2007) refers to the Group commitment to respect the ILO principles, which among other, concerns the freedom of association.

Elimination of all forms of forced or compulsory labor and abolition of child labor:

- The Carrefour Group adhered to the Global Compact, which condemns all forms of forced or compulsory labor and child labor.
- The Group Social Charter, which bounds all suppliers, refers to the Declaration of the Human Rights, the ILO Conventions, and condemns forced labor and child labor.
- The Group Code of Conduct refers to the commitment of the Group to respect the Universal Declaration of Human Rights, and the ILO conventions which prohibit all forms of forced or compulsory labor and child labor
- The Carrefour Group has signed an agreement with the UNI (Union Network International) in 2001. The Group has thus undertaken to monitor the application of the principles of the ILO (International Labor Organization), in particular with regard to freedom of association, collective bargaining and the condemnation of child labor.

Social Dialogue

Commitment to respect labor rights: The Group is committed to respecting labor rights in every country where it operates and signed in May 2001 an agreement with UNI (Union Network International) by which it has undertaken to monitor the application of principles of the ILO (International Labor Organization), in particular with regard to freedom of association, collective bargaining and the condemnation of child labor. The Carrefour Groups also adheres to the UN Global Compact since 2001, committing itself to respect its principles, which include labor standards. The Carrefour Group has updated its Code of Conduct and which includes references to the Group's commitment to respect for:

- The Universal Declaration of Human Rights,
- The ILO conventions,
- The OECD guidelines,
- The Global Compact principles,
- The international agreement signed with UNI in May 2001,
- The Diversity in Business Charter.

Principles of Business

1. Strictly respect the law
2. Contribute to a safe and healthy working environment
3. Commit to diversity and good working conditions
4. Protect the Group's assets and resources
5. Guarantee confidentiality
6. Avoid conflicts of interest
7. Refuse all forms of corruption
8. Develop loyal and transparent business practices
9. Provide reliable and accurate reporting
10. Be an ambassador of the Carrefour brand.

3.3. H&M



This Code of Conduct is applicable to all suppliers, their subcontractors and other business partners that do business with H&M Hennes & Mauritz AB (publ.), registered in Sweden, corporate organisation number 556042-7220, or any other company, wholly or partly owned, directly or indirectly, by H&M Hennes & Mauritz AB ("H&M").

This Code of Conduct is drafted and valid in the English language. Where there are different language versions of this document these shall be considered translations of convenience only and the English version will prevail in any case of discrepancy

H&M's business concept is to offer fashion and quality at the best price. Quality also means that our products must be manufactured in a way that is environmentally and socially sustainable. We have a responsibility towards everyone who contributes to our success. We are therefore committed to working closely with our suppliers and business partners to achieve a long-term, sustainable social and environmental standard in the factories that manufacture H&M's products and in the operations of other business partners.

This Code of Conduct specifies what we require from our suppliers, their subcontractors and other business partners in order to fulfill our commitment to our Board of Directors, to our employees, to our customers, to our shareholders and to other stakeholders. It is the responsibility of H&M's suppliers and other business partners to inform their subcontractors about H&M's Code of Conduct and Policy for Homework, and to ensure that these are implemented in every factory and workplace that produces, finishes packs or otherwise handles goods or performs services for H&M.

We base our requirements mainly on internationally agreed standards such as the Universal Declaration of Human Rights, The UN Convention on the Rights of the Child and applicable ILO Conventions, as well as national legislation.

1. Legal Requirements

Our general rule is that all our suppliers and other business partners must, in all their activities, follow the national laws in the countries in which they operate. Should any requirement in this Code conflict with the national law in any country or territory, the law must always be followed. In such cases the supplier must notify H&M immediately, before signing this Code.

However, H&M's requirements may go beyond the requirements set out in national law.

2. Child Labor is not accepted

(Refer to ILO Conventions 138 and 182 and to the UN Convention on the Rights of the Child)

Child Labor

H&M does not accept child labour. No person shall be employed at an age younger than 15 (or 14 where the national law so allows) or younger than the legal age for employment if this age is higher than 15.

The company must take the necessary preventive measures to ensure that it does not employ anyone below the legal age of employment.

Young Workers

All legal limitations on the employment of persons below the age of 18 years must be followed.

We acknowledge that according to the UN Convention on the Rights of the Child, a person is a child until the age of 18. We recognize the rights of every child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development.

3. Health and Safety

Building Safety

We require our suppliers and other business partners to make employees' safety a priority at all times. No hazardous equipment or unsafe buildings are accepted.

Fire Safety

Emergency exits on all floors must be clearly marked, well lit and unblocked all the way out of the building. Evacuation through emergency exits must always be possible during working hours.

Everyone working on the premises, including managers and guards, must be regularly trained in how to act in case of fire or other emergency. Regular evacuation drills for all employees are required; evacuation plans and firefighting equipment must be in place.

Accidents and First Aid

The employer must work proactively to avoid accidents causing harm to any employee in the workplace.

Relevant first aid equipment must be available and where legally required a doctor or nurse should be available during working hours.

Working Environment

The premises must be regularly maintained and cleaned and must provide a healthy working environment.

4. Worker's Right

Basic Rights

- We do not accept any forms of forced or bonded labor and we do not accept the use of prison labor or illegal labor in the production of goods or services for H&M. (Refer to ILO Conventions 29 and 105)
- Migrant workers shall have exactly the same entitlements as local employees. Any commissions and other fees in connection with employment of migrant workers must be covered by the employer. The employer must not require the employee to submit his/her identification documents. Deposits are not allowed. Workers employed through an agent or contractors are the responsibility of H&M's supplier and other business partners, and are thus covered by this Code.
- Every employee shall be treated with respect and dignity. Under no circumstances do we accept the use by our suppliers, their subcontractors or other business partners of humiliating or corporal punishment, and no employee shall be subject to physical, sexual, psychological or verbal harassment or abuse.
- All employees have the right to form or join associations of their own choosing, and to bargain collectively. H&M does not accept disciplinary or discriminatory actions from the employer against employees who choose to peacefully and lawfully organize or join an association.
- No employee shall be discriminated against in employment or occupation on the grounds of sex, race, color, age, pregnancy, sexual orientation, religion, political opinion, nationality, ethnic origin, disease or disability. (Refer to ILO Conventions 100 and 111)
- All employees are entitled to a written employment contract, in the local language, stipulating the employment terms and conditions. The employer has a responsibility to ensure that all employees are aware of their legal rights and obligations.

Wages, Benefits, Working Hours and Leave

As background to this chapter we quote from the Universal Declaration of Human Rights Article 23:3, as guidance concerning our ambition for our suppliers and business partners: "Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity..."

- Wages must be paid regularly, on time, and must reflect the experience, qualifications and performance of the employee. H&M's minimum requirement is that employers shall pay at least the statutory minimum wage, the prevailing industry wage or the wage negotiated in a collective agreement, whichever is higher. All other types of legally mandated benefits and compensations shall be paid. No unfair deductions are allowed, and the employee has the right to a written specification of how the wage has been calculated.
- Ordinary working hours must not exceed the legal limit and shall never exceed 48 hour per week. Overtime hours must not exceed the numbers allowed by the law of the country. If such limits do not exist, overtime work should not exceed 12 hours per week. Overtime work must always be voluntary and compensated in accordance with the law. Piece-rate work should not be exempted from the right to overtime compensation. Employees are entitled to at least one day off in every seven-day period.
- The employees shall be granted and correctly compensated for any types of paid leave to which they are legally entitled. Examples of such leave include annual leave, maternity/parental leave and sick leave.

5. Housing Conditions

If a company provides housing facilities for its employees, the requirements regarding fire safety and cleanliness under point 3 above should also cover the dormitory. The dormitory must be separated from the workplace and have a separate entrance. Employees should have free access to the dormitory.

6. Environment

The environment is of increasing concern globally and H&M expects its suppliers and other business partners to act responsibly in this respect. Our suppliers must comply with all applicable environmental laws and regulations in the country of operation. In particular, we are concerned about how the production of our garments and other products contributes to climate change and water stress.

7. Corrective Action

H&M's audits aim to identify gaps between the requirements in this Code of Conduct and the actual practices and conditions in the workplace. The audited company will usually be given the opportunity to propose and implement a corrective action plan. H&M will follow up the implementation of the plan and verify that violations have been remedied. A supplier failing to undertake sustainable improvements within the stipulated time frame would seriously damage its relationship with H&M. Unwillingness to cooperate or repeated serious violations of H&M's

Code of Conduct and local law may lead to reduced business and ultimately termination of the business relationship with H&M.

3.4 Levi Strauss



Global Sourcing & Operating Guidelines

Levi Strauss & Co. seeks to conduct its business in a responsible manner. In 1991, Levi Strauss & Co. was the first multinational company to establish comprehensive Global Sourcing & Operating Guidelines.

Business Partners

Our Global Sourcing & Operating Guidelines help us to select business partners who follow workplace standards and business practices that are consistent with our company's policies. These requirements are applied to every contractor who manufactures or finishes products for Levi Strauss & Co. Trained inspectors closely audit and monitor compliance among approximately 600 cutting, sewing, and finishing contractors in more than 60 countries.

Partnerships That Work

For Levi Strauss & Co., implementing our guidelines is a comprehensive and resource-intensive effort. Our goal is to achieve positive results and effect change in partnership with our contractors, rather than to punish contractors for transgressions. Through our guidelines, we seek long-term solutions that will benefit the individuals who make our products and will improve the quality of life in the communities in which they live.

The Levi Strauss & Co. Sourcing & Operating Guidelines include two parts:

I. The Business Partner Terms of Engagement, which deal with issues that are substantially controllable by Levi Strauss & Co.'s individual business partners.

II. The Country Assessment Guidelines, which address larger, external issues beyond the control of individual business partners (e.g., health and safety issues and political, economic, and social conditions). These help us assess the risk of doing business in a particular country.

These standards are an integral part of our business. Company employees have the authority and the responsibility to take any steps necessary to ensure compliance with all standards and policies. Our employees and our business partners understand that our guidelines are no less important than meeting our quality standards or delivery times.

Terms of Engagement

1. Ethical Standards

We will seek to identify and utilize business partners who aspire as individuals and in the conduct of all their businesses to a set of ethical standards not incompatible with our own.

2. Legal Requirements

We expect our business partners to be law abiding as individuals and to comply with legal requirements relevant to the conduct of all their businesses.

3. Environmental Requirements

We will only do business with partners who share our commitment to the environment and who conduct their business in a way that is consistent with Levi Strauss & Co.'s Environmental Philosophy and Guiding Principles.

4. Community Involvement

We will favor business partners who share our commitment to contribute to improving community conditions.

5. Employment Standards

We will only do business with partners whose workers are in all cases present voluntarily, not put at risk of physical harm, fairly compensated, allowed the right of free association and not exploited in any way. In addition, the following specific guidelines will be followed:

Wages and Benefits: We will only do business with partners who provide wages and benefits that comply with any applicable law and match the prevailing local manufacturing or finishing industry practices.

Working Hours: While permitting flexibility in scheduling, we will identify prevailing local work hours and seek business partners who do not exceed them except for appropriately compensated overtime. While we favor partners who utilize less than sixty-hour work weeks, we will not use contractors who, on a regular basis, require in excess of a sixty-hour week. Employees should be allowed at least one day off in seven.

Child Labor: Use of child labor is not permissible. Workers can be no less than 14 years of age and not younger than the compulsory age to be in school. We will not utilize partners who use child labor in any of their facilities. We support the development of legitimate workplace apprenticeship programs for the educational benefit of younger people.

Prison Labor/Forced Labor: We will not utilize prison or forced labor in contracting relationships in the manufacture and finishing of our products. We will not utilize or purchase materials from a business partner utilizing prison or forced labor.

Health & Safety: We will only utilize business partners who provide workers with a safe and healthy work environment. Business partners who provide residential facilities for their workers must provide safe and healthy facilities.

Discrimination: While we recognize and respect cultural differences, we believe that workers should be employed on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs. We will favor business partners who share this value.

Disciplinary Practices: We will not utilize business partners who use corporal punishment or other forms of mental or physical coercion.

Evaluation & Compliance

All new and existing factories involved in the cutting, sewing, or finishing of products for Levi Strauss & Co. must comply with our Terms of Engagement. These facilities are continuously evaluated to ensure compliance. We work on-site with our contractors to develop strong alliances dedicated to responsible business practices and continuous improvement.

If Levi Strauss & Co. determines that a business partner is in violation of our Terms of Engagement, the company may withdraw production from that factory or require that a contractor implement a corrective action plan within a specified time period. If a contractor fails

to meet the corrective action plan commitment, Levi Strauss & Co. will terminate the business relationship.

Commitment

Levi Strauss & Co. is committed to continuous improvement in the implementation of our Global Sourcing & Operating Guidelines. As these standards are applied throughout the world, we will continue to take into consideration all pertinent information that helps us better address issues of concern, meet new challenges, and, improve our guidelines.

3.5. Tchibo



As a standard requirement for doing business with Tchibo, we require our business partners (vendors, their producers and subcontractors) to observe and protect at least the following fundamental rights for employees, regardless whether employed directly by our business partners and regardless of the contractual basis of this employment, whether in the formal or the informal sector. Furthermore, Tchibo business partners are obliged to observe the below-mentioned environmental requirements.

1. Forced Labor

Employment is freely chosen. Business partners shall not employ any form of forced, bonded, slave or otherwise involuntary labor. Employees shall not be subject to any regulation which limits their personal freedom of movement. Employers shall not require their workers to lodge deposits or their identity papers with them. Workers are free to leave their employer after reasonable notice as mandated by law. The production of goods with the use of prison labour is strictly prohibited. ILO Conventions 29 and 105 apply.

2. Child Labor and Young Workers

There shall be no use of child labor. The age of admission to employment shall not be less than the age of completion of compulsory schooling, and, in any case, not less than 15 years (or 14 where national law permits in accordance with ILO convention 138). In the event that children are found to be working in situations which fit the definition of child labor above, policies and written procedures for remediation of children found to be working shall be established and

documented by the supplier company. Furthermore, the supplier company shall provide adequate financial and other support to enable such children to attend and remain in school until no longer a child.

Young workers are workers between the age of 15 – 18. The company may employ young workers, but where such young workers are subject to compulsory education laws, they may work only outside of school hours. Under no circumstances shall any young worker's school, work, and transportation time exceed a combined total of 10 hours per day, and in no case shall young workers work more than 8 hours a day. Young workers shall not be employed at night or perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health, safety or morals. Young workers shall be given the opportunity to participate in education and training programmes. National regulations for the protection of young employees shall be fulfilled. ILO Conventions 79, 138, 142, 182 and ILO Recommendation 146 apply.

3. Discrimination

It shall be guaranteed that all employees are treated equally, with dignity and respect and have access to equal opportunities. No discrimination shall be tolerated on gender, age, religion, race, caste, social background, disability, ethnic and national origin, nationality, membership in workers' organizations including unions, political affiliation or opinions, sexual orientation, family responsibilities, marital status, or any other personal characteristics. This applies in particular to hiring, compensation, access to training, promotion, termination or retirement. ILO Conventions 100, 111 and 159 apply.

4. Disciplinary Measures

Any kind of corporal, psychological, physical, sexual, verbal or other harassment, abuse or discipline and any other form of intimidation are prohibited. Disciplinary measures shall be in line with national laws and internationally recognized human rights. Arbitrary penalties above all in case of sickness or pregnancy are forbidden. Employees, who raise any complaint based on the Code and/or on applicable national/international laws, shall not be subject to any form of disciplinary measures or reprisal.

5. Working Contracts

Business partners shall provide their employees with written working contracts. Working contracts shall as a minimum contain: name and picture of the employee, date and place of birth, home address, function, starting date of working relationship, hours of work, remuneration and compensation, probation period (if applicable), leave entitlements, details for termination of the working relationship (both by employee and employer), signature of employee and employer and dates of signature. In the case of contracted work, the business partner has to secure that before mentioned requirements are observed by the contractor.

6. Compensation

Wages paid for a standard working week shall meet at least legal or benchmark industry minimum standards, whichever of the two is higher. Business partners shall strive to pay wages that always meet basic needs of employees and their families and provide some discretionary income in case that legal minimum wages fail to do so. Employees shall receive at least all legally mandated benefits. All overtime work shall be reimbursed at a premium rate according to legal or industry standards, whichever is higher. Deductions from wages as a disciplinary measure are not permitted. Employees shall be provided with written and understandable information on the full composition of their wages, including deductions, overtime premium rates and benefits. ILO Conventions 26 and 131 apply.

1. Hours of Work

Hours of work shall comply with applicable laws and benchmark industry standards, whichever of the two is stricter. In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week. Overtime shall be voluntary, shall not exceed 12 hours per week and not be demanded on a regular basis. Employees are entitled to at least one free day following six consecutive days of working. Exceptions to this rule apply only where both of the following conditions are fulfilled: a) National law allows work time exceeding this limit; and b) a freely negotiated collective bargaining agreement is in force that allows work time averaging, including adequate rest periods. ILO Conventions 1 and 14 apply and ILO Recommendation 116.

2. Freedom of Association and Collective Bargaining

The right of employees to form or join workers' organizations including unions of their own choice and to bargain collectively shall be recognized and respected. Employers shall adopt a positive approach towards the right to freedom of association and collective bargaining, by communicating this right actively to their workforce and by adopting an open attitude towards trade unions including their organizational activities. In those situations in which the rights to freedom of association and collective bargaining are restricted by law, parallel means of independent and free association and bargaining shall be allowed. Workers' representatives shall be protected against discrimination, harassment, intimidation or retaliation and shall be provided free access to the workplaces, to ensure that they can exercise their rights in a lawful and peaceful way. ILO Conventions 87, 98 and 135 and ILO Recommendation 143 apply.

3. Working Conditions and Health & Safety

A safe and hygienic working environment shall be provided to the employees. Occupational health and safety practices shall be promoted, which prevent accidents and injury in the course of work or as a result of the operation of employer facilities. These health and safety practices and procedures shall be communicated to and trained with the employees on a regular basis. A clear set of regulations and procedures must be established and followed, especially the provision and use of personal protective equipment, access to clean toilet facilities, access to potable water and

if appropriate, sanitary facilities for food storage shall be provided. The same principles apply to all social facilities and employee accommodation facilities if provided by the employer. All personnel shall have the right to remove themselves from imminent serious danger without seeking permission from the company. The company observing the Code shall assign responsibility for health and safety to a senior management representative and involve workers in the analysis of health risks and hazards. ILO convention 155 and ILO recommendation 164 apply.

10. Environment

For every business partner of Tchibo, the protection of the environment is the basis to ensure their business sustainability. Tchibo requires all business partners (vendors, their producers and subcontractors) to act in accordance with the applicable statutory and international standards regarding environmental protection. The business partners are expected to increase energy efficiency, minimize environmental pollution, minimize the use of natural resources (including water, energy and gas) and make continuous improvements in environmental protection. In order to achieve these targets they are obliged to set up or use a feasible environmental management system.

11. Management Practice

Ethical standards as defined in this Code shall be acknowledged by the management of any business partner and shall be incorporated in company policies. Employees shall be informed about the contents of the Code and applicable national/international laws in a way that is accessible for them, including their local language and in case of illiteracy through verbal briefing and training. In order to meet all requirements as set forth in this Code and in national/international laws, employers shall establish a management system. Responsible personnel for issues such as human resources/employment, legal requirements, occupational health and safety, production planning and other crucial issues at production level shall be appointed. Business partners shall maintain appropriate records to demonstrate compliance with this Code and national/international laws.

12. Employment Relationship

Obligations of this Code and/or of national/international laws shall not be avoided through the use of labour-only contracting arrangements, sub-contracting, false apprenticeship schemes or homework in industries which are not traditionally conducted in home-working arrangements.

4. Bangladesh labor law 2006

4.1 Introduction:

An Act to consolidate and amend the laws relating to employment of labor, relations between workers and employers,. determination of minimum wage, payment of wages and compensation for injuries to workers, formation of trade unions, raising and settlement of industrial disputes, health, safety, welfare and working conditions of workers, and apprenticeship and matters ancillary thereto. Whereas it is expedient to consolidate and amend the laws relating to employment of labor, relations between workers and employers, determination of minimum wages, payment of wages and compensation for injuries to workers, formation of trade unions, raising and settlement of industrial disputes, health, safety, welfare and working conditions of workers, apprenticeship and matters connected therewith;

Conditions of employment:

- (1) In every establishment employment of workers and other matters incidental thereto shall be regulated in accordance with the provisions of this chapter. Provided that any establishment may have its own rules regulating employment of workers, but no such rules shall be less favorable to any worker than the provisions of this chapter.
- (2) The service rules in any establishment as mentioned in the proviso to sub-section shall be submitted for approval by the employer of such establishment to the chief inspector, who shall, within six months of the receipt thereof make such order therein as he deems fit.
- (3) No service rules as mentioned in sub-section shall be put into effect except with the approval of the chief Inspector.
- (4) Any person aggrieved by the order of the chief Inspector may, within thirty days of the receipt of the order, may prefer appeal to the Government and the order of the Government on such appeal shall be final.
- (5) Nothing provided in sub-section shall apply to an establishment which is owned by or under management or control the Government.

Classification of workers and period probation:

(1) Workers employed in any establishment shall be classified in any of the following classes according to the nature and condition of work; namely

- (a) Apprentice,
- (b) badli,
- (c) Casual,
- (d) Temporary,
- (e) Probationer, and
- (f) Permanent.

(2) A worker shall be called an apprentice if he is employed in an establishment as a learner, and is paid an allowance during the period of his training.

(3) A worker shall be called a badli if he is employed in an establishment in the post of a permanent worker or of a probationer during the period who is temporarily absent.

(4) A worker shall be called a casual worker if his employment in an establishment is of casual nature.

(5) A worker shall be called a temporary worker if he is employed in an establishment for work which is essentially of temporary nature, and is likely to be finished within a limited period.

(6) A worker shall be called a probationer if he is provisionally employed in an establishment to fill a permanent vacancy in a post and has not completed the period of his probation in the establishment.

(7) A worker shall be called a permanent worker if he is employed in an establishment on a permanent basis or if he has satisfactorily completed the period of his probation in the establishment.

(8) The period of probation for a worker whose function is of clerical nature shall be six months and for other workers such period shall be three month: Provided that in the case of a skilled worker, the period of probation may be extended by an additional period of three months if, for any circumstances, it has not been possible to determine the quality of his work within the first three months' period of his probation.

(9) If any worker, whose service has been terminated during his probationary period, including the extended period, is again appointed by the same employer within a period of three years, he

shall, unless appointed on a permanent basis, be deemed to a probationer and the period or periods of his earlier probation shall be counted for determining his total period of probation.

(10) If a permanent worker is employed as a probationer in a new post, he may at any time during the probationary period, be reverted to his old permanent post.

Workers' Rights Indicators

Key areas	Broad Indicators	Specific Legal Provisions (select indicators)
Employment Standards	Employment and Contract	Appointment letter, employment status, retrenchment, dismissal, retirement
	Working Hour and Work Time	Working hours, overtime (OT), night work.
	Wage and Benefits	Procedures of wage fixing, regularity and timeliness of wage and benefit payments, deduction, OT rate, bonuses
	Leave and Rest	Weekly rest day, casual leave, festival leave, sick leave, vacation leave, maternity leave
	Elimination of Child Labour	Minimum age
	Protection against Forced Labour	
	Protection against Discrimination	
Occupational Safety and Health	Occupational Accidents, Hazards & Disease	Accidents prevention regulations, prevention from workplace hazards, safeguards against work-related diseases
	Safety Equipment/Tools and Facilities	Fire extinguisher and emergency fire exit, protective kits, safety measures
	Workplace Environment	Cleanliness, noise, temperature, ventilation, lighting, fumes, working space, drinking water, and segregated toilet/washroom.
Welfare and Social Protection	General Welfare Provisions	First-aid appliances, health care and information, canteen, restrooms, accommodation, maternity benefits etc.

	Social Security Provisions	Pension, provident fund, gratuity, welfare fund, insurance, compensation etc.
Labour Relations and Social Dialogue	Freedom of Association	Right to form & join unions, union formation rules, freedom to elect union representatives, protection vs. anti-union acts
	Collective Bargaining and Industrial Relations	Rights & scope of bargaining, procedures in bargaining, rights to strike, conciliation, arbitration, protection vs. interference, grievance procedures, protection vs. lock-outs & lay-offs during strikes, etc.
	Tripartite Consultation	Tripartite process (formation, composition and scope), participation in dialogue & consultation in policy formulation
Enforcement	Administrative Capacity	Personnel and budget for inspection, inspection process
	Inspection and Punishment	Scope of inspections, penalties for violations of laws (payment of wage, failure to give notice of the accidents, unfair labour practice, illegal strike or lock-out)
	Access to Judiciary	

4.2 Service book:

- (1) Every employer shall, at his own cost, provide a service book for every worker employed by him.
- (2) Such service book shall be kept in the custody of the employer.
- (3) Before employing a worker, the employer shall require from him the previous service book if the worker claims that he has been previously in employment under any other employer.
- (4) If such worker has any service book, it shall be handed over to the new employer by him and shall be kept in the custody of the employer, for which a receipt shall be given to him.
- (5) If such worker has no service book, a service book shall be provided under sub-section.

(6) If the worker desires to keep and maintain a duplicate copy of his service book, he may do it at his own cost.

(7) The employer shall hand over the service book to the worker on the termination of the workers' service with him.

(8) If the service book handed over to the worker or the duplicate thereof maintained by him is lost by the worker, the employer shall provide him with a duplicate service book at the cost of the worker.

(9) Nothing in this section shall apply to an apprentice, badli or casual worker.”

Form of service Book :

(1) The service book shall be of such size and in such form as may be prescribed and photograph of the worker shall be affixed to it.

(2) The service book shall contain the following particulars, namely:

(a) Name of the worker, name of mother and father and address of the worker, (in appropriate case name of husband/ wife shall be written)

(b) Date of birth,

(c) Particulars necessary for identification,

(d) Name and address of the employer under whom previously employed, if any,

(e) Period of employment,

(f) Occupation or designation,

(g) Wages and allowance, if any,

(h) Leave availed, and

(i) Conduct of the worker.

Entries in the service book:

The employer shall at the commencement of the employment and during the continuance of the same, make such entries therein from time to time as are required by this chapter and the Rules and both the employer and the worker shall sign the entries as they are made.

4.3 Overview of Bangladesh labor law

The labor law system is more than a century old in Bangladesh. The first labor law was enacted in the Indian sub-continent during the British period, in 1881. Subsequently, the British Government introduced several laws concerning different labor issues, e.g., working hour, employment of children, maternity benefit, trade union activities, wage, etc. The Factories Act (1881), Workmen's Compensation Act (1923), Trade Unions Act (1926), Trade Disputes Act (1929), Payment of Wages Act (1936), Maternity Benefit Act (1939), and the Employment of Children Act (1938) were remarkable labor laws enacted during the British period. After the separation of the Indian sub continent in 1947, almost all the laws during the preparation period were kept in force with some modifications and amendments, in the form of administrative rules, by the Pakistan Government. After the independence in 1971, the Bangladesh government retained the previous laws through the Bangladesh Laws Order (President's Order No. 48). It also enacted additional laws in response to the changing circumstances and needs of the working class and the country. In 2006, the country adopted the revised Bangladesh Labor Law of 2006 or BLL.

The BLL is fairly comprehensive and progressive. The law is a consolidation and updating of the 25 separate acts. The comprehensive nature of the law can immediately be gleaned from its coverage -- conditions of service and employment, youth employment, maternity benefit, health and hygiene, safety, welfare, working hours and leave, wages and payment, workers' compensation for injury, trade unions and industrial relations, disputes, labor court, workers' participation in companies profits, regulation of employment and safety of dock workers, provident funds, apprenticeship, penalty and procedure, administration, inspection, etc. The BLL is also considered an advance because it removes certain ambiguities in the old and diverse labor acts and aligns the labor law system with the ILO core conventions. On the removal of ambiguities, the definition of a “worker” is now very specific. Another example: the exclusion under the term “wages” of the following items -- expense for housing facilities like lighting and water supply, employers’ contribution to the provident fund, traveling allowances and other sums paid to worker that are needed to cover work-related expenses.

The BLL is also an advance because of its wider coverage, for example, workers and staff of hospitals, nursing homes and even non-governmental organizations are now covered by the law.

Also, certain welfare and social benefits have been improved or instituted, e.g., death benefit (financial support to family of deceased worker), application of provident fund benefit to all workers in the private sector, expansion of maternity benefit from 12 to 16 weeks, adoption of group insurance for establishments with 200 or more workers, and increased employee compensation for work-related injury, disability and death. On the ILO core conventions, Bangladesh has ratified the following International Labor Conventions (ILCs):

- ILC 29 (Forced Labor),
- ILC 87 (Freedom of Association and Protection of the Right to Organize),
- ILC 98 (Right to Organize and Collective Bargaining),
- ILC 100 (Equal Remuneration),
- ILC 105 (Abolition of Forced Labor),
- ILC 111 (Discrimination in Employment and Occupation), and
- ILC 182 (Elimination of the Worst Forms of Child Labor).

The only core convention not ratified by Bangladesh is ILC 138 (Minimum Age Convention). However, the BLA provides that the minimum age to work is 14 (although a special clause states that children between the ages of 12 and 14 may be employed to do “light work” that does not endanger their health, development and education).

4.4 Salient features of the BLL

The BLL features the following key provisions:

- **Employment standards**

An employee or “labor” is defined as any person, including a trainee/probationer, whether the terms and conditions of his/her employment are expressly written or not, who is employed directly or through a contractor/agency, for any skilled, unskilled, physical, technical, business development or clerical job in any establishment or industry.

Workers are classified into six categories:

(1)Apprentice: A worker who is employed in an establishment as a trainee and during the period of training he is paid an allowance is called an apprentice.

(2)Badli: A worker who is employed in an establishment for the period of temporary absence of a permanent or probationer worker.

(3)Casual: A worker employed on a casual basis.

(4)Temporary: A temporary worker in an establishment for work that is basically temporary in nature and is likely to be finished within a limited period.

(5)Probationer: A worker provisionally employed in any establishment to fill up a post of permanent vacancy and his probationer period has not to be completed.

(6)Permanent: A worker employed with a view to fill up a permanent post or if he completes satisfactorily his probation period in the establishment.

- Retirement age for workers employed in any establishment is 57 .
- Work hours are set at eight hours a day, 48 hours a week, with a weekly rest day.
- Overtime (OT) work is maximum of two hours a day. OT pay is twice the hourly remuneration.
- Workers are entitled to rest and meal in a day as follows: (i) one hour interval for over six hours work a day; (ii) half an hour interval for more than five hour work; and (iii) one hour interval once or half an hour interval twice for more than eight hours work a day.
- Workers are entitled to holidays, casual leave, festival leave, annual leave and sick leave.
- Every worker has the right to participate in company's profits/benefits.
- No young worker is permitted to work in any establishment between the hours of 7 p.m. and 7 am.
- No children (under 14 years of age) are allowed to work in any occupation or establishment. However, a child who has completed 12 years of age is permitted to do light work not harmful to his health, development and education.
- A 'Minimum Wage Board' is established to determine the minimum rates of wages in different private sectors, taking into consideration varied criteria: cost of living, standard of living, cost of production, productivity, price of products, business capability, and economic and social conditions of the country.
- Employers are mandated to observe equal wages for male and female workers for work of equal nature or value.
- Forced labour is prohibited.

Occupational safety and health

- Establishments are required to put up for every 150 workers one first aid box and one trained person per first aid box, and an equipped dispensary with a patient-room, doctor ;2and nursing staff.
- Employers are required to take appropriate measures to protect workers from danger and damage due to fire.
- Every establishment is required to be kept clean and free from effluvia arising out of any drain, privy or other nuisance.
- The work room should not be overcrowded and injurious to the health of the workers.
- Every establishment should provide pure drinking water, sufficient light and air, and separate toilets for its male and female workers.

Welfare and social protection

- Gratuity is defined under the law as separation payment, at least 30 days, for workers discharged from work and yet have worked not less than 6 months.
- Factories are required to have an in-house canteen for every 100 workers.
- Every establishment/employer is required to form a Provident Fund if three-fourths of its workers demand it by written application, and a Workers' Participation Fund and a Workers' Welfare Fund for its workers.
- Establishments with 200 or more workers should institute a group insurance.
- Every employer should provide compensation to its workers for work-related injury, disability and death.
- Various women's' issues are also covered: maternity leave of 16 weeks (8 weeks before and 8 weeks after child birth), no gender-segregated wage structure, prohibition of any form of discrimination against women, prohibition of women working between 10:00 p.m. and 6:00 a.m. without consent, prohibition for women handling running or dangerous machines (unless they are sufficiently trained to operate such machinery), prohibition for women working under water or underground;

Labor relations and social dialogue

- Every worker employed in any establishment has the right to form and join a trade union of their own choice. Trade unions have the right to draw up their own constitution and rules and to elect their representatives. Also, trade unions have the right to form and join in a federation and such unions and federations have the right to affiliate with any international organization and confederation of trade unions.
- The trade union is allowed to serve as a collective bargaining agent in any establishment.
- In case of industrial disputes, the two sides can seek resolution through negotiation, followed by conciliation and eventually arbitration if negotiation fails.
- The collective bargaining agent is entitled to file a notice of strike (or lockout in the case of the employer) with a 15-day cooling-off period.
- Employers cannot recruit new workers during the period of a strike.
- Employers are also prohibited in terminating workers in the course of trade union organizing in the work place.

Enforcement

- Government shall appoint the Director of Labor and “such number” of Additional Director of Labor, Joint Directors of Labor, Deputy Directors of Labor and Assistant Directors of Labor as necessary for monitoring workplace activities.
- The Government shall appoint a Chief Inspectors and requisite number of Deputy Chief Inspectors, Assistant Chief Inspectors or Inspectors. These officers ;have the power to enter, inspect and examine any workplace premises and ascertain the observance of labor laws.
- The Government has the power to establish as many Labor Courts as it considers necessary. A Labour Court shall consist of a chairman and two members (one representing employers and the other, the workers).

4.5 Finding from the field

As mentioned, this study sought to examine the weaknesses of the labor law system. To find out what is obtaining on the ground, the research team administered a baseline survey² in the urbanized and industrialized districts of Dhaka, Chittagong, Narayanganj and Gzipur. The sample survey targeted worker-respondents in the ready-made garments industry (for the formal sector) and construction industry (for the informal sector). The survey results were supplemented by 11 worker FGDs in the different districts, case studies and interviews with key informants in order to come up with a rounded and objective picture of the state of labor law compliance from the perspective of the ordinary workers.

From the baseline survey, it appears that more than half of the workers have been working for not more than three years, with over 40 per cent of the workers in the garments industry registering a work experience of less than a year. This shows the preference of employers for the short-term hiring of young workers, particularly in the garments industry. In the construction industry, most of the workers have longer work years of 3-10 years. However, the prevalence of three types of employment status -- day laborer, contractual laborer and monthly-based laborer -- indicates a high level of employment informality or flexibility in this industry. In fact, the overwhelming majority of the construction workers are hired through contractors or subcontractors without the benefit of any employment contracts. Thus, both the garments and the construction industries employ flexible (meaning easily replaceable) workers.

- **Appointment letter:** A dream to most workers. Though the law has made it mandatory for employers to provide appointment letter to the workers, a large number of garments workers are still deprived of appointment letter (45.3%). Although garments employers often prepare appointment letters (usually two copies: one for employer and another for global garments buyers), they do not give copies to the workers. In the construction industry, none of the workers reported receiving any appointment letter.
- **Oral contract:** pervasive Practice. In the absence of written contracts, what prevails in general is oral contract. Also, a good number (30.2%) of workers do not get identity cards from their employers.

- **Dismissal of workers without notice:** Over one-fourth (26.4%) of the respondents in the garments industry affirmed that employers always dismiss workers without any prior notice. The situation is more or less the same in the construction industry.
- **8-hour work, OT rules hardly followed:** All the garments workers said that they work more than eight hours daily. Sometimes they work 13-14 hours a day. There are workers who even work extra five hours of daily OT. About one-third (33.5%) of the garments workers do not know the OT rate, with 13 per cent of the respondent garments workers getting less than Tk.10 for every hour of OT work against the minimum Tk.10.80 per hour OT work. For the construction workers, work hours range at 8-12 hours.
- **Low wage awareness.** More than half (52.4%) of the respondents do not know whether they are receiving wages according to their grades. A large number (about 40 %) of respondents in the garments industry also do not know whether the minimum wage is implemented at their workplaces. More than half (54.7%) of the garments workers and almost all (98.1%) of the construction workers do not receive pay slip or any other document concerning the payment of wages and benefits.
- **Missing workers' participation in company's benefit:** Garments workers are not aware about any provision regarding workers' participation in company's benefit.
- **Weekly rest day and leaves not observed.** Many garments workers do not have the chance to enjoy weekly rest day. Most workers get festival leave but employers often impose conditions to enjoy the leave. Legal provisions on casual leave, sick leave and annual leave are widely violated. Sometimes some employers make wage/salary deductions for the workers to enjoy weekly rest day, casual leave, sick leave and festival leave. In the construction industry, most workers do not have the chance to enjoy these leaves as the compensation policy is simply 'no work, no pay'.
- **Rest periods:** irregular. Only 13.2 per cent of the garments workers have admitted that they enjoy regular rest periods, meaning the majority enjoy this right in a highly irregular

manner. In the construction sector, 49.5 per cent respondents reported that this right is limited in practice.

- **Child labor:** still a reality. Both the garments and construction industries still employ child workers (below 14 years of age), per observation by 9.9 per cent of worker respondents in the garments industry and 13.1 per cent in construction. Three respondents happen to be below 14. The employment of child workers in both the garments and construction industries is governed by oral contract. The natures of work given to these child workers are the same as those given to adult workers.
- **Women discriminated in job placement, increment and promotion:** Female garments workers are not discriminated with regard to wages. But they face discrimination in job placement, increment and promotion. In the construction industry, females are discriminated in wages, benefits and other areas.
- **High occupational risks, low risk information, limited risk prevention:** Workers in both industries face numerous occupational risks and accidents. The most common risks in garments are the “pricking of finger by needle” followed by “cuts” in hand. In construction, the most common risk is “falling down from high place.” And yet employers usually do not provide information on these occupational risks, as explained by 43 per cent of worker respondents in the garments industry and 65 per cent in construction. Majority (61.8 % in garments and 72.1 % in construction) of respondents said that authorities have not taken any measure to prevent further accidents at their workplaces. In garments, while some measures are taken, these are not sufficient and often done before the global buyers’ presence.
- **Safety facilities:** In garments factories, fire extinguishers and emergency stairs are present but are generally inadequate compared to the number of workers. Some factories do not even have these facilities, with emergency stairs even kept under lock and key by some employers. Safety equipments and tools are also not always provided to the workers. A large number (46%) of respondent do not know whether they are provided safety tools. Many workers also do not get any risk reduction training. Only 2.8 per cent of the construction workers get safety tools from the employer.

- **Unfriendly work place environment:** While majority of the respondents said that the conditions of ventilation, lighting, temperature and humidity are good in their work place, about one-fourth said that this is not so. In the construction sector, most of the respondents claimed that the facilities to contain dirt, heat, ventilation, dust, noise, smoke, humidity and so on are bad or non-existent. Further, in most cases, there is no safe drinking water.
- **Occupational illness:** The proportions of workers who said that they have suffered occupational illness are 18.4 per cent in garments and 29 per cent in construction.
- **Harassments at the workplace:** About 40 per cent of the garments workers and 30 percent of the construction workers said that they endure mental harassment (due to verbal abuse and the likes). More worrisome, more than one-fifth (21.7 %) in the garments industry and a few (8.4 percent) in the construction mentioned that they have experienced or faced physical harassment and torture. A few respondents (1.9 % in garments and 0.9 % in construction sectors) also admitted that they were harassed sexually at their workplaces. All these answers were affirmed by the FDG participants.
- **Welfare facilities:** available in law only. The BLL enumerates various welfare facilities like first aid kit, canteen, restroom, day care/children's room, medical care, separate place/room for lunch at the workplaces of the workers. However, a large number of the respondents said that they are not provided with many of these facilities. In the construction sector, very few (9 %) said that they have first-aid kits; most said that the other facilities are generally absent.
- **Violations of maternity and social welfare programs:** No factory provides maternity leave for four months and most factories give maternity leave only without pay. Participants also report that female workers many times do not want to bear child because of fear of losing the job. Very few garments factories have introduced provident fund and gratuity for the workers. Group insurance is also not effective in most of the garments factories. In construction sector, workers are completely deprived of all these programs.

- **Garment and construction:** generally unorganized. Most of the workers in the garments and construction industries are not organized. Almost all of the respondents mentioned that there is no workers' association in their factory or at the workplace. A few reported on the existence of workers' association that are not trade union in nature.
- **Collective bargaining:** limited and informal in nature. Predictably, only 2.8 per cent of worker respondents in the garments industry and 0.9 per cent in the construction admitted that they have knowledge or been involved in collective bargaining with their employers. Moreover, bargaining is of the limited informal type, with garments workers bargaining with the employers through informal mediators and construction workers with individual contractors.
- **Right to strike:** widely unrecognized. Only 7.5 per cent of the garments workers and 4.7 per cent workers in the construction said that strikes were conducted at their workplaces. Workers in both industries perceive that the right to strike is never recognized at their workplaces, with some employers even punishing workers who go on or participate in strikes. A significant number of workers even do not know whether they have this right.
- **Inspection:** “fire brigade” approach. Most workers said that they never met any government officials coming and inspecting their workplaces. Those who have visited their work places talked only to the employers. Also, inspections take place only after some accidents have occurred, like the fire brigade taking action after the fire.
- **Access to judiciary:** low awareness. Very few workers get the opportunity to take legal measures concerning conflicts with employers. They usually inform the police about such issue and a few take action through the workers association. A large numbers of workers (68.4 % in garments and 64.5 % in construction) do not know whether they can take legal measures against their employers.

4.6 GAPS and Weakness in the BLL:

From the foregoing research findings, it is clear that there are widespread violations of labor rights and labor laws in Bangladesh. Can these violations be cured by stricter enforcement?

The answer is yes. But this is not enough because the BLL itself has some weaknesses. Below is a discussion of major gaps and weaknesses in the BLL identified by research team.

Employment standards

The BLL fails to include a large number of workers -- domestic workers, agriculture workers, and workers working at schools. The law has classified workers into several categories. This has given some employers flexibility to resort to the hiring of non-regular workers (i.e., apprentice, casual, badli, probationer, temporary) to escape payment of various workers benefits and avoid unionism.

Worker dismissal is terribly easy under the provision on termination simplicitor, where the employer is not required to give any reason to terminate a worker and the worker is not given any chance for self-defense. Also, the notice period for the temporary workers in this regard is quite short.

Getting financial benefit due to termination are quite lengthy too. For retrenchment and discharge, a worker must show proof of a minimum one-year service. Workers who resign from their jobs are entitled to certain separation benefits. However, getting these benefits is bureaucratic. The concerned worker is also asked to give the employer advance notice 60 days, 30 days and 14 days (corresponding to employment status of permanent, temporary [monthly]). In cases of serious misconduct, the law allows summary termination without prior notice. This deprives the worker not only compensation but also and more importantly, the right to due process or the right to be heard.

The BLL prohibits employers to employ women workers for the period between 10 p.m. to 6 a.m., and yet, relaxes this rule by allowing the same women workers to work if the latter give their consent.

In the determination of minimum wage, the family size criterion has not been considered. Nor is the need to balance efficiency and equity. Further, the mandatory wage review of every five years is too long given the rapid changes in the economy and rising workers' needs. The law still lacks clarity as to what items can be deducted from the basic wage, what can not be deducted and what are the sources (and basis) of any wage deductions.

The calculation of OT pay is not spelled out for piece-rated workers. In the first place, the law does not provide specific guidelines on the fixing of basic wages for the piece-rated workers. The BLL recognizes various types of leaves, e.g. weekly holiday, casual leave, festival leave, medical leave, annual leave, and maternity leave. However, the law is discriminatory in the sense that the level of leave entitlement is not same for all categories of workers, for example, some workers like tea-state workers do not enjoy casual leave. Although the current law extended the maternity leave, this is not enjoyed by the many who are under short-term hiring arrangements, especially since the law states that a six-month employment is needed to get maternity leave.

Forced labor is prohibited and yet there are no penal sanctions against this.

On child labor, the prohibition is contradicted by the provision which allows the employment of children who are 12 years old in works that are supposedly not detrimental to their health and education.

The law lacks specific provisions on discrimination related to work place facilities, treatment of non-wage issues (e.g., promotion and placement), and other grounds of discrimination such as race, religion, ethnic group, etc..

Occupational Safety and Health

The law has no clear provisions on the following:

- (i) Specific weight limit (for load carried by workers in any factory) according to age, condition and sex;
- (ii) Ratio of alternative stair as precaution in case of fire and other apparatus against the number of workers; and
- (iii) workers-toilet ratio.

Welfare and Social Protection

The establishment of provident fund is not mandatory. It is dependent on the demand of a prerequisite number of workers. Group insurance is also dependent on the number of the workers and the prerequisite number is quite high. The amount of compensation given to workers due to work-related injury, disability and death is not adequate for the worker and his/her family. The provision of compensation is also discriminatory in terms of age of the workers, with an adult worker getting Tk. 1, 25,000 for complete permanent impairment whereas a child/adolescent/young worker gets Tk.10,000 only.

Other aspects of social protection have remained untouched in the labor law of Bangladesh such as provisions on pension and medical and life insurance for the workers

Labor Relations and Social Dialogue

A new provision in the law has banned TU offices within the 200 yards of an industry. This limits, physically, the scope for trade union activities. The law allows the functioning of three registered trade unions in an establishment or a group of establishments, and yet an amendment states that workers of Chittagong and Mongla Sea Port are allowed to form only one trade union at their respective workplaces. Thus, the law is discriminatory as well as self-contradictory.

The law sets a very stiff requirement in trade union formation -- support of 30 per cent of the workers in an establishment. For new unions, this is virtually a trade union ban.

The law has also imposed a ban on strikes in some industries, in particular a 3-year ban on strikes in newly-established industries and industries established for or supported by foreigners.

This collides head-on with ILCs 78 and 98 and Freedom of Association and Collective Bargaining.

The requirements for a lawful strike are stiff, particularly the requirement of proof of support of at least 3/4 members of the CBA unit. In situations where the life of the union is at stake (e.g., leaders being dismissed from work), such a requirement is a virtual subversion of unionism.

On the other hand, there is no specific provision with respect to protection of workers in lockout situations, especially if the intention of the employer is to temporarily close down the factory to destroy the union.

There is a 30-day limitation to file appeal before the Labor Court when the Director of Labor rejects any application to register a trade union. This is relatively short for unions with limited resources and whose members work long hours daily. There is also time limit in appealing before the Labor Appellate Tribunal. According to the law, an aggrieved person can appeal the verdict of the labor court on lay-off, retrenchment, discharge and dismissal within 30 days.

The law is not clear on the right of labor leaders and the workers themselves to represent union members and themselves in the labor courts. The rules of the court are also technical and tend to favor the financially capable employers. There are no clear rules on how grievances can be raised at the plant level.

The BLL has no express provisions on the principle of “due process”, which should be observed employers in disciplinary, suspension and termination cases. Due process means workers should be given ample opportunity to be informed or notified about the basis of the specific cases against them, and to defend themselves through a procedure that is fair and objective.

Enforcement

Punishment for labor law violations is not spelled out under the BLL. In some cases, the law is simply silent like in the case of forced labor prohibition. In other cases, the penalty is insufficient or meager, for example Tk. 5000 as fine for violation of provisions on maternity leave, employment of child and adolescent workers, and minimum wage. Still in other cases, the application of penalty defies logic, for example, imprisonment up to one year for the violation of minimum wage provision but not in the violation of the laws on maternity and employment of child and adolescent workers.

In addition, there is a recent amendment weakening the penalties for erring employers – payment of only Tk. 5000 as fine for the previous punishment of ‘imprisonment up to three months, or fine up to Tk. 1000, or both’.

As discussed in the research findings, there are also numerous problems related to the system of labor inspection.

As to access to the judiciary, the labor law has a general provision guaranteeing workers’ access to the judiciary for redress of grievances but is not clear on how such access can be realized, step by step, at minimum or affordable cost to the workers and their unions.

Labor Reform for Decent work and industrial democracy

The Constitution of Bangladesh, in Article 14, states:

“It should be a fundamental responsibility of the State to emancipate the toiling masses – the peasants and workers - and backward section of the people from all forms of exploitation”. The reality is that so much has to be done to make the above constitutional vision of worker emancipation from all forms of exploitation a reality. Economic reforms are obviously needed to put Bangladesh on the path of balanced, job-full and inclusive growth process. Political reforms are also needed to insure that growth is sustained in the framework of a stable democracy. However, in the area of labor laws and labor relations, the foregoing research findings and analysis of the Bangladesh labor law system show that urgent labor law reforms are needed. These reforms should be pursued in the context of the DWA, MDG and the Constitutional mandate for workers protection against all forms of exploitation. In this connection, the research team is proposing

- The updating of legal provisions in employment standards, health and safety and social welfare and social protection,
- Strengthening of legal provisions on trade unionism and collective bargaining, and enforcement of labor rights.

In particular, the following key reforms are needed:

- Align the BLL with international norms, particularly ILC 87 and ILC 98. As a signatory to many of international conventions and covenants related to worker rights, Bangladesh should align the BLL with internationally recognized workers’ rights, particularly those relating to the core ILO conventions. More specifically,
- The BLL should cover all workers without exception. These include the domestic workers, agricultural workers, school workers and informal workers.

- The right to form unions, especially in the garments industry, should be given widest space in terms of legal provisions. Some doable:
 - Removal of the 30 per cent requirement for trade union registration
 - Amendment of the $\frac{3}{4}$ requirement for a strike to be declared to a simply majority
 - Removal of any strike ban in any industry
 - Removal of any rules on where to locate trade union offices and all artificial barriers to union formation.
 - Workers should be given the full freedom to choose their representatives and form unions without fear of dismissal or harassment.
 - Enactment of laws against unfair labor practices committed by employers, e.g., dismissal of trade union officers and members, intervention in internal trade union affairs and so on.

- Strict regulations on the use of short-term workers, e.g., apprentices (should be for real learning purposes and not for employment at below minimum wages), casuals, badly, temporary, probationers and so on.
- Purging the BLL of contradictory provisions, e.g., on enjoyment by workers of weekly rest day, employment of child labor, and the number of trade unions to be recognized at the workplace as discussed earlier.
- Elimination of discrimination at the work place by covering non-wage and other issues such as race, religion, ethnic group, age group etc.
- Removal of obstacles to workers' entitlements to certain benefits, e.g., in filing claims for separation benefits on resignation, compensation for work-related injury or accidents, etc.
- Timelines for the processing of workers' claims should be subject to the test of fairness and equity.
- Application of the principle of universality in the development and application of various social welfare and social protection schemes such as provident fund, group insurance and so on.

Strengthen enforcement and administration of labor justice. There are major concerns that should be addressed under this theme such as _

- Removal of termination simplicitor and its replacement with the proviso that serious misconduct can be a ground for worker dismissal only after the worker is given due process or the right to be informed, the right to be heard and the right to sort out the truth through an objective and fair process.
- The due process principle should be enshrined and should apply to all cases of suspension and termination.
- A schedule of progressive (from light to heavy) penalties for erring employers for various labor standard or labor right violations should be enacted and enforced strictly.
- The system of labor inspection should be upgraded and should involve the unions in the development of inspection standards and norms.
- The BLL should be purged of provisions weakening workers' exercise of their rights such as work during festivals or doing excessive overtime if they have the so-called "workers' consent", or allowing 12-year olds to work if they have consent and so on.
- Unclear provisions such as estimation of OT rate for piece-rated workers should be spelled out under the law.
- The maternity law should be reviewed and should not be used as an excuse for hiring only single or unmarried women on short-term basis.
- The Wage Board and other tripartite bodies should be reconstituted on the basis of clear criteria in the selection of tripartite representatives, clear mandate on their powers and functions and their tenure.
- Workers and union representatives should be recognized in the labor courts, which should conduct their proceedings or hearings in a non-technical manner.
- The Ministry of Labor should spell out how organized and unorganized workers can seek redress for various grievances in various forums – in the workplace, at the labor ministry or at the labor court.

5. Factories observation

Graphics textiles Ltd & Alema Textiles Ltd. both are the leading knit composite factory in Bangladesh where a lot of renewed buyers are given their order because of their combination with compliance which is important and satisfied them this factory is running by making combination with compliance which is likable by the buyer .the combination are given below:

Code of conduct:

Having the respect and support for the protection of human rights, freedom of association ,no forced labor and no child labor below 18,no discrimination in employment.

Emergency exits.

- .every floor or large rooms are placed with three ways out.
- All emergency exits are clearly marked with proper signs.
- Exits doors and gates are opened outwards or to the sides.
- Emergency routes are kept clear all the way out of the factory at all time.
- All workers having free access to and from their workstation during working hours.

Fire and alarm

- The panic buttons are clearly marked and locked on all floors of the factory building.
- Fire alarm is installed on the floors and they connected to ensure that all activated by one touch of any panic button in the factory. the sirens are alerted continuously after one touch of one of the panic buttons’.
- The sound system is checked and tested regularly.
- Revolving light are installed in noisy areas where workers are wearing ear protection.

Evacuation plan:

- An evacuation plan is posted in all sections of the factory.
- All defined escape routes leading out of the factory from each section ,department ,line etc.are marked on the evacuation plan.
- When new workers are employed they are informed of the factory's safety measures during their days of working in the factory.

Evacuation training:

- Evacuation training is conducted regularly and at the same time for whole factory
- Develop and implement routines for checking that everybody has left the building.
- The factory's security guards are receiving continual information on and training in emergency periods.
- All evacuation training is documented with date, evacuation time, participants and photos

fire fighting equipment:

- All floor and each section of the factory have a sufficient number of fire extinguishers.all the extinguisher and fire hydrants are unblocked and easy to see and reach at all times.
- The location of each fire extinguisher and fire hydrants are marked with a sign that it can be seen from a distance.
- All fire extinguisher and fire hydrants are checked regularly.

Fire fighting training:

- The factory has equipped with the correct type of the fire extinguisher for the propose and the workers know when and how to use the different ones.
- All fire fighting training is documented with date, participants and photos.

Emergency lighting:

- The factory has emergency lights installed at each exit.
- The emergency lights are equipped with battery power back up in case of electrical power failure.

Personal protective equipment:

- Whenever required, workers are provided with and use appropriate personal protection equipment such as: ear plug, masks etc.
- Potentially dangerous machine are fitted with protective equipment.
- Protection equipment originally fitted on the machinery such as needle guards and belt covers.

Electrical installations:

- The factory is making sure that electrical installed in a safe and correct way by a certified electrician.
- Electrical installation is kept free from dust and dirt.

Fast aid:

- All worker are provided with immediate first aid when needed .
- Each floor of the factory having trained people for first aid service.
- The people who are trained in the first are easily identified on the work floor.
- Having a system and routines aimed at preventing future accidents.

Drinking water:

- Clean drinking water available to all workers and provided on all floors in the factory.
- The workers are able to freely access clean drinking water at any time during working hours.
- Factory is able to verify that the drinking water is pure.

Cleanliness:

- The factory implements clear routines to ensure that the factory is kept clean, both on a daily basis such as the removal of waste material and dust.
- That the factory cleaners are equipped with adequate instructions and cleaning **Equipment.**
- That the factory cleaners are equipped with adequate instructions and cleaning equipment.

Lighting:

- The light in each work place is sufficient at all times.
- When workstation are added or moved on the factory floor, light are adjusted accordingly.

Canteen/dining space:

- The factory is installed a canteen which is required by the law.
- Workers are not allowed to take their food at their workstation.
- Maintain good hygiene in the kitchen.

Sanitary facilities:

- The number of toilets are estimated and in according with the actual size of workforce.
- The worker having free access to the toilets.
- Separate toilets for men and women.
- Toilets are cleaned twice in a day with detergent.

6. Advantages and Barriers of compliance in RMG:

6.1. Advantages of compliance

- i) Gets higher price of products
- ii) Free from labor unrest.
- iii) Reduce worker turnover rate.
- iv) Increased worker morality.
- v) Increased productivity.
- vi) Increased product quality.
- vii) Have global image and global recognition for their performance.
- viii) Good public or community relation.
- ix) Improved government-industry relation.
- x) Satisfaction of the buyer requirement.
- xi) Can work directly with reputed buyers.
- xii) Have consistency in order

6.2 Barriers of compliance in textile industry:

Compliance auditing has become an important task to ensure if the company meets standards of various environmental laws. It is needed to check the welfare of the people working within the boundaries of the garment factory if they are getting wages at the right time, check on working hours and health and safety of the work force.

In order to measure the company's performance, it is important to continuously adhere to quality standards and employee satisfaction in garment industry. The compliance program team with regular auditing can bring the desired change in the code of conduct, ethics and other issues based on compliance. Further, they provide training on the code of business conduct, violence in the work place, different competition laws, prevention of drug abuse and several other important matters.

Basic Areas of Compliance

- Proper working conditions, minimum wages & standard working hours
- Non-discrimination
- Restriction on child or forced labor
- Freedom of association
- Environmental protection and other safety laws

Some barriers has to face by a industry to make it complaint..When the auditors of different organizations such as ISO, WRAP, and BSCI etc come to audit they inspect all the things that are required to give the certificates. But sometimes a company failed to achieve the certificates after auditing their place. The possible reasons will be

- **The Child Labor Issues** -will not hire any employee under the age of 14 or under the minimum age established by law for employment, whichever is greater, or any employee whose employment would interfere with compulsory schooling.
- **Wages issues**- legal minimum wages should be paid as per requirement of the workers grade.
- **Working hours**-Hours worked each day, and days worked each week, shall not exceed the limitations of the country's law. Organizations should provide at least one day off in every seven-day period, except as required to meet urgent business needs.
- **Health and Safety**- Authority should provide a safe and healthy work environment. Where residential housing is provided for workers, they should provide safe and healthy housing.
- **Workplace environment**-Authority should comply with environmental rules, regulations and standards applicable to their operations, and will observe environmentally conscious practices in all locations where they operate and make sure they are following the safety rules. Environment should be respected.

ETC

These are the basic things that an organization should follow. If the organizations don't follow the above rules and regulations the auditors take some time to the authority to improve the conditions and then they re audit the factory. Sometimes they fine for the failure of the audit.

Additional Barriers

There are many crude as well as subtle non-tariff barriers which retard free trade. It is to be noted that it is not Bangladesh itself which is the target; it is the relatively cheaper apparel which Bangladesh and other developing countries can produce and export. For example, Indian cotton skirts were banned from US markets on the ground that these skirts were inflammable which most Indian exporters thought was a form of non-tariff barrier. Many of these non-tariff barriers are concerned with environment as well. While environment can cover many aspects, let us take up the case of labor situation, their working conditions, wages, right to organize, etc.

The final act of the Uruguay Round (UR) does not specify any well defined provision which conditions international transactions on the environmental standards. The Uruguay Round barely touches on the environment. However, a committee on trade and environment has been set up and will be part of World Trade Organization. There is a demand that the developing countries should improve environmental standards in return for access to rich-country markets. It is envisaged that not only workplace standards such as minimum wages, and safety standards, but also broad political rights such as freedom for association and the right to collective bargaining will have to be improved to an acceptable level. The UR recognizes the need for standardized labor conditions on the ground of human rights. If the rich industrialized countries insist that wages, working conditions, health and safety standards, etc. in a country like Bangladesh are so poor, Bangladesh will certainly be in a disadvantaged position.

A question looms large about the comparability of the environment. The rich countries perception of environmental concerns is different from that of the poor countries. We sensibly compare the environmental conditions which include the working conditions in factories in Bangladesh with that incomparable. We are not only economically poorer; we are different socially, culturally and politically. Therefore, our priorities, even on moral grounds, will be different from those of the rich countries.

Cheap labor is a natural factor endowment in Bangladesh. It would be nice and ideal to be able to pay handsome wages to the girls/women working in RMG factories of Bangladesh. But what is handsome wage in Bangladesh, may not seem handsome in Germany or in the USA. Given the price levels, per capita income and average living standard in Bangladesh, it is neither necessary nor economically / socially tenable to pay an hourly wage, say @ \$5.00 in Bangladesh. If we pay these high wages to RMG workers, this will create social imbalance. Most of the domestically oriented industries will not be able to pay that high wages.

Conclusion:

Compliance is undertaking activities or establishing practices or policies in accordance with the requirements or expectations of an external authority such as: ILO, Human Rights Organization and International buyer requirements etc.

The second fire incident at a garment factory in Dhaka city after the one at Tazreen last November has intensified the debate over the compliance issue. This is putting lives and livelihood of thousands of workers at risk. Maintenance of links in a properly operational supply-chain that can feed stores around the world without putting the country's garment workers at stake is the challenge for its apparel industries.

The global attention is now focused on the Bangladesh garment industry. How far the fatal fire incidents will leave a negative impact on the whole readymade garment (RMG) sector, is not yet clearly known.

Being worried about issues relating to labour standards in Bangladesh, the US apparel buyers are now putting pressure on the RMG makers here to ensure proper compliance with such standards in the sector. The buyers in the overseas markets are now more concerned about the issue.

However, the demand for compliance-related executives has gone up, all on a sudden, at a time when the RMG sector is itself facing shortage of skilled manpower. Personnel having proper academic background and appropriate experience in related matters, are now in high demand by both RMG and non-RMG industries, particularly. Most of the country's export-oriented factories are in a rush to appoint 'compliance experts' to their factories. The pressure from their overseas buyers for ensuring standard working conditions at the factories is now mounting.

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