



RSC QUARTERLY AGGREGATE REPORT DECEMBER 2020

On remediation progress and status of workplace programmes at RMG factories covered by the RMG Sustainability Council (RSC)

Period covering June 2020 - November 2020

► Issue: 1.1

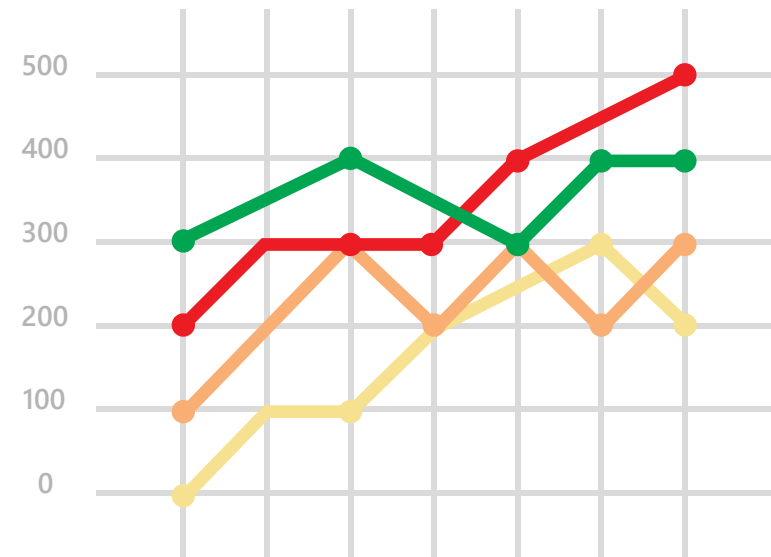


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KEY MILESTONE

INSPECTION & REMEDIATION PROGRAMME


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INSPECTION

 **135** factories received 100% initial CAP pending verification inspection.

 **10** RSC Letter of Recognition

 **49** factories recently listed and scheduled for initial inspection

10
factories received
Letter of Recognition

117 factories in
ICU Deep Dive

1157
inspections were conducted in
550 factories after RSC formation.

REMEDiation

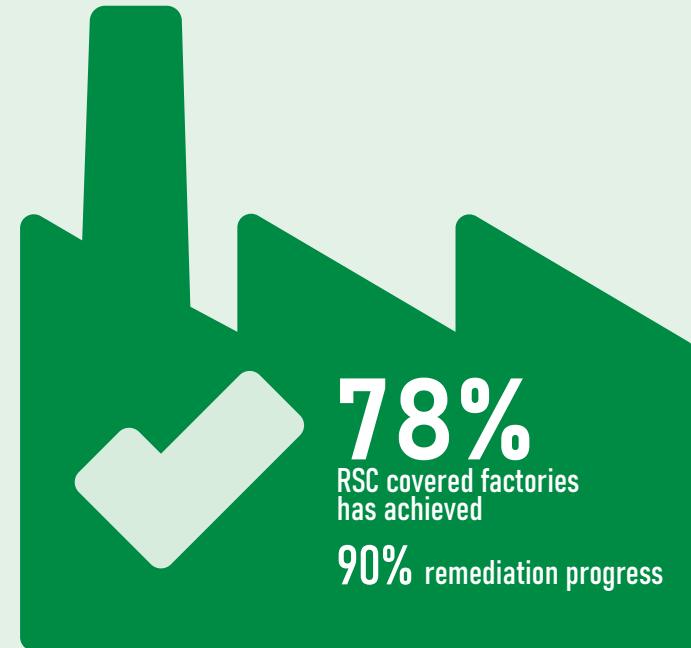
Total Findings Corrected rate increased in last 6 months

 **1.24%**
Structural

 **0.69%**
Electrical

 **0.57%**
Fire

 **11** factories were De-escalated




KEY MILESTONE

WORKPLACE PROGRAMME

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07&26

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29

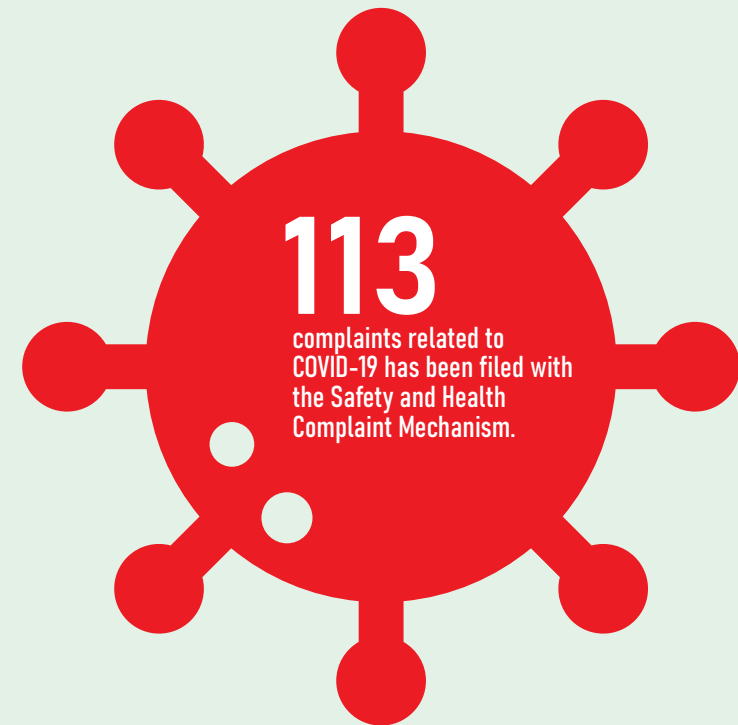
SAFETY COMMITTEE & SAFETY TRAINING PROGRAMME

 **143** RSC Covered factories have completed the final training session #8.



COVID-19 COMPLAINTS

1 June 2020 to 30 November 2020



EXECUTIVE SUMMARY

The Ready-Made Garments {RMG} Sustainability Council (RSC) is an unprecedented tripartite initiative to carry forward the significant accomplishments made on workplace safety in Bangladesh. It is committed to transparency and public accountability. As part of this commitment Quarterly Aggregate Reports (QAR) are published, providing information on the progress of the implementation of remedial measures in the RMG factories covered by the RSC. This report shows that factories are continuing to make progress in remediation. **1,573** Corrective Actions Plans (CAPs) have now been developed and responded to by factories and brands and technically approved by the RSC. The reporting period for this first quarterly aggregate report (QAR) for RSC is from 1 June to 30 November 2020, the first 6 months of the RSC. The monthly data represents the total number calculated at the end of each month.

The RSC however, remains concerned about the delays in remediation in many inspected factories. More than 1,000 factories are behind schedule with remediation. To date **275** during the time of Accord and **10** number of initial findings 100% remediated Letter of Recognition (LoR) have been issued since the formation of RSC. In order to ensure factories are safe it is imperative that remaining remediation is completed to include all initial findings. The RSC is increasing its efforts to accelerate the pace and level of remediation at factories; especially those where execution of the remediation is inadequate or too far behind schedule. The Occupational Safety and Health (OSH) Complaints Mechanism (OSHCM) (handling of calls) is an investigative process where the remediation of new findings are continually monitored, until resolution has been reached.

Currently **34** Remediation Case handlers, **34** Structural Safety engineers and **1** Structural Coordinator, **17** Electrical Safety engineers, **28** Fire Safety engineers, **51** Trainers and STPAs, **5** Occupational Safety & Health Complaint Mechanism handlers along with **1** Head of Workplace Programme are working collaboratively with **17** Administrative staffs and **10** Support staffs at the RSC to commence a remediation completion plan allocating financial, technical, and human resources to remediation support, monitoring, and reporting.

Due to COVID-19 pandemic, inspections had to be suspended for six months from late March 2020. The RSC resumed onsite factory inspections in September 2020. The other non-physical operations related to CAP monitoring, engineering documents review, the Safety Committee & Safety Training (SCST) programmes were conducted via online on supporting covered factories since the RSC formation. Due to this, some of the progress data is reported including the Accord term to November 2020 and some of the updates are reported for the months of September 2020, October 2020 and November 2020, based on onsite inspections. At the same time the OSHCM has been fully operational and has received a record number of complaints. Thus, proving the RSC runs and operates a complaints helpline that is appreciated and well used by workers, who believe they will find resolution by using the RSC's OSHCM.



KEY MILESTONE UP TO 30 NOVEMBER 2020

Inspection

1. The RSC has introduced **ICU Deep Dive** in September 2020. The ICU (Intensive Care Unit) Deep Dive is a special programme for the factories that already received 100% initial CAP pending verification inspections but failed to complete 100% initial remediation through the verification inspection. The purpose of the “ICU Deep Dive” programme is to investigate and understand any potential for improvement that factories are able to reach 100% initial CAP verification. As of November 2020 in this reporting period, RSC has conducted 100% initial CAP pending verification inspection (Category 2 inspection) at **135** factories (September 2020: **55** factories, October 2020: **46** factories, November 2020: **34** factories). The factories which are ready to be recognised from Category 2 inspections is **18**. Total **117** factories were in ICU Deep Dive. The ready to be recognised pass rate from Category 2 inspection is **13%**.

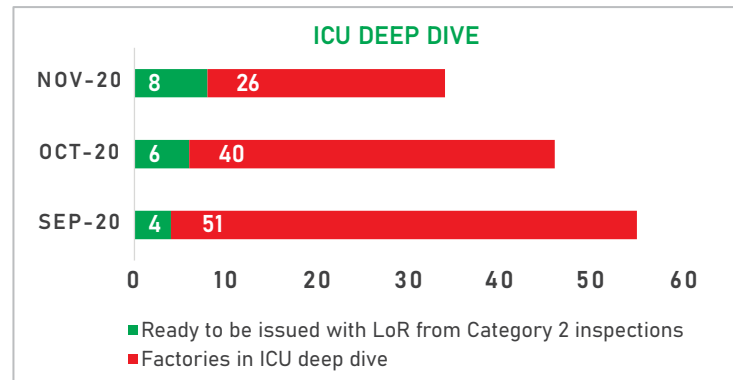


Figure 1: ICU Deep Dive update from 1 September 2020 to 30 November 2020

2. A total of **10** factories from all category inspections were issued with Letter of Recognition (LoR) in November 2020.
3. **1,157** inspections were conducted in **550** factories after the RSC was formed.
4. **49** factories were recently listed and scheduled for initial inspection.

Engineering

1. **75%** of required (D)EA documentations were fully accepted through on-site verification.
2. **181** factories have yet to complete structural retrofitting whose required remedial works have been finalised based on (D)EA.
3. **45%** Electrical SLDs were accepted among reviewed.
4. **96%** covered factories received FADS design approval.
5. **95%** covered factories received SUPS design approval.
6. **1,307** covered factories are yet to have their fire alarm and detection system verified as installed to standard.
7. **1,098** covered factories are yet to have their fire suppression system verified as fully functional and installed to standard.

Remediation

1. **78%** RSC covered factories have their initial remediation progress rate above **90%**.
2. Total Findings Corrected rate increased in last 6 months such as Structural **1.24%**, Electrical **0.69%**, Fire **0.57%**.
3. **11** factories were De-escalated; **41** factories were escalated to Stage 1; **10** factories were escalated to Stage 2; **1** factory were escalated to Stage 3.

Safety Committee & Safety Training (SCST) programme:

1. In this reporting period, a total **143** number of factories have completed all **8** training sessions since the RSC was formed.
2. Since November 2020, the Training Department has conducted the boiler safety informational session in **11** factories.

Occupational Safety and Health Complaint Mechanism (OSHCM):

1. Since 1 June 2020, **440** new complaints received: **199** OSH; **248** Non-OSH; total **417** complaints were closed.
2. Total **113** complaints were received related to COVID-19 during the reporting period.

RMG Sustainability Council (RSC) is an unprecedented national initiative to carry forward the significant accomplishments made on workplace safety in Bangladesh. It does not claim a regulatory or executionary role which stays unaffected with the Bangladesh government which it supports and complements in its operational tasks.

The RSC will conduct structural, electrical, fire & life safety and boiler safety inspections, support and monitor remediation, conduct safety training, and operate an independent occupational safety & health complaints mechanism available to workers in RMG factories.

The RSC will initially conduct its workplace safety programmes at the 1600+ covered RMG factories and is envisaged to eventually cover all RMG exporting garment factories. The RSC aspires to also encompass industrial relations, skills development, business sustainability and environmental sustainability initiatives.

Through the work of the RSC, covered factories will be able to complete their CAPs and ensure that all outstanding safety issues are remediated and verified as correctly fixed, and that the Safety Committees, consisting of factory representatives of management and labour in the factories are equipped and empowered to monitor and address workplace safety on a daily basis.

1.1 THE SPECIFIC OBJECTIVES OF THE RSC ARE

1. To promote, govern and oversee the implementation of Occupational Safety and Health Standards and to verify the compliance with applicable safety standards in the RMG and related industries in Bangladesh especially in the areas of Structural Integrity, Electrical Safety, Fire & Life Safety and Boiler Safety.
2. To conduct inspections in the areas of structural, electrical, fire & life safety and boiler safety as well as inspections to investigate safety complaints, and special inspections following Safety Committee findings and industrial accidents, and eventually regarding industrial relations, skills development, and environmental standards; to monitor, verify and recognise remediation.
3. To maintain and further develop an extensive fire and building safety training programme to provide extensive and detailed training on Occupational Safety and Healthy in the factories.
4. To cover effective safety procedures and precautions, as well as enable workers to voice concerns and actively participate in activities to ensure their own safety and to develop a depository of know-how and information regarding existing safety hazards for the industry.
5. To promote, adopt and require compliance with existing or future national and international laws, regulations and standards for fire and building safety applicable for the RMG and other industries in Bangladesh industry, also through relationships with national and international stakeholders.
6. To maintain and further develop a publicly accessible database with regularly updated aggregated list of all suppliers in Bangladesh with specific details about factory safety standards, inspection reports, remediation status and other relevant non-competitive issues.
7. To supervise exporting RMG industry and related factories and permanently monitor safety, compliance, and sustainability of existing and new factories and to provide recognition of safe workplaces for garment employers and employees.
8. To maintain and further develop a worker complaint mechanism operating with independence and free from interference from in-and-outside RSC, ensuring that workers from factories can raise concerns about health and safety risks in a timely fashion, safely and confidentially. To provide for quick and effective remedy protecting anonymity, real and perceived impartiality, protection from reprisal and independent decision-making in complaint resolutions.
9. To promote better Industrial Relations (IR), Skills Development, Welfare and Environmental Sustainability, Pollution Control, and other Climate Positive Initiatives.

1.2 Reporting

Data management at the RSC can be divided into three key areas: factory related information, inspection and remediation data, and data pertaining to the workplace programmes. The Accord and the RSC has been working together with the Fair Factories Clearinghouse (FFC) in New York to securely manage data and to publish relevant information through the Accord and RSC website in line with the commitment to transparency.

As of 1 June 2020, the Accord signatories' obligations with respect to inspections, remediation and workplace programmes at their supplier factories are being implemented through the RSC.

The RSC engineers, remediation case handlers, trainers and occupational safety & health complaint mechanism handlers are responsible for implementing the safety programmes, in accordance with the protocols and the procedures that were previously developed by the Accord.

1.3 RSC Reporting and Transparency

As part of its commitment to transparency and accountability, the RSC publishes Quarterly Aggregate Reports (QAR) and makes public on its website the following information:

- **The list of RMG and textile factories** covered by RSC and their safety remediation progress, together with the status of the safety training programme.
- **The list of ineligible suppliers** for business with Accord signatory companies, for failure to implement workplace safety measures.
- **The list of factories handed over** to the Department of Inspection for Factories and Establishments (DIFE).
- **The complaints** raised by workers and their representatives through the RSC Occupational Safety & Health Complaints Mechanism.

1.4 Scope of the RSC

The RSC covers:

- Cut, Make & Trim (CMT) process (final steps for all woven garments and knitwear),
- Secondary suppliers (washing, embroidery, printing) in integrated units (part of a CMT factory),
- Fabric manufacturers only in integrated units (part of a CMT factory),
- Home textiles (upon Accord Steering Committee's decision from 1 June 2018 on a voluntary basis): Textiles used for home furnishing, including but not limited to bedding, blankets, towels, cushion covers, curtains, tablecloths and mats, floor mats.
- Fabric and Knit accessories (upon Accord Steering Committee's decision from 1 June 2018 on a voluntary basis): Accessories made predominantly with fabric and knit materials, including but not limited to bags, hats, hair accessories, scarves, belts, gloves, ties, jewelry, and footwear.

RSC covers 1,648 factories with the status as noted below:

- **1324** factories are **'active'**, meaning that at least one company signatory is actively sourcing from there.
- **124** factories are **'inactive responsible'**, meaning that at least one company signatory was sourcing from there within the last 18 months.
- **78** factories are **'no-brand'**, meaning that they were covered under the 2013 Accord but had not completed the initial remediation until 1 June 2018, and have not been listed as **'active'** by signatories to the 2018 Transition Accord and RSC. The RSC continues to monitor and support remediation at these factories until remediation has been completed.
- **122** factories are **'pending closure'**, meaning that they are undergoing the RSC closure procedure. This procedure is initiated when a factory has / is going to be temporarily closed, permanently closed, or relocated.

ABOUT THE RSC

1.5 Transition of The Bangladesh-Based Accord Functions to the RMG Sustainability Council (RSC)

On 1 June 2020, the functions of the Accord Office in Bangladesh transitioned to a newly established labour-brands-industry initiative under Section 28 of the Bangladesh Company Act 1994 called RMG Sustainability Council (RSC). On the basis of a Transition Agreement the RSC inherited all operations, employees, policies, infrastructures and functions regarding the Accord operations in Bangladesh and will continue under the same standards with factory inspections, remediation monitoring, and workplace programmes. The Accord Steering Committee, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) agreed to establish the RSC in May 2019, with a view to ensure that the safety progress made by Accord-covered factories is maintained and potentially expanded.

The RSC was officially registered by the Office of the Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh on 20 May 2020 to be a permanent safety monitoring body in the RMG sector in Bangladesh. The RSC is a private initiative of the Bangladesh Industry, Global Brands and Global and Local Bangladeshi Trade Unions. The RSC was set up by three incorporating members representing each of the three constituents:

Industry: The Shondhi Limited

Brands: Brands Association for Textile & RMG Sustainability in Supply Chains

Trade Unions: Trade Union Association for Textile & RMG Sustainability in Supply Chains

The RSC has a Board of Directors consisting of 18 representatives, 6 from each RSC member organisation.

Transition of Operations in Bangladesh from Accord to RSC

On 14 January 2020, Representatives of the BGMEA and the Steering Committee of the Accord on Fire and Building Safety in Bangladesh signed an agreement on transition to the RMG Sustainability Council. Therefore, on 1 June 2020 the RSC has inherited the operations, employees, policies and infrastructures of the Accord office in Bangladesh. The RSC is now equipped to implement health and safety inspections and remediation monitoring, safety training and safety complaints handling functions. The RSC is committed to making key aspects of the programmes publicly available, including initial inspection reports and remediation progress through up-to-date CAPs.

Through the work of the RSC, covered factories will be able to complete their existing CAPs and ensure that all outstanding safety issues are remediated and verified as correctly fixed, and that the labour-management Safety Committees in the factories are equipped and empowered to monitor and address workplace safety on a daily basis.

The RSC will operate within the regulatory framework of the laws of Bangladesh, closely co-operating with and supporting the relevant regulatory agencies of the Government of Bangladesh.

OVERALL STATUS OF RSC

Under the terms of the RSC, companies sourcing fashions from Bangladesh disclose all their RMG supplier factories and, on a voluntary basis, their home textiles and fabric & knit accessory suppliers in Bangladesh. All factories listed to RSC via FFC, receive initial and periodic follow-up inspections to monitor and verify remedial measures, refer to table 1.

Factories as of 30 November 2020

Covered factories	
Inspected	1599
Recently listed and scheduled for initial inspection	49
Total covered factories	1648
Factories no longer covered	
Closed	163
Relocated	167
Made ineligible for business with Accord company signatories	184
Out of scope of the Accord/RSC programme	70
Total factories no longer covered	584
Total factories inspected or scheduled for initial inspections	2232

Table 1: Total RSC covered and not-covered factories up to 30 November 2020

2.1 INSPECTION

After each factory has been inspected for structural, electrical, fire & life safety and boiler safety, the inspection reports are shared with factory owners/concerns, the responsible signatory companies (Brands), and worker representatives. The factory owner/concerns and the brands are tasked to prepare a response to the Corrective Action Plan (CAP) that details what remedial actions will be taken with a clear timeline and a financial plan. The RSC team of remediation case handlers provide support in the CAP development and implementation and work closely with the RSC engineers to provide any necessary technical guidance. Once a CAP is finalised by the factory owners/concerns and the Brands, it is submitted for review and approval. Prior to 1 June 2020, the Accord Chief Safety Inspector (CSI) was responsible for the review and approval of the CAPs; starting 1 June 2020, this process has become the responsibility of the RSC Chief Safety Officer (CSO) (for the time being this task lies with the MD/CEO). After approval, all 4 inspection reports and the CAPs are uploaded to the database jointly shared by the Accord and the RSC and are made publicly available on the **RSC website**.

¹ Up to 30 November 2020, among the **184** Ineligible factories, **174** number of factories were made Ineligible due to not showing satisfactory remediation progress within the timelines set for the notice and warning phases. **10** factories were made ineligible due to belonging to the same RMG company group with the non-compliant factory before formation of RSC.

OVERALL STATUS OF RSC

2.2 RESUMPTION OF INSPECTION

RSC has communicated with the factory owners/management that RSC will only conduct inspections at factories that have provided pictorial evidence of adequate COVID-19 measures to protect workers and the RSC engineers from COVID-19 infections. After getting confirmation from the factories that they have taken adequate COVID-19 preventative measures, the RSC conducted inspections in factories as per the above priorities set as below:

Types of Inspections	1 June 2020 to 30 November 2020
Initial Inspections (all scopes)	41
Follow Up Inspection Boiler	0
Follow Up Inspection Electrical	307
Follow Up Inspection Fire	239
Follow Up Inspection Structural	180
Boiler Pilot	0
Escalation	19
Factory Remediation Fund	17
Immediate Concern	5
Negative Suction	0
Post Incident	3
Safety Complaint	6
SCWT Finding	0
Closure	42
DEA	57
Pre-T&CVI Review	156
T&CVI	54
T&CVI Final Verification	31
Total Inspection Conducted	1,157
Number of Unique Factories Inspected	550
Nr unique factories pending initial inspections	49

Table 2: Total inspections conducted from 1 June 2020 to 30 November 2020

2.3 ICU DEEP DIVE

Safety is of primary concern, thereby findings at the initial inspections typically represent the most safety concern. The remediation of the initial findings therefore represents a significant step in ensuring a safer workplace. At the time of RSC's handover from the Accord **275** factories had completed the initial findings. The ICU Deep Dive programme began in September 2020. This is a special programme for the factories that already received Category 2 inspection (100% initial CAP pending verification) but failed to complete 100% initial remediation through the verification inspection.

The purpose of the "ICU Deep Dive" programme is to investigate and understand any potential for improvement that factories are able to reach 100% initial CAP verification. The ultimate goal for factories is to reach the CAP completed status (covering all initial and new findings).

To execute the "ICU Deep Dive" programme, RSC engineers initiate a process to do an analysis of why factories often failed to achieve 100% verified initial remediation rate in final verification. Several additional steps in the process were added, namely a detailed review of the CAP with an action plan that is then jointly discussed in detail and providing advice in a one-on-one video meeting between the RSC and factory management. In addition, factory management is encouraged to communicate with RSC engineers to clarify any confusion, misunderstanding or knowledge gaps regarding the individual remediation requirements.

OVERALL STATUS OF RSC

As ICU Deep Dive has been running since September 2020, with the following results up to November 2020:

ICU Deep Dive (100% Initial CAP completion verification leading to Letter of Recognition)

Total number of factories covered in ICU deep dive and received better CAP ³ :	117
Total number of factories ready to be recognised:	18
Up to May 2020, total number of Letter of Recognition issued:	275
Since RSC (June 2020 to November 2020):	10 ³
Total (through the inspection & remediation since 2013 to 2020):	285
Recognition Letter increased (since the Accord):	10

3.5% improvement in 6 months (June 2020 to November 2020)

²Better CAP: Active, Solution Driven, Action Oriented & Concise action plan

³ RSC started issuing Letter of Recognition from November 2020

2.4 Inspection Priority Category Table

The RSC maintains a strict and fair for all inspection prioritisation criteria. The RSC welcomes enquiries from both Brands and Industry in relation to inspection scheduling. The RSC uses the categorisation in Table 3 to process each request to provide an inspection window.

Inspection Priority Category Table	
1	Inspections related to Industrial Accidents and Safety Concerns
2	Factories ready for recognition: 100% initial CAP pending verification, FADS/SUPS already Corrected or ready for full T&CVI/Final verification, and Structural remediation completed or ready for retrofitting verification
3A	Factories ready for pre-T&CVI
3B	Factories ready for full T&CVI, but not at 100% PV
4	Factories with key remediation outstanding / major delay: In Stage 1 with PV items, in Stage 2 where all NC timelines have passed, Special Escalation Inspections, and factories with Immediate issues outstanding (IP) or Safe Egress issues outstanding (IP)
5	Initial inspections
6	Structural priority factories: waiting for DEA verification, waiting for retrofitting verification, structural evacuation cases, or Structural items PV and Document status is Accepted
7	Other special inspections: FRF, OSH complaints/verification
8	Factories in linked buildings, compounds, or extension to other priority factory

Table 3: Inspection Priority Categorisation

3.1 STRUCTURAL

The initial structural inspection is limited to what can be observed during a 1-day visual inspection of the building.

Required Approvals and Technical Support

The RSC engineers must review submitted designs, technical information, calculations, and any other relevant information in order to determine whether the proposals are compliant with associated legislation and standards. Where the designs are non-compliant a written response shall be provided indicating areas of non-compliance in order that the designs can be amended accordingly. Where the design is compliant with appropriate legislation and standards written confirmation is provided on the acceptance of the design prior to commencement of the remedial works. Design reviews is carried out for the following:

- (Detailed) Engineering Assessments {(D)EA} for structural remediation.

3.1.1 FACTORIES REQUIRING DETAILED ENGINEERING ASSESSMENTS (D)EAs

If the initial inspection indicates potential structural weakness, factories are required to undertake a structural (Detailed) Engineering Assessment (D)EA, including as-built drawings, engineering tests, preparing load plans, and developing retrofitting drawings. (D)EAs are conducted by structural engineers or consultants hired by factories and submitted to the RSC for review. Once the (D)EAs are accepted, the factories are required to complete the structural remediation and retrofitting work.

- (D)EA pending submission by factory - Based on the findings of the initial structural safety inspection, the factory is required to undertake a structural (Detailed) Engineering Assessment.

- (D)EA pending review - The factory has submitted their (D)EA and the RSC is in the process of reviewing it.
- (D)EA accepted, pending on-site verification - The RSC has reviewed and accepted the (D)EA based solely on the documentation submitted as part of the (D)EA. The RSC is yet to conduct an on-site verification of the information submitted in the (D)EA i.e., to verify that the documents align with the physical building(s). (D)EA fully accepted - All required (D)EA documentation has been accepted and verified by the RSC to be in alignment with the physical building(s). Structural retrofitting can commence.
- (D)EA partly accepted, partly pending submission by factory/review - The RSC reviewed the (D)EA and accepted part(s) of it e.g., the (D)EA of one building part of a compound with several buildings. The remaining part(s) of the (D)EA must be (re-)submitted and reviewed. Structural retrofitting based on the accepted part of the (D)EA can commence.

(D)EA Status as of 30 November 2020

Factories where conducting a (D)EA is required	1573
Pending submission by factory	119
Pending review	45
Accepted, pending on-site verification	77
Fully accepted i.e., on-site verification revealed alignment between (D)EA documentation and the physical building(s)	1177
Partly accepted, partly pending submission by factory/review	155

Table 4: Overall (D)EA status up to 30 November 2020

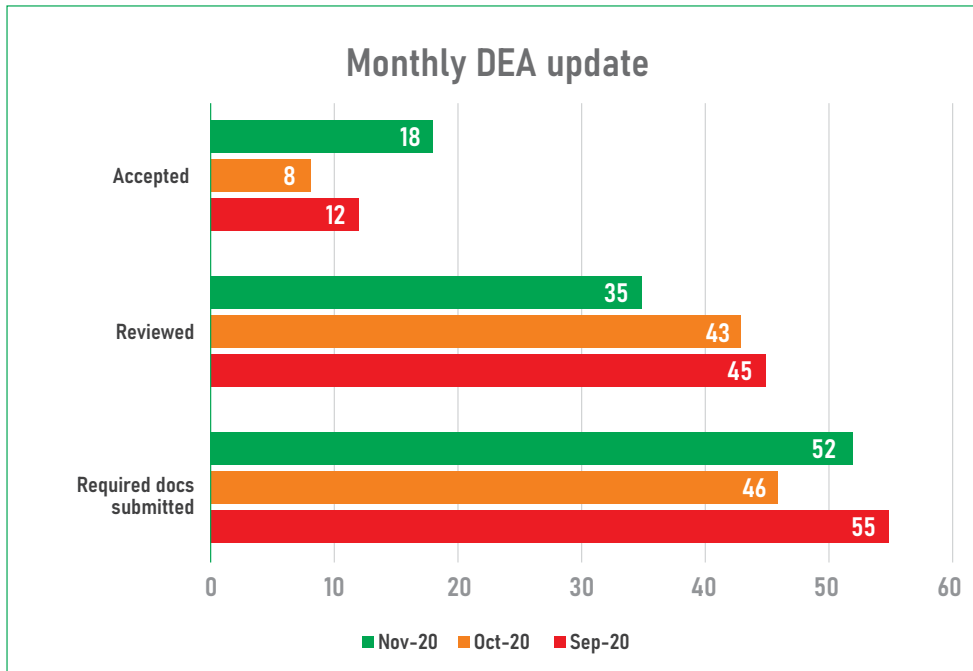


Figure 2: (D)EA/Supportive documents update of September, October, and November 2020

For the reporting period, **75%** of required (D)EA documentations were fully accepted through on-site verification up to 30 November 2020.

3.2 ELECTRICAL

The initial fire and electrical inspections are scheduled on the same day and will take approximately one full business day to complete.

Required Approvals and Technical Support

The RSC engineers must review submitted designs, technical information, calculations, and any other relevant information in order to determine whether the proposals are compliant with associated legislation and standards. Where the designs are non-compliant a written response shall be provided indicating areas of non-compliance in order that the designs can be amended accordingly. Where the design is compliant with appropriate legislation and standards written confirmation shall be provided on the acceptance of the design prior to commencement of the remedial works. Design reviews shall be carried out for the following:

- Single Line Diagram (SLD) for the electrical installations.

3.2.1 WHY SLD IS REQUIRED

- Eliminate hazards from the system (fire-hazards, shock-hazards)
- Maintenance
- Root cause identification of electrical hazards
- Fault analysis
- Load analysis
- Periodical testing
- Ensuring electrical safety at workplace.

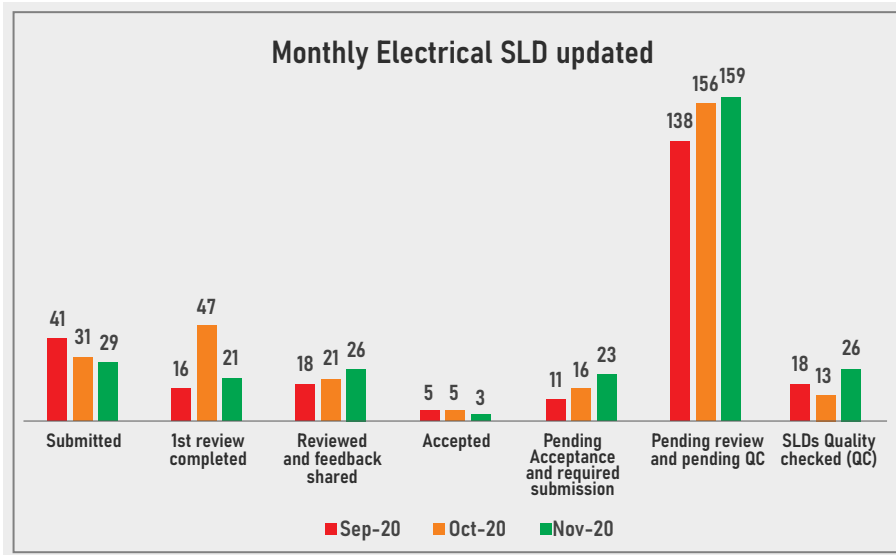


Figure 3: Electrical SLD update of September, October & November 2020

- Total Electrical SLDs reviewed till November 2020: 3991.
- Total Electrical SLDs accepted till November 2020: 1785⁴.

3.3 FIRE

The initial fire and electrical inspections are scheduled on the same day and will take approximately one full business day to complete

Required Approvals and Technical Support

The RSC engineers must review submitted designs, technical information, calculations, and any other relevant information in order to determine whether the proposals are compliant with associated legislation and standards.

Where the designs are non-compliant a written response shall be provided indicating areas of non-compliance in order that the designs can be amended accordingly. Where the design is compliant with appropriate legislation and standards written confirmation shall be provided on the acceptance of the design prior to commencement of the remedial works. Design reviews shall be carried out for the following:

- Designs, Calculations, Specifications, Listed Components and drawings of the Fire Detection and Fire Protection Systems (fire alarm, sprinkler, standpipe, hydrants)

3.3.1 FACTORIES REQUIRING FIRE DESIGN AND DRAWINGS

The fire & life safety inspections at covered factories may result in the requirement of the factory to install a fire alarm & detection system and a fire suppression system. The design drawings for these systems must be submitted for review and acceptance prior to installation of the system to ensure they meet the required standard. Prior to 1 June 2020, the Accord CSI was responsible for the review and approval of the fire systems' design and drawings; starting 1 June 2020, this process has become the responsibility of the RSC CSO.

FADS & SUPS designs documents status as of 30 November 2020	Fire Alarm and Detection System (FADS)	Fire Suppression System (SUPS)
Factories where FADS/SUPS is required	1561	1290
Pending Submission	50	47
Pending Review	21	22
Accepted	1494	1225
% of Acceptance in total ⁵	95.7%	94.9%

Table 5: Overall status of FADS & SUPS design documents up to 30 November 2020

⁴In cases if the as-built conditions are found to be modified significantly after follow-up inspections as required, then it will reflect on the status of accepted SLDs.

⁵The acceptance percentage decreased from last quarter as new factories were added in this quarter which are required to submit their design documents.

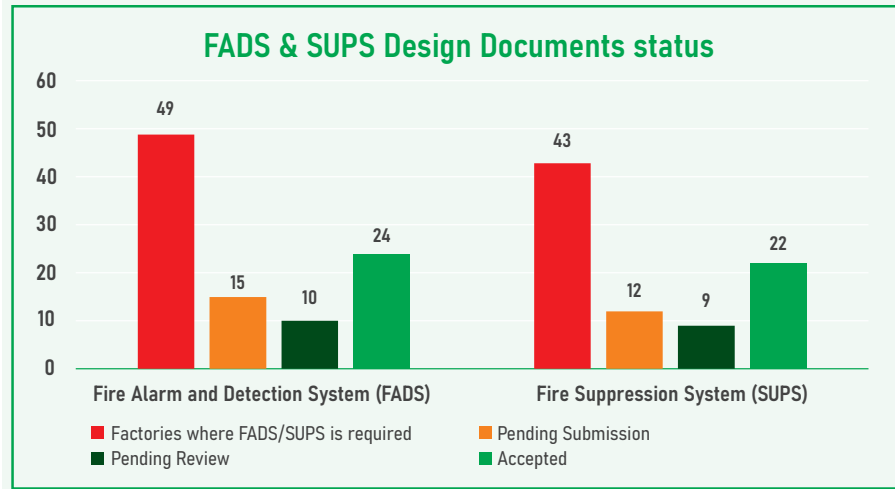


Figure 4: FADS & SUPS design documents update from 1 June to 30 November 2020

3.3.2 STATUS OF INSTALLATION OF FIRE DETECTION AND SUPPRESSION SYSTEMS

Once the fire systems' design has been accepted, covered factories are required to follow the steps described below:

1. Commence the installation of the fire system(s): Components of the fire detection and protection systems can be installed by using local components/materials, which are available immediately, where supporting evidence is provided that confirms that they are compliant with relevant standards and tested and certified accordingly by a 3rd party accredited independent testing laboratory. For example, compliant cabling, the conduits, the pipes, and fittings of a sprinkler system can be purchased locally and installed whilst waiting for the imported components to arrive. For fire system components that need to be imported, the factories need to open a Letter of Credit (LC).

- 2. Undergo a pre-Testing & Commissioning Verification Inspection (Pre-T&CVI):** On-site documentation and equipment review. The goal of such a Pre-T&CVI on-site review is for the engineers to determine whether the factory is ready for a fully functional T&CVI. Pre-T&CVI reviews were introduced by the Accord in May 2019 in an effort to increase the number of factories that 'pass' the T&CVI - meaning that the fire systems are found to be adequately installed to standard and fully functional.
- 3. Undergo a full T&CVI:** The goal of this inspection is to ensure that the systems are fully functional and installed to standard. Where possible, the engineers conduct the T&CVI of both the fire detection and alarm system and the fire sprinkler system during the same inspection at the factory.

FADS & SUPS installation status up to 30 November 2020	Fire Alarm and Detection System (FADS)	Fire Suppression System (SUPS)
Factories where the fire system has been verified as adequately installed to standard and fully functional	246	162
Factories pending a Final Verification Inspection	29	16
Factories pending Testing & Commissioning Verification Inspection (T&CVI)	167	114
Factories at the stage of pre-T&CVI on-site documentation & equipment review	456	335
Factories where the installation of the system is ongoing	596	562
Factories where the installation is yet to commence	59	71

Table 6: FADS & SUPS installation status up to 30 November 2020

3.4 BOILER

Between 2018-2020, the Accord ran a Pilot Boiler Safety Programme at the then Accord-covered factories. Initial boiler safety inspections conducted at **20** covered factories revealed significant boiler safety hazards, including non-compliant or missing boiler components/parts and a lack of certification. The boiler safety findings have been included in the factories' CAPs. Boiler safety will be integrated in the RSC's inspection and remediation programmes, which means that all factories covered by the RSC will receive boiler safety inspections.

3.5 Factories requiring temporary evacuation

Factory buildings are required to (temporarily) evacuate, if the initial or follow-up inspections revealed a severe and imminent risk of structural failure or severe electrical and fire hazards.

From June 2020 to November 2020, **Two** factories have been temporarily partially evacuated as inspections revealed a severe and imminent risk of structural.

4.1 INITIAL FINDINGS PROGRESS RATE

The completion of safety remediation at the 1600+ covered factories are monitored through approximately 400 follow-up inspections each month, involving RSC engineers. Each factory is inspected approximately once every four months.

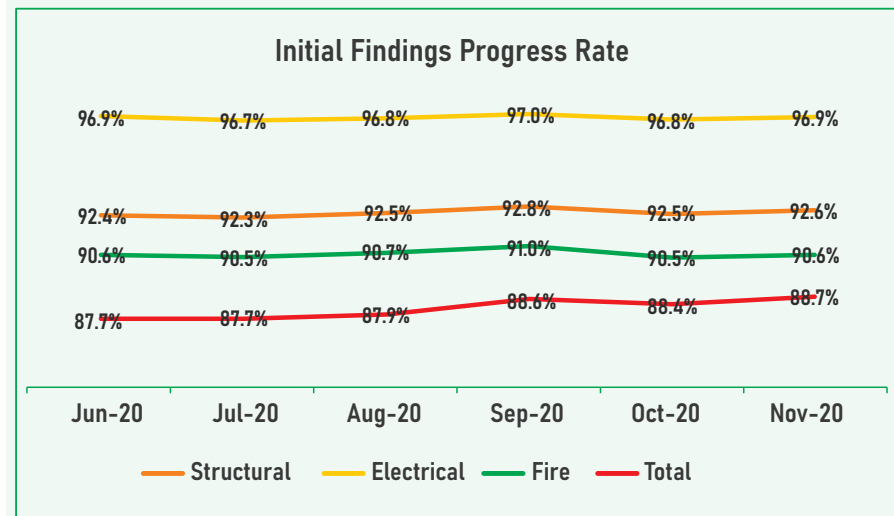


Figure 5: Initial Findings Progress rate in first six months of RSC

From this figure, we can see that in November 2020, the initial findings progressed in Structural as **1.0%**, in Electrical as **0%**, in Fire as **0%** and in total as **0.2%** from June 2020.

4.2 DESIGNATION

Factory Designations among total **1648** RSC covered factories

- **CAP behind schedule:** The CAP is in implementation, but one or more timelines have not been met.

- **CAP on track:** The CAP is in implementation and all timelines have so far been met.
- **Initial CAP completed:** All issues identified in the Accord/RSC initial inspections have been verified as corrected by the RSC.
- **CAP Pending/CAP not finalised:** The CAP is either incomplete, absent, or not yet approved by the RSC.

CAP Designation	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20
CAP behind schedule	1076	1069	1036	1020	1041	1056
CAP on track	217	227	260	270	232	202
Initial CAP completed	279	280	280	283	299	315
CAP not implemented	183	183	183	183	183	184
CAP Pending/CAP not finalised	47	46	65	63	68	68

Table 7: CAP statuses in first six months of RSC

The vast majority of factories behind schedule is a cause for concern to the RSC. It must be noted that a CAP is marked behind schedule if just one item has passed the agreed final timeline. Being behind schedule therefore does not necessarily mean that no progress has been made at all. The RSC remains vigilant in accelerating the pace and level of remediation at the large number of covered factories where execution of the remediation is inadequate or too far behind schedule.

4.3 NUMBER OF COVERED FACTORIES IN PROGRESS RATE CATEGORIES

NB: only includes factories with a technically approved CAP

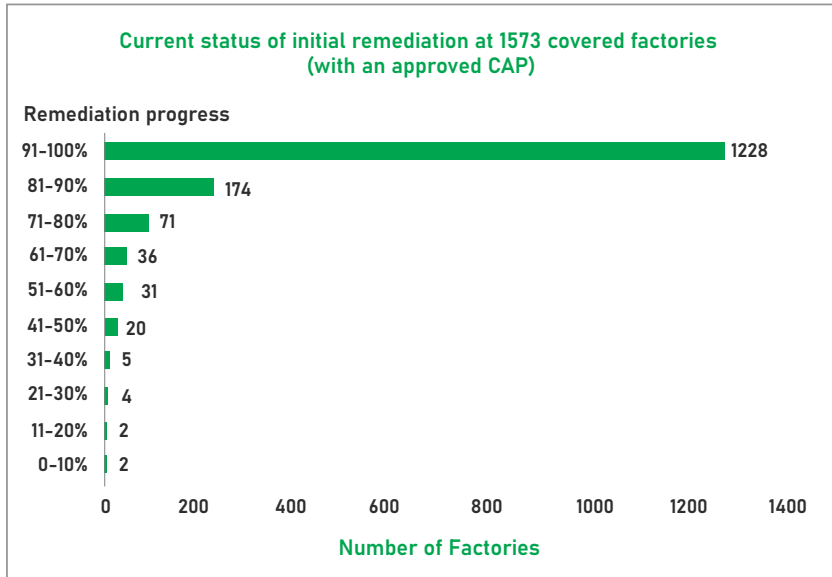


Figure 6: Status of initial remediation at covered factories as of 30 November 2020 (with an approved CAP)

4.4 REMEDIATION STATUS OF ORIGINAL/INITIAL & NEW SAFETY FINDINGS (IN PUBLISHED CAPS)

- In progress:** This is the default status for an inspection finding. It means that remediation of the inspection finding is underway.
- Pending verification:** The RSC has been informed that the finding has been corrected but the RSC is yet to verify this.
- Corrected:** The finding has been verified as corrected by the RSC engineers through their follow-up verification inspections.

The total findings in published CAPs include original findings and new findings.

- Original/Initial findings/issues: Findings from the RSC Initial inspections.
- New findings/issues: Findings from RSC follow-up inspections.

4.4.1 INITIAL FINDINGS

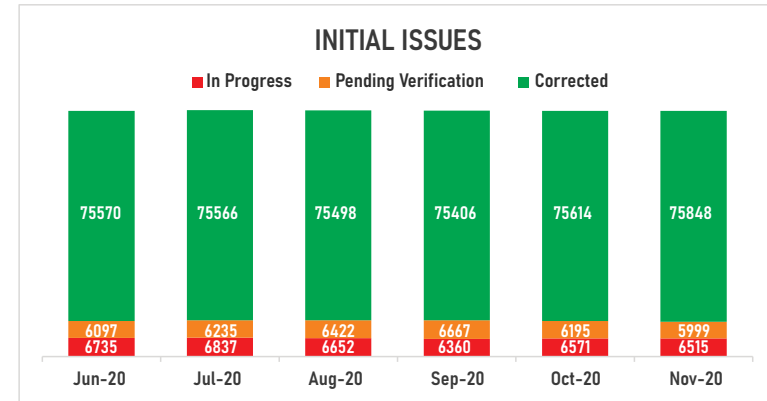


Figure 7: Initial issues/findings status in first six months of RSC

4.4.2 NEW FINDINGS

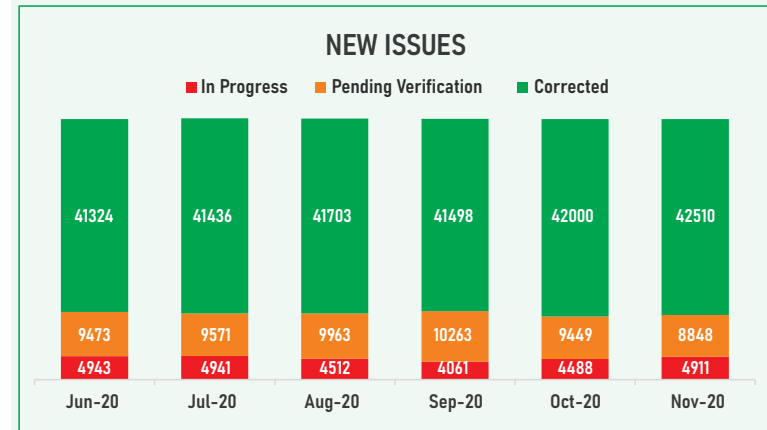


Figure 8: New issues/findings status in first six months of RSC

REMEDIATION

4.5 SCOPE WISE TOTAL FINDINGS CORRECTED %

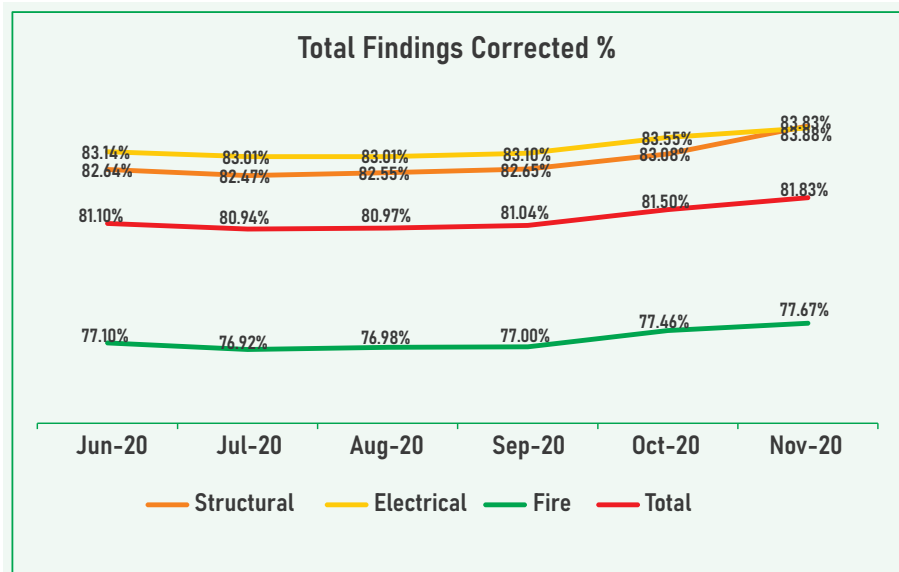


Figure 9: Scope wise total issues/findings progress rate in first six months of RSC

From this figure, we can see that in November 2020, the total findings progressed in Structural as **1.24%**, in Electrical as **0.69%**, in Fire as **0.57%** and in total as **0.73%** from June 2020.

⁶ The changes of the findings number in quarters vary on changes of the covered factory number, as-built design documents modifications, etc.

4.6 PROGRESS AND COMPLETION RATES OF COMMON REMEDIATION ITEMS

Most of the findings that are reported in published CAPs are common to many factories. The RSC tracks the total number of findings⁷ by categories and subcategories. The structural, electrical and fire categorisation allows for further analysis of the most common safety hazards across all the factories inspected under the RSC prescribed Safety Programme.

4.6.1 STRUCTURAL

Status of most common Structural findings at covered factories and Remediation Progress rate:

Factory update with the issue status:

(This data is live information as of 6 January 2021)

Findings	No. of factories where the finding was identified	No. of factories where the finding is still outstanding	Remediation Progress rate
Lack of management load plan	800	72	91.8%
Inconsistency with building plan and drawings	838	77	90.8%
Incorrect implementation of existing load management plan	798	60	92.5%
Lack of design check against lateral load	621	77	87.6%

Table 8: Status of most common structural findings at covered factories up to 6 January 2021

4.6.2 ELECTRICAL

Status of most common Electrical findings at covered factories and Remediation Progress rate:

Factory update with the issue status:

(This data is live information as of 6 January 2021)

Findings	No. of factories where the finding was identified	No. of factories where the finding is still outstanding	Remediation Progress rate
Lack of cable support and protection	939	35	96%
Lack of Lightning Protection System (LPS)	889	61	93%
No Single Line Diagram (SLD)	886	178	80%
Inadequate circuit breakers	820	47	94%
Hazardous accumulation of dust and lint on electrical equipment	795	3	100%
Unsafe earthing equipment	746	5	99%

Table 9: Status of most common electrical findings at covered factories up to 6 January 2021

4.6.3 FIRE

Status of most common Fire findings at covered factories and Remediation Progress rate:

Factory update with the issue status:

(This data is live information as of 6 January 2021)

Findings	No. of factories where the finding was identified	No. of factories where the finding is still outstanding	Remediation Progress rate
Lockable/collapsible gates	1366	32	98%
Inadequate egress lighting	1399	51	96%
Lack of fire separation in hazardous areas	1305	125	90%
Non-compliant exit stair openings	1387	235	83%
Storage in means of egress	1267	44	97%

Table 10: Status of most common fire findings at covered factories up to 6 January 2021

FACTORY REMEDIATION FUND

To support Accord-covered factories that no longer have an Accord signatory company as a customer to support them, the Accord Steering Committee, in 2017, developed a Factory Remediation Fund. In July 2019, the Fund became available to all Accord-covered factories meeting certain criteria. The fund has been exhausted and is closed for new applications.

The funds made available through the Remediation Fund were distributed in several instalments, subject to factory cooperation, proof of payment towards remediation works and verified completion of the remediation commensurate with each preceding instalment. Inspections to verify remediation completion under the terms of the Accord Remediation Fund agreements are conducted by the RSC. In **21** factories, Factory Remediation Fund applications were approved.⁷

After the formation of RSC on 1 June 2020, a total number of **17** inspections were conducted up to 30 November 2020 to verify that the factory remediation was completed as per funds provided.

⁷<https://bangladeshaccord.org/updates/2020/08/20/over-view-of-the-factory-remediation-fund-closed-on-31st-may-2020>

NON-COMPLIANT SUPPLIERS

Supplier factories failing to participate in the safety programme prescribed by the legally binding 2018 Transition Accord agreement between Global Brands and Unions, go through a notice and warning (Escalation) procedure under Article 16 of the 2018 Accord, and Article 24(q) of the RSC's Articles of Association.

The Escalation Protocol includes three steps to be followed prior to terminating business with a supplier due to inadequate participation in the RSC programme. The decision to escalate any issue is based on the assessment of information received by the RSC. The Chief Safety Officer (CSO) may escalate for other reasons as he may determine. If an active or inactive supplier does not comply with the remediation requirements set by the RSC's CSO, the RSC must notify the relevant responsible Participating Companies, who will address the non-compliances in a step-by-step manner (Stage 1, 2 and 3) using the RSC's Escalation Protocol. If a no-brand factory requires escalation to Stage 1, 2 or 3 for failure to cooperate with the RSC inspections programme, the RSC will send the Non-Compliance Letter (NCL) to the no-brand factory and will record the applicable stage of escalation in FFC. A factory may be issued multiple non-compliance letters (NCLs) for failure to meet various RSC requirements at different times. A factory will be removed from the escalation process (de-escalated) if they have addressed all the issues identified in the NCLs.

The RSC continues to implement escalation procedures consisting of three stages as follows:

1. A notification of non-compliance (Escalation Stage 1)
2. A notice and warning letter (Escalation Stage 2)
3. Ineligibility for business relationship with Accord signatory companies (Escalation Stage 3)

Examples of factory non-compliance that trigger the implementation of the escalation procedure include but not limited to:

1. Refusal to temporarily evacuate the factory,
2. A lack of progress in finalising corrective action plans or executing required safety renovations,
3. Refusal to resolve worker complaints on safety issues,
4. A lack of cooperation with RSC trainers, case handlers and engineers,
5. Submission of design documentation including FADS, SUPS, (D)EA, SLD etc.
6. Delay in completion of retrofitting work,
7. Inspection access denial,
8. Failure to comply with closure & relocation protocol.

Escalation status	up to 30 November 2020
De-escalated	327
Stage 1	288
Stage 2	113
Stage 3	174 ⁸

Table 11: Factory Escalation status up to 30 November 2020

⁸Total number of Ineligible factories is 184. Among those, 174 number of factories were made Ineligible for their own non-compliances, 10 factories were made Ineligible due to belonging to the same RMG company group with the non-compliant factory before formation of RSC.

NON-COMPLIANT SUPPLIERS

The factories which are escalated to Stage 3 are made ineligible as they no longer are eligible for Accord signatory company's production for a minimum period of 18 months and until the conditions for re-qualification have been met. Total number of Ineligible factories is **184**. Among those, **174** number of factories were made Ineligible for their own non-compliances, **10** factories were made Ineligible due to belonging to the same RMG company group with the non-compliant factory before formation of RSC. The RSC is committed to enforcing the escalation procedures, in this respect Stage 3 escalation requires the confirmation by Industry of removal of utilisation declaration (UD's) in a timely manner.

The review of factories inspected in September 2020 and their escalation status was published in October 2020.

After formation of RSC on 1 June 2020, no factories were issued with any Escalation letters until October 2020 as all inspections were on hold up to August 2020 due to global COVID-19 pandemic. Although working on the Escalation Assessment Form (EAF) is ongoing based on the received CAPs from factories.

Escalation Update	Oct-20	Nov-20
Total reviewed for Design Review (DR) and Escalation Assessment Form (EAF) of structural documents	82	99
Update on fire and electrical EAF review	102	105
Escalation recommended for not cooperating for developing an updated CAP	0	4
Recommended for stage 1	16	53
Recommended for stage 2	7	19
Recommended for stage 3	2	5
Recommended for Additional stage	8	33
Pending De-escalation review case	3	10
Stage 1 issued	0	41
Continuation of Stage 1 Issued	0	1
Additional stage 1 issued	0	17
Stage 2 issued	0	10
Additional stage 2 issued	0	7
De-escalation issued	0	11
Number of Stage 2 meeting held	0	1
Stage 3 issued	0	1

Table 12: Factory Escalation update in October and November 2020

The roles of Safety Committees (SC) include:

- Conducting safety checks (walk-throughs) at the factory to identify safety hazards,
- Responding to employee complaints and suggestions about safety and health,
- Reviewing company accident reports to learn how such accidents can be prevented,
- Communicating about safety and health issues to the workers,
- Conduct meeting regularly, at least once every three months.

The Safety Committee and Safety Training (SCST) Programme consists of the following key components:

1. **Initial Meeting with Factory Management and Signatories:** The aim of this meeting is to introduce the Safety Training Programme and to agree on all the all-employee meetings' dates.
2. **8 Sessions Safety Committee Training Programme** including the Safety Committee's role in remediation, complaints handling, joint problem solving, hazard identification and safety monitoring systems.

Status of Safety Training programme at covered factories up to 30 November 2020	Number of factories
Factories completed the training	670
Covered factories are yet to commence the training	300 ⁹
Factories where the training commenced but has been put on hold for various reasons ¹⁰	173 ¹¹

Table 13: Status of Safety Training programme at covered factories up to 30 November 2020

Walk-through was on hold during COVID-19 pandemic. Training department has plan to resume walk-through remotely from January 2021. Doing piloting for **20** factories, trainers are continuing with the remote Safety Committee (SC) meeting for the facilitation of the SC. Currently Training departments is scheduling SC meetings every 6 months. To ensure more effective facilitation and ongoing support for the SC, the Training department suggest the number of SC meetings to be scheduled every 3 months. To keep the workers informed about workplace safety and the complaints mechanism, at present Trainers are covering All Employee Meeting topics for the SC in Training # 3 and # 8 up to November 2020.

⁹ these includes EPZ factories

¹⁰ Various reasons include factories undergoing the closure/relocation procedure, labour disputes, or ongoing legal proceedings.

¹¹ Active, Inactive Responsible, Pending Closure factories are included.



Figure 10: SCST update from July 2020 to November 2020

As the RSC formation took place during the global pandemic COVID-19 period, so Initial Meetings, Walk-throughs and All Employee Meetings (AEM) did not take place as the RSC management has paid special attention to ensure the health protection of all the RSC employees as well as the factory staff; but RSC has plan to resume these once the onsite operations starts. In the RSC period, the SCST programme started from 20 July 2020.

1. RSC has planned to start conducting surveys remotely via online sessions from December 2020, to assess the functionality of the safety committee and the safety committee walk through (SCWT) at the factories where the SCST programme is completed. RSC has also planned to resume SCWT but remotely in coordination with the safety committee via online sessions from January 2021.
2. The training department to conduct pilot programme of this in 20 factories and judging the output shall continue in the following months.
3. **8** new Blue Jeans¹² links were added In November 2020 to conduct SCST programme remotely due to global COVID-19 pandemic. The additional link creation effects in a higher number of Training sessions. Having 13 Blue Jeans links in total, the training department targets to conduct 26 sessions per day from December 2020.

¹² BlueJeans is an online video conference platform.

OCCUPATIONAL SAFETY & HEALTH COMPLAINTS MECHANISM

Workers at covered factories and their representatives can raise their concerns about safety and health risks safely and confidentially, through the Occupational Safety & Health Complaints Mechanism (OSHCM).

Starting 1 June 2020, the OSHCM is being operated by the RSC. Accord Signatory companies and Union Signatories are required to ensure that, through the RSC, the OSHCM will continue to provide effective remedy to workers, independently and autonomously.

During the course of investigating, RSC complaint mechanism handlers will determine remediation requirements in regard to safety and health. The RSC works with complainants and Factory Management to ensure that the requirements are fully and smoothly implemented. If the Factory Management does not comply, the RSC will implement a notice and warning process leading to termination of the business relationship if no progress is being made.

Workers in the RSC-Accord covered factories have the following rights:

- The right to refuse unsafe work;
- The right to participate in the work of their factory Safety Committee;
- The right to file a complaint when they see a safety problem in their factory;
- The right to protection against reprisal for reporting safety-related matters;
- The right to Freedom of Association in relation to protecting their own safety.

Complaint Mechanism	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20
No. New Complaints	91	64	60	71	76	78
No. New OSH Complaints	66	36	21	18	30	28
No. New Non-OSH Complaints	24	31	40	53	47	53
No. New Initial Inspections	0	0	0	1	0	0
No. New Verification Inspections	0	0	0	0	0	6
No. Pending Verification Inspections	11	11	11	11	11	5
No. Newly Closed Complaints	49	53	58	76	63	118

Table 14: Complaints Mechanism update from 1 June 2020 to 30 November 2020

COVID-19 COMPLAINTS

From 1 June 2020 to 30 November 2020, workers at RSC-covered factories and their representatives have filed **113** complaints related to COVID-19 at the Occupational Safety & Health Complaints Mechanism. The allegations raised in these complaints concern the following:

COVID-19 related category	Number of complaints
Non-payment of separation from employment payments	43
Forced resignation	26
Termination of employment	23
Non-payment of maternity benefits	21
Non-payment of wages	18
Retrenchment	10
Lay-off	6
Under-payment of wages	2
Risks to health	1
Worker unrest	1
Threats	1

Table 15: COVID-19 related complaints from 1 June 2020 to 30 November 2020

The total number of unique COVID-19 complaints is lower than the total number of allegations because some of complaints include more than one allegation.

RSC Quarterly Aggregate Report December 2020

On remediation progress and status of workplace programmes at RMG factories covered by the RMG Sustainability Council (RSC)

DATE

1 December 2020

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