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Centre for Policy Dialogue (CPD)

RMG Monitoring Brief (3)

Civil Society Monitoring on
Occupational Safety and Health (OSH) in the RMG Sector: 2023-2024

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Abstract

This 'RMG Monitoring Brief' is the third in a series of briefs published under the civil society monitoring initiative. The primary objective of this brief is to critically examine the recent performance of agencies responsible for safety monitoring in the Ready-Made Garment (RMG) industry. The brief identifies a comparative improvement in RMG Sustainability Council (RSC) data reporting compared to the past. However, many uncertainties still persist in this regard. The limited focus on boiler inspection, slow progress in fire-related safety remediation, and inconsistency in inspection prioritisation are additional concerns for the Ready-Made Garment Sustainability Council (RSC). On the other hand, the Industrial Safety Unit (ISU) continues to monitor the remediation of National Initiative (NI) factories. The decision to involve private consulting firms to expand ISU's inspection capacity is a positive move if implemented promptly and effectively. However, ISU's minimalistic public sharing of information must be addressed to enhance its accountability. Similarly, Nirapon, the private entity working to advance factory safety, should establish a detailed data reporting mechanism so that its performance can be assessed to identify the proper pathway

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Workplace Safety in the Bangladeshi RMG Industry

Evaluating the Recent Developments of the RMG Safety Monitoring Agencies

1. Introduction and Objectives

The initiative, called 'Civil Society Monitoring on Occupational Safety and Health (OSH)', has been reintroduced by CPD in 2023, mirroring the efforts undertaken in 2014 after the Rana Plaza incident. The initiative's main objective is to undertake open, critical, and independent assessments of public and private entities responsible for safety monitoring in the Bangladeshi RMG industry¹.

This 'RMG Monitoring Brief' is the third of a series of briefs published under the initiative. The brief gauges the follow-up of the findings of the previous briefs and assesses the performance of key safety monitoring stakeholders in Bangladesh, including the Department of Inspection for Factories and Establishments (DIFE), particularly its newly formed unit, ISU (Industrial Safety Unit), RMG Sustainability Council (RSC) and Nirapon.

Improving workplace safety requires continuous and effective monitoring. Therefore, it is always crucial to review the activities of major safety monitoring authorities to understand whether constant and effective monitoring is taking place. Furthermore, a continuous review of the performance of the safety monitoring authorities assists in identifying any emerging challenges and creates a scope of accountability by analysing whether actions are being implemented as per the recommendations made. In fact, it is evident that safety monitoring agencies have taken several actions in response to recommendations made in earlier briefs, which justifies the conduction of similar analyses.

¹Already the initiative has published two RMG monitoring briefs. The first RMG monitoring brief titled 'Emerging Concerns of Occupational Safety and Health of the RMG Industry: Role of Public and Private Monitoring Agencies' published in April 2023. On the other hand, the second RMG monitoring brief titled 'Maintaining Workplace Safety in RMG Factories during 2023: How Effectively is RSC Fulfilling Its Role?' published in August 2023.

In light of this context, the civil society monitoring initiative is producing its third monitoring brief. The primary objective of this brief is to conduct a critical examination of the recent performance of agencies responsible for safety monitoring in the Ready-Made Garment (RMG) industry. Additionally, the initiative aims to monitor and assess the progress made in addressing the gaps identified in previous briefs.

2. Following up on RSC’s progress in implementing recommendations made in earlier monitoring briefs

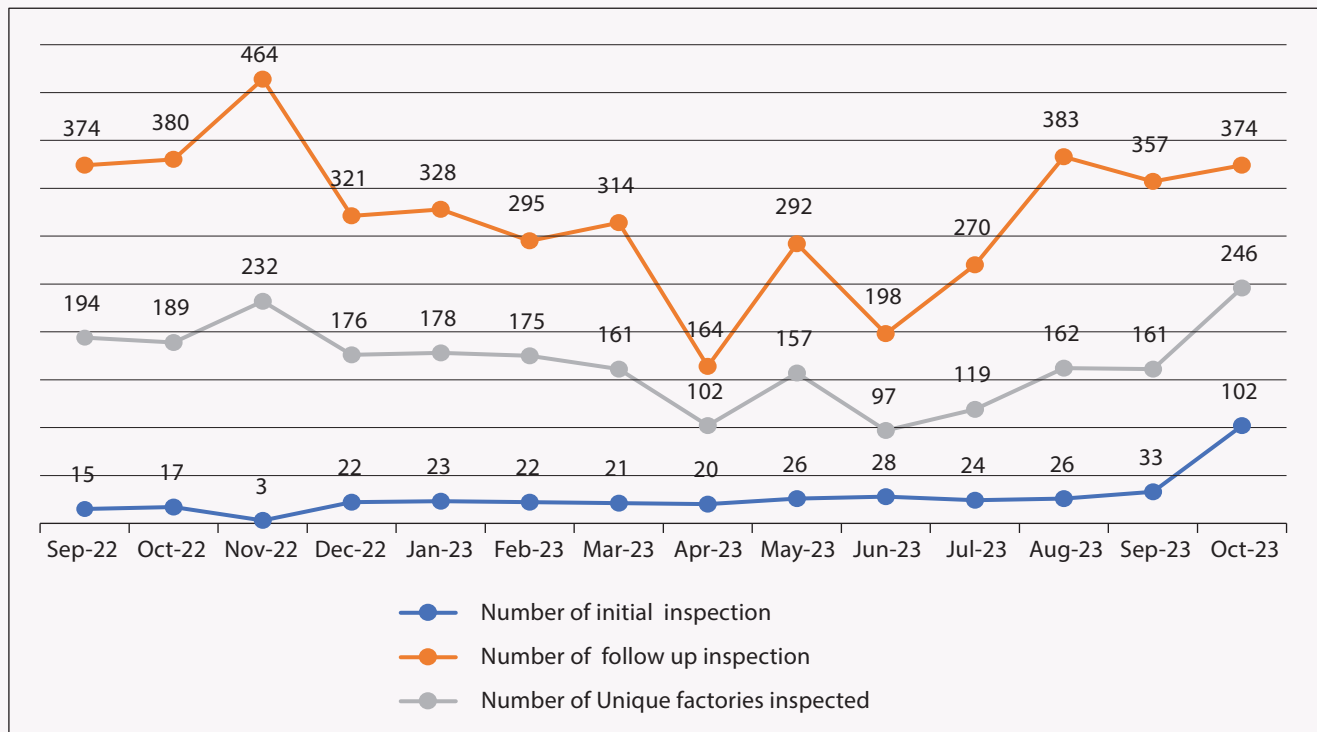
2.1 Progress on safety inspection

Conducting safety inspections is one of RSC’s major responsibilities. As mentioned in the previous brief, RSC conducts several types of inspections, including (a) initial; (b) follow-up; (c) special; and (d) verification inspections. In the previous brief, a number of issues were identified regarding RSC inspections.

One such issue was limited and inconsistent data reporting by RSC on inspection-related activities. However, this brief observes partial improvement in this regard. For example, as suggested, RSC has started publishing regular monthly data (covering earlier periods), including information on the number of unique factories that underwent inspections, the total number of member factories, etc. Additionally, RSC has started to publish RMG safety incidents occurring in their covered factories, which is a positive indication.

However, despite this improvement, a number of concerns regarding inspection-related data persist. For example, unlike in the past, RSC has stopped publishing the number of inspection data based on their type, including fire, electrical, and structural. More importantly, in their recent monthly reports, RSC stated that they are conducting boiler inspections as well. However, in the report, although the aggregate number of inspections is given, no information regarding boiler

Figure 1: Monthly trend of RSC’s various kinds of inspection



Source: RSC Monthly report.

inspections is mentioned. Publication of the entire boiler inspection report per factory (as published for electrical, fire and structural) is also missing. As a result, no clear observation can be made in relation to progress made in the area of boiler inspections. Furthermore, although in suggested earlier briefs, the number of inspections against each priority category is still not available. As such, transparency regarding the prioritisation of inspections, particularly for the recently introduced priority category, 'Business order issue,' remains uncertain.

Another key issue related to the RSC inspection observed in the earlier brief was a sharp decline in the number of follow-up inspections in April 2023. However, a somewhat consistent increase, particularly in recent months (from July 2023 to October 2023), can be observed in the number of follow-up inspections. Similar trends can be observed for the number of initial inspections, and the number of unique factory inspections. While the increase in all inspection categories is laudable, concerns still prevail in regard to these inspections' effectiveness, as many CAP items of their covered factories that are supposed to be fixed urgently remained unresolved for a long time (Table 1). In fact, the inconsistency regarding inspection priority raises the question of whether "underperforming" factories are insufficiently prioritised.

Table 1: Overview of selected inconsistency in regard to inspection²

Size and number of workers in the factory	CAP Issues
Medium (931)	RSC found structural safety issues following a fire incident in early 2022, which they marked as needing to be resolved immediately (final timeline of 27 January 2022) - still 'In Progress' now (CAP dated 8 October 2023). Factory has not been inspected for structural safety since then.
Medium (1574)	First inspected 20 March 2022, the progress rate of initial CAP findings is 5 per cent as of October 2023. Nearly all fire safety items are marked 'In Progress', including two immediate items. There has not been a fire safety inspection since May 2022.
Medium (850)	Fire CAP contains an Immediate safety item about non-compliant locking systems on the exit doors. This was found during an inspection in March 2023. Still 'In Progress' in the CAP dated 11 September 2023.
Large (3000)	Four fire CAP items with Immediate timeline, found during inspection in July 2023, still In Progress as of 26 September.

Source: CAP documents available on RSC Website (as of 31 October 2023).

As indicated already, despite RSC's claim to have started boiler inspections months ago, no adequate information could be availed from their monthly reports. This limited disclosure of information focusing on boiler inspection persists in the case of CAP reporting as well. Therefore, concerns remain regarding boiler inspections.

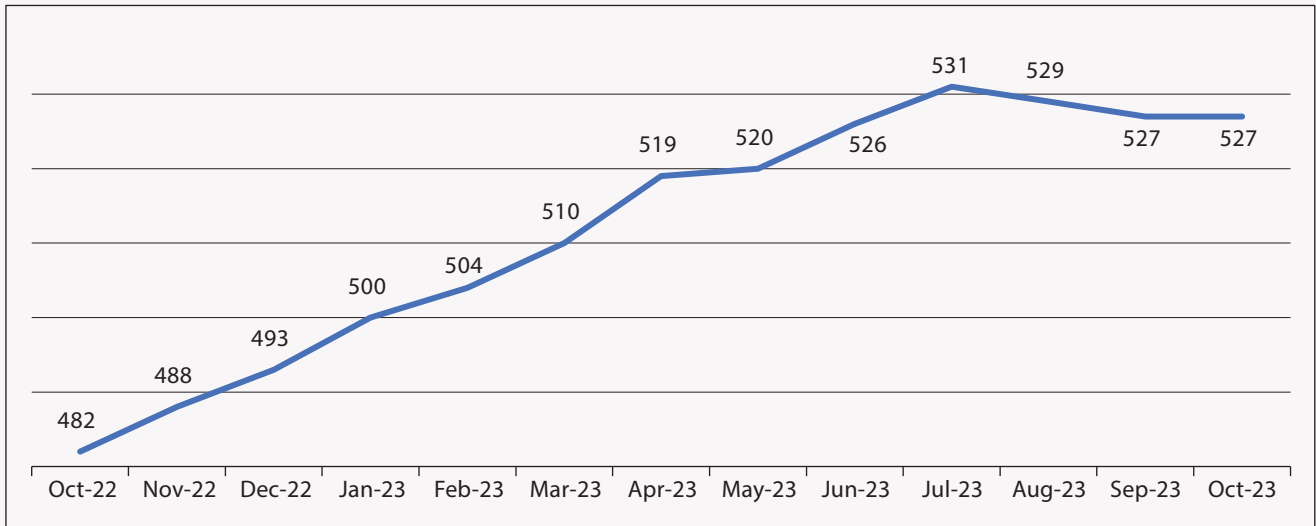
2.2 Progress on safety remediation

As is known, the RSC is also mandated to monitor the remediation progress of existing CAPs and their verification in its covered factories. According to the data provided by RSC, up to October 2023, the number of factories achieving 100 percent remediation, as verified by RSC through the issuance of letters of recognition, stood at 527, constituting 30 per cent of its covered factories. The monthly trend indicates a consistent increase from October 2022 to October 2023, albeit with some minor fluctuations (Figure 2).

Despite the commendable accomplishment of having over 500 factories fully remediated and verified, there appears to be significant room for improvement compared to the total number of factories under its coverage. In this connection, evaluating what factors prevent other factories from having full remediation within the timelines agreed between the RSC and factories in the Corrective Action Plans is essential.

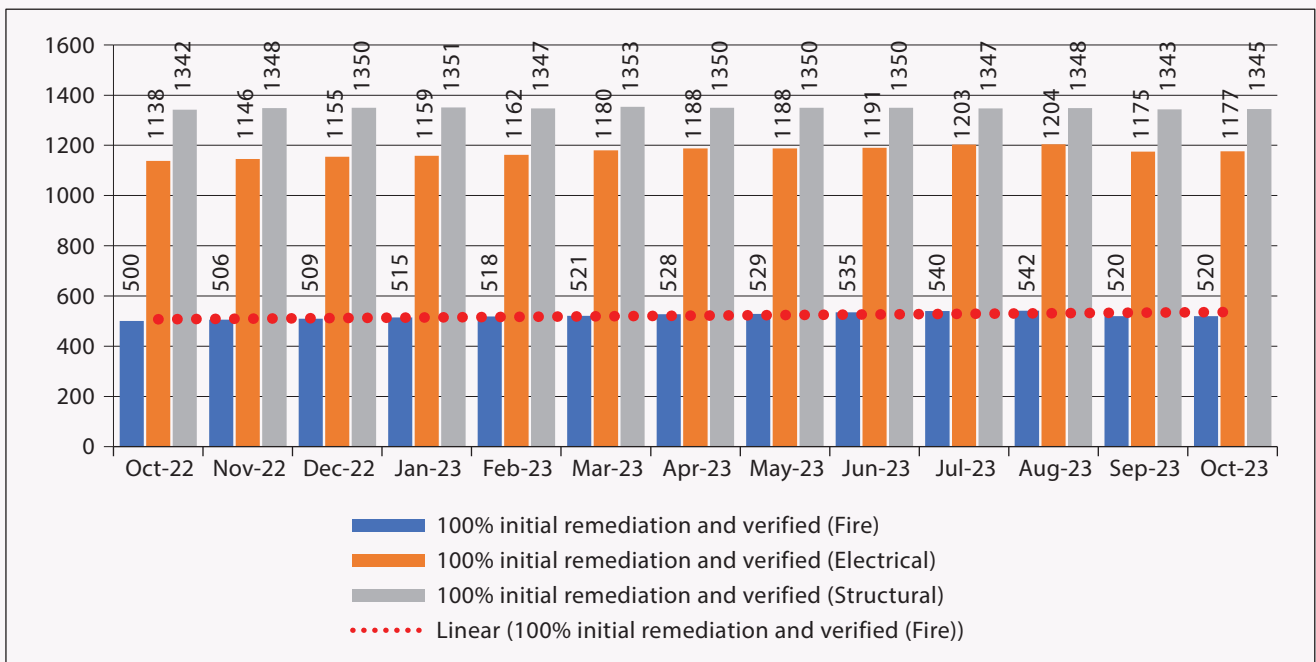
²More recent CAP updates indicate that some factories had reported that the mentioned issues had been remediated by November 2023. However, these cases are still reason for concern, as issues marked as needing immediate attention took a much longer time, up to six months, to fix, and in most cases the RSC is yet to verify that the remediation was completed in accordance with the required standards.

Figure 2: Number of RSC factories completed 100 per cent remediation (verified by RSC)



Source: RSC monthly report.

Figure 3: Number of factories with full remediation (verified) in Fire, Structural, and Electrical



Source: RSC monthly report.

As found in the previous brief, it is evident that the limited progress in addressing non-compliances related to fire has hindered a considerable number of factories from achieving complete remediation. Analysing the data from October 2022 to October 2023 reveals that, on average, the number of RSC-covered factories that fully remediated structural, electrical, and fire-related non-compliances (NCs) was 1348, 1174, and 522, respectively (Figure 3). This implies that if all the factories that have addressed structural or electrical NCs also remediated fire-related NCs, the total number of fully remediated factories could increase to 1176, representing a substantial 123 per cent increase from the current count of 527. In fact, what is even more concerning in regard to fire remediation is that, in recent months, all the safety incidents reported by RSC are fire incidents. None of the factories where the incidents occurred were fully remediated in fire-related NCs (Table 2). As a result, fire appears to be the most common workplace safety incident in recent times; on

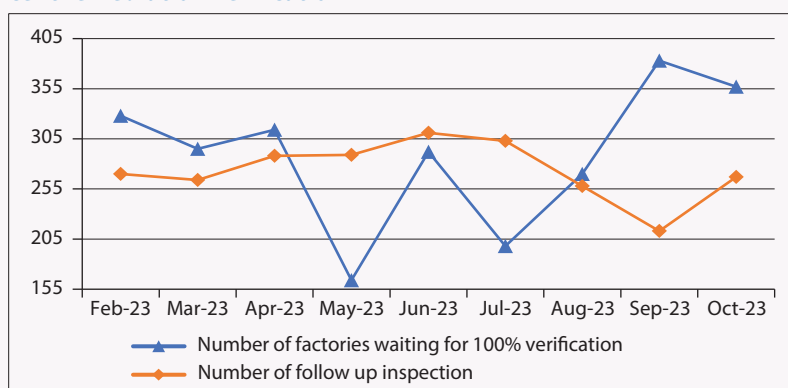
Table 2: Overview of the safety incident reported by RSC

(as of October 2023)

Date	Factory size (number of workers)	Fully fire remediated (and verified)	Incident Type
18 July 2023	Small (457)	No	Fire
24 July 2023	Medium (739)	No	Fire
30 October 2023	Large (2832)	No	Fire
30 October 2023	Medium (1682)	No	Fire
31 October 2023	Medium (1649)	No	Fire

Source: RSC monthly reports.

Figure 4: The nexus between the number of follow-up inspections and the number of factories awaiting 100 per cent remediation verification



Source: RSC website.

Table 3: Number of ineligible factories in RSC

Month	Number of ineligible factories
January 23	01
February 23	04
March 23	00
April 23	00
May 23	01
June 23	00
July 23	01
August 23	00
September 23	01
October 23	01
November 23	02
Total number of ineligible in 2023 (as of 27 December 2023)	11

Source: RSC website.

the other hand, the progress of fire-related safety remains limited.

Another factor that may have contributed to the number of factories fully remediated (with verification) is the number of verification inspections conducted by RSC. That is, some factories may have completed their full remediation, but due to a lack of verification inspection, they are getting delayed in receiving letters of recognition. Using recent monthly data, it can be found that a strong negative correlation (0.62) exists between the number of follow-up inspections and the number of factories waiting for 100 per cent verification. It implies that if RSC could increase the number of follow-up inspections, the number of factories that are awaiting 100 per cent verification (357 as of October 2023) would likely reduce significantly³. However, the most recent data rather shows a downward trend in the number of follow-up inspections (Figure 4). It is to be noted that this number of follow-up inspections includes special inspections, post-incident, etc., as well as other inspections. Therefore, the CAP follow-up inspection in actual terms would be even less.

Having an effective escalation protocol is crucial for pressurising factories to opt to remediate safety non-compliances. The reported data shows that as of December 2023, RSC announced a total of 11 RSC-covered factories that are ineligible for producing for Accord signatory brands. Despite receiving all sorts of cooperation, availability of 'financial assistance from brands' provision in case of safety funding constraints, there should not be any scope for factories to linger in the remediation process without any valid reasons. However, as found in the earlier brief, despite being announced ineligible and the RSC's policy to withdraw the Utilisation Declaration (UD) from those factories to keep them out of

³All follow up inspection may not necessarily mean only verification inspections; it includes special, post event etc. inspection as well.

exporting, a number of factories continued their operation by exporting to non-traditional brands and perhaps subcontracting to other exporting factories. Hence, RSC, along with the support from DIFE, should consider effectively implementing the existing UD cancellation policy and exploring alternative mechanisms to ensure compliance or shut down factories that are sub-contracting (while ensuring the workers receive full severance according to Bangladeshi law and consistent with the Accord agreement).

2.3. Progress on safety training

Another key activity conducted by RSC is the safety training. As mentioned in earlier briefs, RSC conducts primarily two categories of training sessions. One of such is the '8-Session Safety Committee Training (SCST)'. These 8 sessions cover a range of topics, including responsibilities of the Safety Committee in remediation, complaint handling, collaborative problem-solving, hazard identification, and safety monitoring system implementation. However, an additional walkthrough session (type of inspection) is carried out in the factory during this training. This training is carried out for safety committee members only. The data shows that as of October 2023, a total of 17,935 SCSTs have been carried out by RSC. This higher number of training is laudable. However, as also discussed in the earlier brief, questions remained regarding the effectiveness of this training, particularly about the virtual training conducted during the COVID period. The ineffectiveness of these training seemed evident in a recent incident where, despite being trained to exit factories during a fire promptly, workers ended up getting burned while attempting to combat the fire. RSC has already expressed its commitment to revising its training mechanism to make it more effective. Yet, no trace of implementation of such new plans could be observed as of today.

Another important training programme conducted by RSC is All Employee Meetings (AEMs). During the All-Employee Meetings, production in the factory is temporarily paused, and a presentation is delivered to all workers and management members present. Given that unlike SCST, AEMs target all the workers, they have even higher significance from the safety awareness-building perspective. The latest data reveals that as of October 2023, RSC has carried out AEMs in a total of 1482 factories covering 2,075,305 workers. While AEMs (Assessment and Evaluation Meetings) were conducted virtually during the COVID period, they are currently being held in person. Unlike in the past, the RSC has restarted publishing monthly data related to AEMs from October 2023, which is a positive sign. However, regular conduction of the AEMs must be ensured so that it is reflected in the data for upcoming months.

2.4 Progress on safety and health complaints addressing

Workers and managers employed in RSC factories can lodge complaints through the RSC Safety and Health Complaints Mechanism, particularly in cases where the remedy can not be availed at the factory level. The complaint can be filed while hiding identity. All the OSH-related complaints are investigated and managed by RSC. However, if the complaint

Table 4: Status of RSC Safety and Health Complaints Mechanism

Yearly complaints	Jun 20 May 21	Jun 21 May 22	Jun 22 May 23	Jun 23-Oct 23 (partial)	Total as of Oct 23
OSH Complaints received	337	283	523	222	1365
OSH Complaints resolved	323	328	351	283	1285 (94 per cent of total received)
Non-OSH complaints received	738	1021	1604	842	4205
Non-OSH Complaints forwarded	749	915	1276	1142	4082 (97 per cent of the total received)

Source: RSC monthly reports.

falls under the non-OSH category, it is forwarded to Factory Management, the responsible brand, and labour signatories. For complainants reporting issues at factories not covered by the RSC, contact information for the DIFE is provided.

The data reported by RSC indicates satisfactory progress in addressing complaints. As of October 2023, RSC has received a total of 1365 occupational safety and health (OSH) related complaints (Table 4). Within the same timeframe, RSC claims to have resolved 94 per cent of these reported complaints. Unlike the past, RSC has stopped reporting details of the complaint and their latest status since June 2023. Hence, it remains unverified whether the reported 94 per cent resolution of complaints encompasses cases involving disengagement, factory closure, etc. Furthermore, over the past three years of RSC's operation, there has been a slight increase in the number of OSH-related complaints. While the rising number of complaints is a cause for concern, it may also signify a positive development from the perspective of RSC's complaint resolution mechanism. The increased reporting suggests a growing trust among both workers and management staff in the effectiveness of the mechanism. On the other hand, there has been a growing trend in the number of non-OSH complaints submitted to RSC over the years. Rather than merely forwarding these complaints, RSC, in cooperation with the brands (under oversight of accord), could consider handle these non-OSH cases as well, especially those occurring in RSC-affiliated factories. Also, RSC could consider reporting the more specific areas of complaints within OSH and non-OSH that would assist in identifying underlying concerns in this regard.

Another timely progress RSC made regarding the complaints mechanism is approving and implementing a Standard Operating Procedure (SOP) for the OSH Complaints Mechanism Unit in October 2023. This should facilitate the ongoing activities of the RSC Safety and Health Complaints Mechanism.

2.5 Progress on institutional aspects

Since the publication of the last brief in August 2023, no major institutional changes have been observed to take place till the present day. RSC also did not provide responses to inquiries made by the researchers in this regard. Hence, it remains uncertain whether some institutional concerns identified in the earlier brief, such as the marginalisation of workers' participation within RSC's institutional structure, funding challenges, etc., have been resolved.

Overall, since the publication of the earlier brief, RSC has improved its data quality and reporting structure. However, at the same time, much of the data that used to be reported earlier is not being reported anymore, which needs to be rectified as this data is key for transparency. The lack of focus on boiler inspection and remediation still largely persists. The inspection prioritisation mechanism has a scope to be more transparent by providing adequate information and taking cognisance of issues identified in this brief. Recently, RSC has recruited a new Chief Safety Officer (CSO). It would be crucial for the organisation to ensure the transition of CSO does not affect any institutional performance. Finally, RSC has not been publishing its latest meeting minutes, with the most recent ones dating back to March 2023. In order to increase transparency, regular publication of such minutes needs to be maintained.

3. A short preview of other safety monitoring entities

3.1 Latest activities undertaken by ISU

ISU took over the responsibilities of RCC as a permanent entity under DIFE. However, unlike RCC, ISU will also monitor the safety of the non-RMG industry. ISU will follow the same process of RCC of CAP building and verification inspection for all the newly established factories, including both RMG and non-RMG. Currently, 9 engineers are working in ISU, including 7 LIGs, 1 AIG, and 1 DIG in safety.

Similar to RCC, ISU is overseeing the remediation progress of National Initiative (NI) factories by applying an escalation protocol. As per the latest available data, a total of 616 RMG factories (from the initial number of 1549) are now being monitored by ISU for CAP remediation. These factories are categorised into three groups: Category 1 denotes those with

good remediation progress, Category 2 includes factories with prospects of good progress, and Category 3 comprises the most vulnerable ones in terms of remediation. Good recent progress can be observed for NI factories in terms of 100 per cent CAP remediation. As of October 2022, the number of factories with 100 per cent was only one, which has increased to more than 50 by October 2023. However, concerns prevail regarding the remaining NI factories, which are mostly financially weak, highly involved in subcontracting, and sometimes appear on a seasonal basis.

Table 5: Number of NI factories in three categories of remediation

Category	Number of factories (active)
Category 1	173
Category 2	375
Category 3	240

Despite years of effort, these factories could not make progress in their remediation process. According to ISU representatives, a number of challenges persist in ensuring this remediation of these factories. First, DIFE does not have the direct authority to close any of these factories. In case DIFE annuls the license, the employers file a case to labour court, which delays the entire process. Second, the closure of any of these factories would result in a loss of employment for its workers. This makes the closing of the factories even more challenging. Third, the RCC operated with substantial funding support from an international organisation. However, the current funds available from international organisations and governments are insufficient to carry out the ISU operation effectively. Despite all these challenges it is not justifiable to have workers stay in dangerous workplaces. The labour court must be made more active so that ISU can create effective pressure on factories to create a safe workplace.

Source: Conducted interview with DIFE officials.

However, recently, ISU has adopted a big step to mobilise their safety inspection. They have included a provision permitting private firms to inspect them in the draft law. As such, it is expected that the issue of workforce shortage could be resolved significantly. However, in order to receive the true benefits of this decision, two issues must be ensured. First, although the decision has been made, the draft law has not been approved yet. The process of this approval must be expedited as there have been previous instances where the delay in decision implementation has caused the expected outcome to disappear. One such example could be that it was decided almost a year ago that DIFE and RSC would conduct joint inspections. While the decision is appreciated, as of the day, no such inspection has taken place. Second, it must be strictly ensured that no unfair means could be followed to recruit a private safety inspection firm. There must be a clear and concise ToR that would allow only qualified firms to be selected and all inspection reports and names of inspecting firms should be made publicly available.

One of the key challenges in holding ISUs accountable for their activities is almost no disclosure of data. No information regarding the activities of ISU could be availed online. Hence, the progress of their inspection and remediation performance of the factories under them remained unknown.

3.2 Activities undertaken by Nirapon in the post-Alliance era

After ceasing its direct operation in Bangladesh as per court directive, Nirapon has been working mainly by supporting three organisations, Elevate, Brac, and Amader Kotha. Currently, Nirapon has around 330 factories working under the Safety Management Programme.

Elevate does all the technical work related to safety, including the preparation of CAP and CAP verification inspections. It is to be noted that if a factory already has a CAP prepared at its disposal, elevate conducts the verification inspection only. In addition, Elevate conducts 90 days of safety management guidance in the factory, where they try to assist the factory in developing an effective safety management system.

Brac facilitates the implementation of a safe workplace by training workers and factory managers in Nirapon member factories. On the other hand, the identification of emerging risks, their patterns, and a risk reporting helpline are operational by Amader Kotha Helpline.

Given that Nirapon is a coalition of North American brands, factories that only work with these North American buyers can apply for Nirapon membership. Nirapon is operating only in Bangladesh as of this date. Currently, Nirapon has around 330 factories working under the Safety Management Programme.

A number of issues can be observed for the operation of Nirapon. First, Nirapon does not have any escalation protocol or even a time-bound remediation deadline. Nirapon wants to promote a cooperative culture in remediating factory NCs. Therefore, it is uncertain to what extent remediation effectively takes place, particularly given that evidence showed many RMG factories, despite having capacity, lacked real interest in investing in OSH. Second, Nirapon does not have reporting of in-depth data like RSC (such as the number of training, inspections, CAP issues, etc.). As such, it is unclear to what extent the cooperation model is effectively working. Finally, Nirapon perhaps has the least worker involvement, particularly in its institutional frame. Therefore, the scope of undermining workers-related issues in these factories always persists.

4. Conclusion and Recommendations

Based on the findings above, the following overall recommendations can be made for the safety agencies:

- a) The ISU must continue to expand its activities to cover more RMG factories, particularly those that are not covered by ISU, RSC, and Nirapon (23 per cent of the RMG industry as per the earlier brief); in this regard, the process of recruitment of technical private consulting firms by ISU must be expedited while ensuring fairness; the joint inspection of RSC and ISU should take place as soon as possible.
- b) The ISU and Nirapon should disclose more quantitative information (at least to the current level of RSC), on their activities so that their performance can be measured and compared; In fact, there should be a dedicated website for ISU where all the information of ISU can be availed; ISU should also consider publishing the names of the factories for whom the NI factories do subcontracting to hold these factories accountable; RSC should also extend its existing publica data reporting and cooperation.
- c) As suggested in an earlier brief, RSC must make an extended focus on boiler inspection and remediation by disclosing information in this regard.
- d) International organisations and the government of Bangladesh (GoB) should come forward to manage adequate funding for the expansion of ISU; the GoB should consider giving ISU the magistracy power of closing factories that are non-compliant.
- e) RSC and Nirapon need to ensure more effective participation of labour-related stakeholders in their institutional frame for broader accountability.
- f) The remediation process for fire-related issues in RSC factories should be accelerated, employing a more effective application of the escalation protocol. Simultaneously, ISU should disclose the fire remediation status of NI factories and develop a risk mitigation plan for potential fire incidents in these facilities.
- g) DIFE and DoL, in partnership with RSC and Nirapon should establish a coordinated and robust grievance mechanism to address the numerous complaints lodged by workers regarding non-OSH-related matters.