

Monitoring result for BD Creation on site BD Creation

Monitoring

Monitored Party	: BD Creation	amfori ID	: 050-000973-000
Site	: BD Creation	Site amfori ID	: 050-000973-002
Address	: 28, 29, Maizgaon, Pubail, : 1721, Gazipur : Dhaka : Bangladesh	Monitoring Activity	: amfori Social Audit - Manufacturing
		Monitoring Type	: Full Monitoring
		Submission Date	: 11/09/2021
		Expiration Date	: 11/09/2022

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Overall rating



Section rating

PA1: Social Management System	D
PA 2: Workers Involvement and Protection	B
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination	B
PA 5: Fair Remuneration	B
PA 6: Decent Working Hours	C
PA 7: Occupational Health and Safety	A
PA 8: No Child Labour	A
PA 9: Special Protection for Young Workers	A
PA 10: No Precarious Employment	A
PA 11: No Bonded Labour	A
PA 12: Protection of the Environment	B
PA 13: Ethical Business Behaviour	A

General description

BD Creation. is a 100% export oriented housewares durables (handicrafts) products manufacturing factory which is located at 28,29 Maizgaon, Pubail, Gazipur Sadar, Gazipur, Bangladesh. Main production process of this facility is weaving, sewing/ stitching, Fumigation/Drying (if required), quality check, trimming and finishing. Production capacity of the audited facility is 70,000 pieces per month. Total land area is about 26,136 square feet, production area occupied is about 22,000 square feet, and warehouse is about 10,000 square feet. The facility was established in 2012 (as per "Partnership Registration Certificate".) but production started since 2012 as per factory management. There are 01 factories in the premises and details are given below

Building 1 (Admin building)

Ground floor: Office

1st floor: Office, Prayer room.

2nd floor: Conference room, Sample display room.

3rd floor: Office.

Rooftop: Office room (Approx. 10%). Rest of area Vacant.

Building 2 (Production building)

Ground floor: Finished product storage area.

1st floor: Finishing section, inspection room, dark room and sample section.

2nd floor: Storage area and general store.

3rd floor: Weaving (Hogla / Sea Grass) production section.

Rooftop: Store area (Approx. 15%). Rest of area Vacant.

Building 3 (Finishing building)

Ground floor: Raw material storage area, finished goods area, empty carton area.

1st floor: Storage area and office room.

2nd floor: Finishing section, QI section, packing section, finished good and empty carton area.

3rd floor: Sewing section, trimming section, sewing finishing section and sample goods stock.

Rooftop: Prayer room (approx.5%) rest of area vacant.

Shed 1: Dining area, canteen and Generator area.

Shed 2: Car parking.

Shed 3: Waste area.

Shed 4: Security post, fire control panel, childcare and doctors room.

The facility has total 18 first aiders and 09 first aid boxes, 36 internally trained fire fighters, 17 fire hose pipes, 48 ABC fire extinguishers, 32 Co2 fire extinguishers, 25 fire alarm, 25 emergency lights, 179 smoke detectors and total 02 evacuation exits in the production shed. There were total 249 employees in the facility with 110 female and 139 male employees. Generally, facility's working hour starts from 8:00 am to 5:00 pm. Employees are allowed for one-hour meal break. Workers were comfortable with this rest break. There are 3 shifts for the security guards starts from shift 1: 8:00 am to 4:00 pm and shift 2: 4:00 pm to 12:00 pm & shift 3: 12:00 pm to 8:00 am. Rotation wise rest break is ensured for the security guards. The facility maintains electronic (finger print and face detection) time record system for all employees. All employees get the weekly off day on Friday. Employees receive wages by monthly basis in local currency as per law. The wage period of the factory is based 1st to 30th/31st of the following next month.

Audit Process: This full amfori sustainability monitoring (audit) was conducted by three (03) auditors on 26th August, 2021. An opening meeting was held with the short introduction with the factory management. Mr. Sumon Hossain- General Manager, Md. Al-Amin- Assistant General Manager, Md. Anower- Manager (HR & Compliance), Md. Rakibul Hussain- Assistant Manager (Quality), Md. Hasan Ali- Assistant Manager (HR and Compliance), Md. Mosiur Rahman- Executive (HR and Compliance), Mst Iktara Bagum -Vice president of participation committee was present during opening meeting. During opening meeting, auditors explained about the audit scope and process and a detail description on amfori sustainability platform new requirement and approach. Immediate after the opening meeting, a site visit was conducted with the factory management. For workers interview, the auditors selected workers from different production processes and different age groups & gender. Workers were comfortable with the management and with the working environment. A general document checklist was provided to the management and supplied documents were reviewed. The auditors verified documents from August-2020 to July 2021 and found available during audit.

Closing meeting: Closing meeting: At the end of the assessment, a closing meeting was held to discuss areas of improvement in the findings report with Md. Anower- Manager (HR & Compliance), Mr. Sumon Hossain- General Manager and with their team. Facility management agreed on all findings and signed on findings report. Auditor informed the management regarding the submission of remediation plan to the amfori BSCI participants through amfori sustainability platform against the findings raised on the audit within 60 days.

Overall Findings: Non-Compliance were noted in “Social Management System and Cascade Effect”, “Workers Involvement & Protection”, “No Discrimination” “Fair Remuneration”, “Decent Working Hour”, “Occupational Health & Safety”, “Protection of the Environment” and “Ethical Business Behavior”. For other areas, no finding was observed.

Audit Company name: SGS Bangladesh Limited.

Auditors Name and APSCA Status: Md. Mahmudur Rahman Shovon- RA 21701562, Asadur Rahman - RA 21701424 and Farhana Begum Remun - RA 21703465.

Audit date: 26th August 2021.

#Covid-19: Comments from auditor side. Following measures has been taken by the facility during operation in every day to protect their employees from Covid-19: a) Arranging and ensuring hand washing facility for each employee at each entrance of production floor when entering in the factory. b) Ensuring face mask for each employee. c) Maintaining same arrangement for visitors. d) Having a reporting system to medical person or management if suspected case observed. e) Facility has posted awareness posters of Covid-19. f) Checking temperature for each employee while entering in the morning.

Site Details

Site : **BD Creation**

Site amfori ID : **050-000973-002**

GICS Classification

Sector : **Consumer Discretionary**

Industry : **Household Durables**

Industry Group : **Consumer Durables & Apparel**

Sub Industry : **Housewares & Specialties**

GS1 Classifications

N.A.

Product Process Classifications

N.A.

Metrics

Key Metrics

Total workforce	233 Workers
Legal minimum wage in local currency	3000 Monthly
Lowest wage paid for regular work at the site	3000 Monthly
Calculated living wage in local currency	17926 Monthly
Total sample	20 Workers

Other Metrics

Male workers	128 Workers
Female workers	105 Workers
Permanent workers - Male	139 Workers
Permanent workers - Female	110 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	0 Workers
Management - Female	0 Workers
Apprentices - Male	0 Workers
Apprentices - Female	0 Workers
Workers on probation - Male	7 Workers
Workers on probation - Female	23 Workers
Workers with night shift - Male	2 Workers
Workers with night shift - Female	0 Workers
Workers with disabilities - Male	0 Workers
Workers with disabilities - Female	0 Workers
Domestic migrant workers - Male	0 Workers
Domestic migrant workers - Female	0 Workers
Foreign migrant workers - Male	0 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	139 Workers
Workers hired directly - Female	110 Workers
Workers hired indirectly - Male	0 Workers
Workers hired indirectly - Female	0 Workers
Unionised workers - Male	0 Workers
Unionised workers - Female	0 Workers
Workers under CBA - Male	0 Workers
Workers under CBA - Female	0 Workers
Pregnant workers	0 Workers
Workers on parental leave - Male	0 Workers
Workers on parental leave - Female	0 Workers
Sample - Male	13 Workers
Sample - Female	7 Workers

Findings

PA1: Social Management System

The facility management is in process of implement of amfori BSCI code of conduct into auditee's day to day business culture as factory yet not calculated living wage, did not develop actual/realistic capacity planning to avoid excessive overtime, proper awareness training about amfori BSCI COC was not found from workers and workers representatives, facility did not mention how potential "conflict of interest" in their updated grievance policy, grievance survey not conduct, gaps found in Decent working hour, Occupational health and safety, Protection of the environment and Ethical Business Behavior". [As per amfori BSCI COC check point no.1.1]

It was noted through production capacity planning review and management interview that facility did not develop actual/realistic capacity planning to avoid excessive overtime. [As per amfori BSCI COC check point no. 1.4]

PA 2: Workers Involvement and Protection

Facility has provided training to the workers on amfori BSCI training, but sufficient awareness was not found from interviewed workers regarding amfori BSCI COC. [As per amfori BSCI COC checkpoint no. 2.4]

Facility has developed policy for internal grievance management but the facility has not developed any procedure for external grievances (grievances form business partners and local community). Moreover, facility did not mention how potential "conflict of interest" in their updated grievance policy. Also note that facility did not conduct any survey to know workers satisfaction over existing grievance mechanism. [As per amfori BSCI COC checkpoint no. 2.5]

PA 4: No Discrimination

Facility did not conduct any survey to know workers satisfaction over existing grievance mechanism. [As per amfori BSCI COC checkpoint no. 4.2]

PA 5: Fair Remuneration

Facility did not estimate the living standard in the region calculating their living wage properly to determine a potential gap between present local minimum wage and living wage and no action plan is in place to fulfill the gaps. [As per amfori BSCI COC check point no 5.4]

It was noted from documents review and management interview that, randomly checked 2 out of 20 sampled workers were not paid earn leave benefit payment as per rule. Moreover, balance annual leave benefit payment were not ensured who are entitled during resignation. [As per BSCI COC check point no 5.5 and Bangladesh Labor Rules 2015, Rule 107]

PA 6: Decent Working Hours

Through Job card, salary sheet review workers and management interview it is noted that facility had performed excessive overtime in below months: 04 out of 20 sample workers had worked overtime 13 (exceed 12) in a week in the month of July 2021 (current month) and daily maximum overtime found 3 hours. Note that no excessive overtime found in other 02 sample months (January 2021 and September 2020- Random month). [As per amfori BSCI COC check point no. 6.2 and Bangladesh Labor Law 2006, Section 102 (1 & 2)]

PA 7: Occupational Health and Safety

Facility management did not involve workers' representatives and workers in the drifting and enforcement of the internal procedure on occupational health and safety. (As per amfori BSCI COC checkpoint 7.1)

a. Facility did not assess the risk of warehouse, dining, canteen, doctors room, child care, fire control room, security post and generator area so workers of the mention area were not aware about their workplace related risk. b. Staircase found Slippery in Shed 1 which may cause falling injury. [As per amfori BSCI COC checkpoint 7. 3 and Bangladesh Labor Rules 2015, Schedule-4, Matters relating to safety committee (2)]

Facility does not find out root cause of injury and accident that occurring in the factory. Also, no awareness training was provided to the workers based on injury analysis report. Moreover no near miss policy and procedure was found in the facility. [As per amfori BSCI COC check point 7.10 and Bangladesh Labor Rules 2015, Rule 73(1)]

a. Factory did not include 19416.12 square feet floor area in their fire license. Facility used these areas as production and non-production area. Moreover, fire license was found expire on 30th June 2021. However, facility has applied to the concern authority for the extended area and for renewal on 11th June 2021. (As per amfori BSCI COC checkpoint 7. 11 and Fire

PA 7: Occupational Health and Safety

Prevention and Extinction Act 2003, Section 4 (12) b. There is mismatch found between factory layout approval and currently established facility such as general store and storage area located in 2nd floor but layout shows finishing section in mentioned area. (As per amfori BSCI COC checkpoint 7. 11 and Bangladesh Labor Rules 2015, Rule 353(4))

No evacuation plan was found for Shed 1 and Shed 4 which are used as dining, canteen, generator area, childcare, doctors room, fire control and security area. Moreover, empty carton, finished goods area, weaving area were not included in 2nd & 3rd floor of the building 3. (As per amfori BSCI COC checkpoint 7. 16 and Bangladesh Labor Rules 2015, Rule 55(8))

Following machine safety / Machine guard related issues were noted during plant tour- a. Approx. 15% sewing machine needle guard found inappropriate position in sewing section. b. Lower pulley guard was found displaced in sewing machines at building 3. (As per amfori BSCI COC checkpoint 7. 17 and Bangladesh Labour Law 2006, Section 63(1) D (3))

Childcare room of the facility was not well furnished. No separate or covered area were available for breast feeding and washroom. Also, furniture and toys are not sufficient as per law. (As per amfori BSCI COC checkpoint 7. 22 and Bangladesh Labor Rules 2015, Rule 94)

PA 12: Protection of the Environment

The facility did not develop any procedure for significant aspect and impact assessment regarding environment for its activities. (As per amfori BSCI COC check point no. 12.1)

Though facility management provided awareness training on proper use of water to the workers, but they did not implement significant programs to promote conservation of water and reduction of waste of water significantly. (As per amfori BSCI COC check point no. 12.5)

PA 13: Ethical Business Behaviour

a): The facility has developed anti-corruption policy but did not communicate anti -corruption policy with their business partners.
b) The facility has not provided any training to the persons related to ethical behavior. c) It was noted that there is no reward system to maintain ethical behavior. [As per amfori BSCI COC check point no. 13.1]