

CSR & Introducing BSCI Standards for MGMA

February 1 - 2, 2017, Hlaing Tharyar Industrial Zone,
Yangon, Myanmar

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Introducing CSR & BSCI Standards in the Textile Value Chain

February 1, 2017, Hlaing Tharyar Industrial Zone, Yangon, Myanmar

Opening Speech by Mr. U Aung Shwe, Vice Chairman, Hlaing Tharyar Industrial Zone Committee

The seminar *Introducing CSR & BSCI Standards in the Textile Zone*, Yangon, Myanmar. In total 42 participants attended day one of the seminar from over 18 companies.

Mr. U Aung Shwe, Vice Chairman, Hlaing Tharyar Industrial Zone Committee welcomed everyone at the Seminar in his opening speech. He emphasized on the importance and contribution of RMG sector in Myanmar's economy and concluded by mentioning the need to improve the standards to compete with the global market requirements.



Welcome speech by Daw Khine Khine Nwe, General Secretary, MGMA

Ms. Daw Khine Khine Nwe, General Secretary, MGMA welcomed everyone by thanking AVE and FTA for taking this initiative.

In her speech she outlined the overall scenario and background of Myanmar's RMG Sector. She reiterated the need for CSR and BSCI standards for the sector as well as the economy. ***“Though we have our own code of conduct, but we also need to respect Buyers demand as well to compete with global markets,”*** she said.



She presented the growth of Myanmar RMG sector from 2008 – 2017 and called for cooperation of BSCI for developing the sector further.

Ms. Daw Khine Khine New, explained the MGMA Code of Conduct and its need. She encouraged Myanmar RMG industry to become well aware of these Codes of Conduct and find ways to practice responsible business. She finished her speech by addressing issues like Human Rights, Child Labor, Forced Labor, Discriminations and Working Hours that still exist in this sector and hoped to resolve such issues with joint collaboration from FTA and BSCI standards.

Introduction Foreign Trade Association (FTA), Business Social Compliance Initiative (BSCI) & Business Environmental Performance Initiative (BEPI) by Mr. Daniel Seidl, CEO of BSCI Representative Office Dhaka

Mr. Daniel Seidl, CEO of BSCI Representative Office Dhaka gave an overview of FTA, BSCI and BEPI to the audience. He pointed out the necessity of introducing FTA in Myanmar RMG sector. He cited some examples of the Bangladeshi RMG industry. **“Five years before than now there was no HR department in Bangladeshi RMG factory. It was like doing family business”** he said.

Mr. Seidl discussed the International Trade Policy and the road map for European Union and the services that BSCI can provide. These include advocacy, policy updates, providing industrial advices, networking etc. **“Knowledge is important but knowing how to apply these knowledge is more important”**- he said.

FTA in Bangladesh:

Mr. Seidl presented the background of Bangladesh RMG Industry and how FTA is operating in Bangladesh. He gave a SWOT analysis of the RMG sector of Bangladesh. FTA is engaged in several seminars, discussions and sharing of best practices. As a result despite having some challenges in Bangladesh the country is a success case.



BSCI & BEPI

Mr. Seidl briefly discussed BSCI and BEPI, and how these are implemented. **“BSCI is not a certificate, it is a management tool to understand how to improve compliance and laws”** - he said. He showed a video on BSCI that helps participants to understand BSCI and explained the three pillars of BSCI - **Monitor, Empower & Engage**.

Regarding BEPI Mr. Seidl briefly discussed on the need and benefits of joining BEPI as well as the the BEPI system. It includes BEPI prioritization, BEPI presence, stakeholder engagement and some BEPI business case studies. **“BEPI is a platform that helps to assess the need of the factory”** – he said.

Comments, Recommendations & Suggestions:

After the presentation the floor was open for all to provide comments and recommendations. Several comments came from Owners and Middle Management. These are:

- “We have heard about BSCI but not much aware about BEPI”.
- “We do not have BSCI certificates but we do follow rules and regulations, social compliance, health & safety issues and also work on energy and water saving. But we want to be more efficient by increasing our knowledge”.
- “We need training for both workers and managers to improve capacity”.
- “We need well trained workers. We have our operators who provide training to workers. But we need more skillful trainers.”
- “We need a training institute which will provide training to both workers and middle management”.



- “BSCI should be involved in dialogue with factory’s HR Managers.”
- “We expect BSCI to train our Managers.”
- “We should be more concerned about child labor and BSCI should help us.”
- “The biggest challenge in Myanmar RMG industry is low productivity.”
- “The biggest challenge in Myanmar RMG industry is mindset and knowledge of workers.”



Workshop on

Introducing CSR & BSCI Standards for MGMA

February 2, 2017, Hlaing Tharyar Industrial Zone, Yangon, Myanmar

In partnership with FTA, the CSR Centre conducted a Workshop on “**CSR & Introduction to BSCI Standards**” for MGMA member companies, SME enterprises, factory owners, managers, middle management, supervisors and production managers.

The Workshop “**Introducing CSR & BSCI Standards for MGMA**” took place on February 2, 2017, Hlaing Tharyar Industrial Zone, Yangon, Myanmar. There were 50 participants from different RMG companies at the Workshop.

The CEO of CSR Centre Ms. Shahamin S. Zaman welcomed participants and then conducted the training program in accordance to the agenda.

Introduction to CSR:

The workshop began by introducing CSR “What is CSR” with some definitions and quotes. The workshop also included CSR & Development, need for CSR, justifications for CSR, etc. The participants were also introduced to UNGC Principles and SDGs which were linked to the BSCI code of conduct.



Overview of Other Management system:

Different Social Management systems such as SAI, BSCI, WRAP & ETI were discussed in the session.

Introduction to BSCI:

In this session the participants were informed about FTA and BSCI standards and BSCI Codes of Conduct, including the specific trainings BSCI provides on **Getting Started with BSCI, Fair Remuneration and Decent Working Hours, Occupational Health & Safety, Grievance Mechanism, Social Management System** and **Drafting Remediation Plan**.

The workshop also covered the issues such as, Discrimination, Fair Remuneration, Occupational Health and Safety, An effective Grievance Mechanism, The Rights of Freedom of Association and Collective Bargaining, Workers Involvement and Protection, Requirements and Regulations, building up a Social Management System and BSCI monitoring & audits.



Participants were involved in a group exercise. Three issues were presented : Fair Remuneration and Decent Working Hours, Occupational Health & Safety, Grievance Mechanism. Participants were divided into six groups and identified the benefits and challenges of each issue. Each group was requested to do a five minutes presentation of the findings.



Findings:

Fair Remuneration and Decent Working Hours:

Benefits:

- Salary & overtime is not enough for workers. Other incentives is needed which will improve productivity.
- Reduce turnover rate which will help to gain quality.
- If overtime reduced the worker will get a chance to be involved in social activities for work life balance. This will motivate workers and will enhance productivity.



Challenges:

- Worker likes overtime work.
- Lack of knowledge and skills.
- Poor documentation regarding worker's payment. Need to improve

Occupational Health & Safety:

Benefits:

- Reduce accident.
- Improve productivity.
- Increase workers retention rate.

Challenges:

- Workers are not aware of PPE usage.
- Less training opportunities for both workers and management.

Grievance Mechanism:

Benefits:

- Increase workers retention rate.
- Easily identify the problems.
- Problems can be solved fast and on time.
- Workers will be motivated.
- Create a bridge between employer and employee for better communication.

Challenges:

- Workers are afraid to complain.
- Management does not take Grievance Mechanism seriously.
- Workers unaware about Grievance Mechanism system.
- No trainings are given to management regarding Grievance Mechanism.

Concluding Remarks

The Workshop concluded by thanking MGMA and AVE for inviting FTA and the CSR Centre in introducing BSCI to the MGMA members in Myanmar. A Workshop Feedback Form was distributed to the participants in order to understand whether MGMA participating members found the Workshop helpful.

Concluding remarks with a vote of thanks was given by all.

“Feedback Form Analysis Report”

CSR & Introducing BSCI Standards for MGMA

Date: Thursday, February 1 - 2, 2017

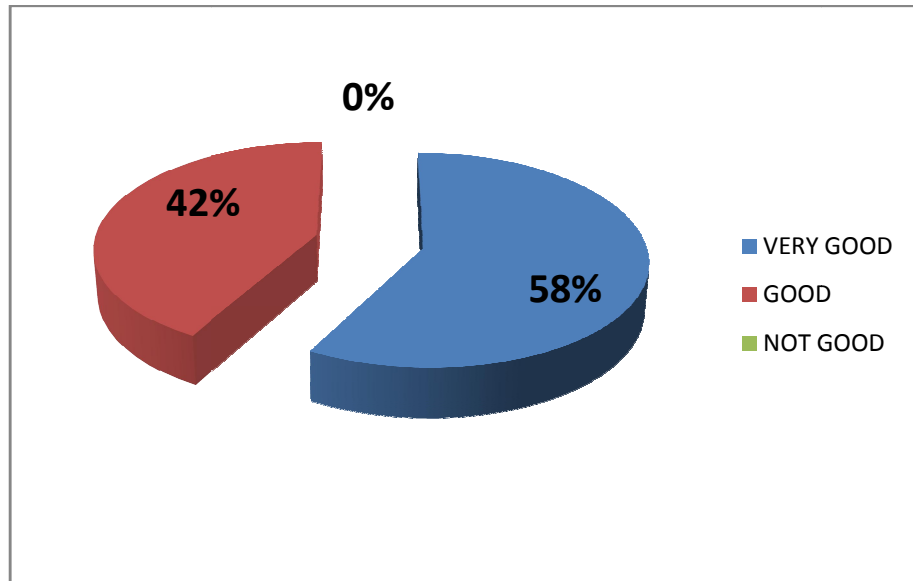
Venue: Hlaing Tharyar Industrial Zone, Yangon, Myanmar

Service Provider: FTA & CSR Centre

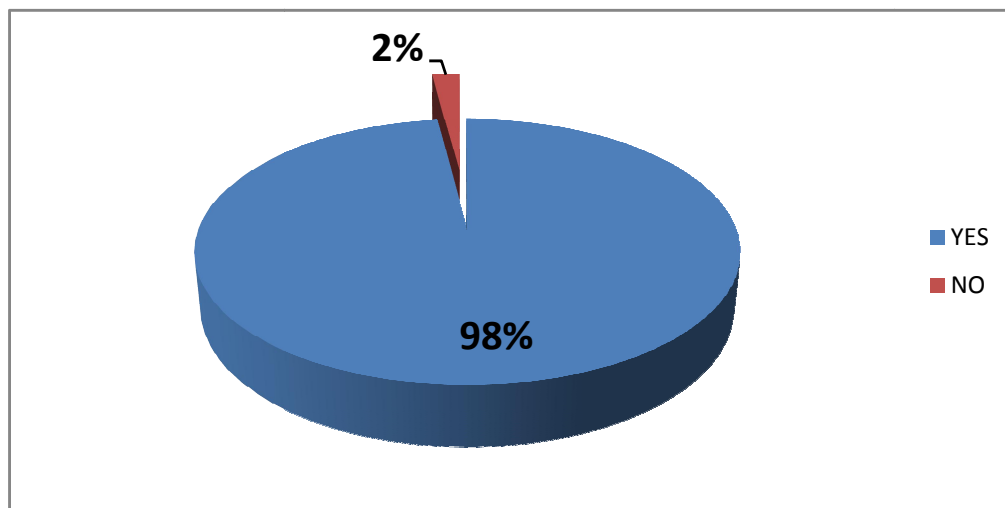
Total Participant: 42

Feedback on Training

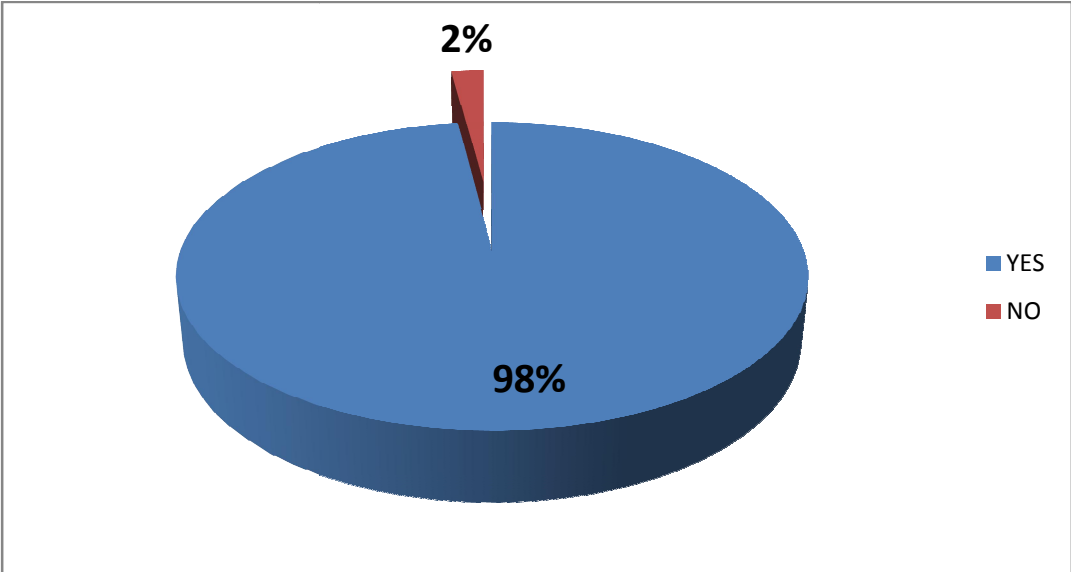
1. Did you enjoy the Workshop?	😊	👍	😞
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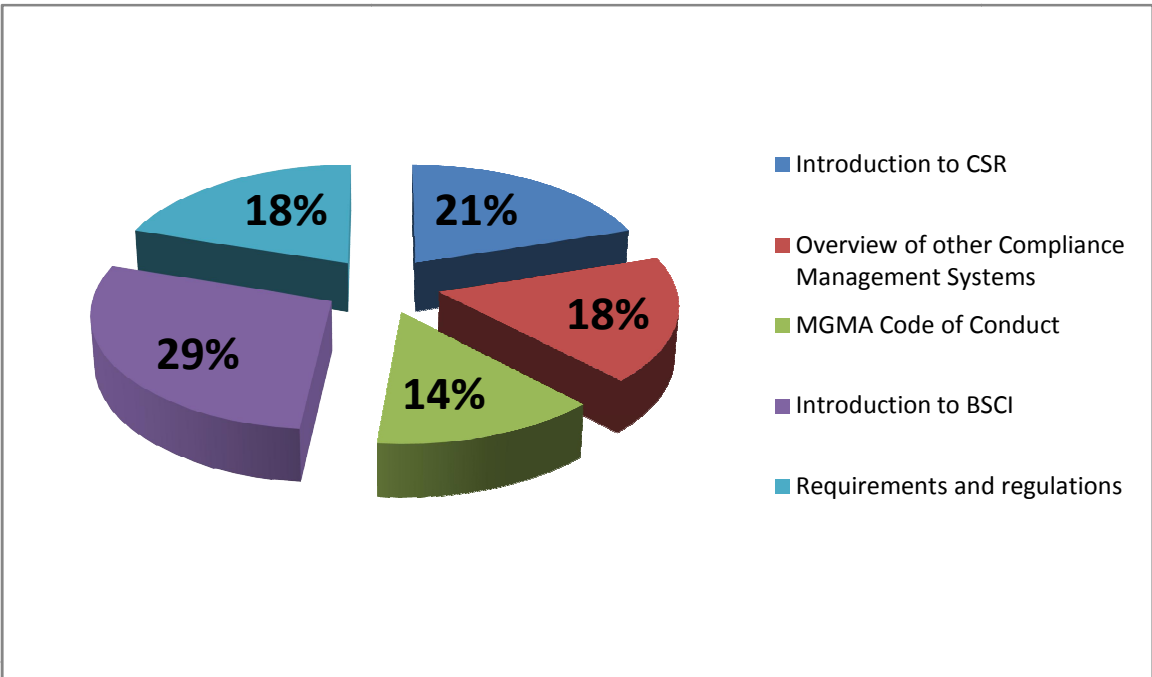
2. Do you think you learnt new issues regarding sustainability in this Workshop?	YES	NO
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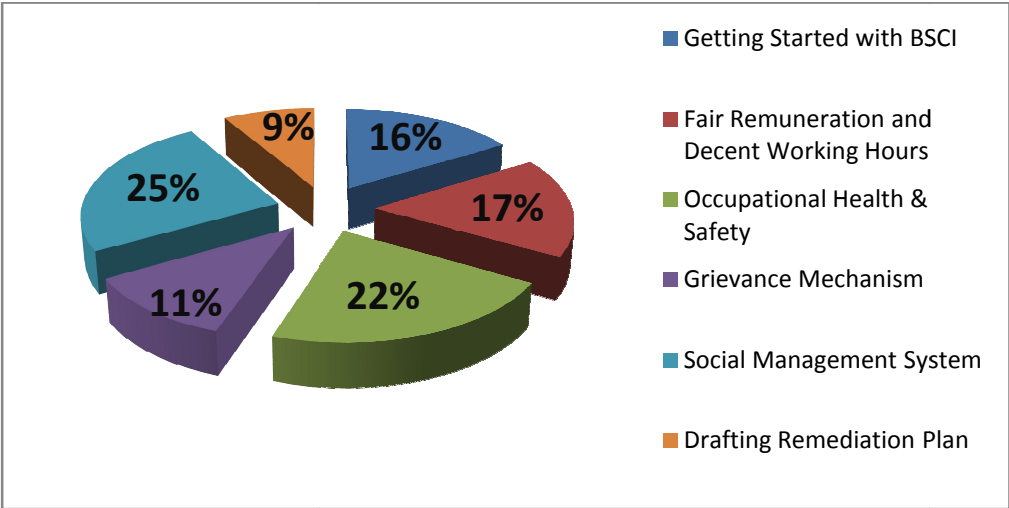
3. Was your expectation of the Workshop met?	YES	NO
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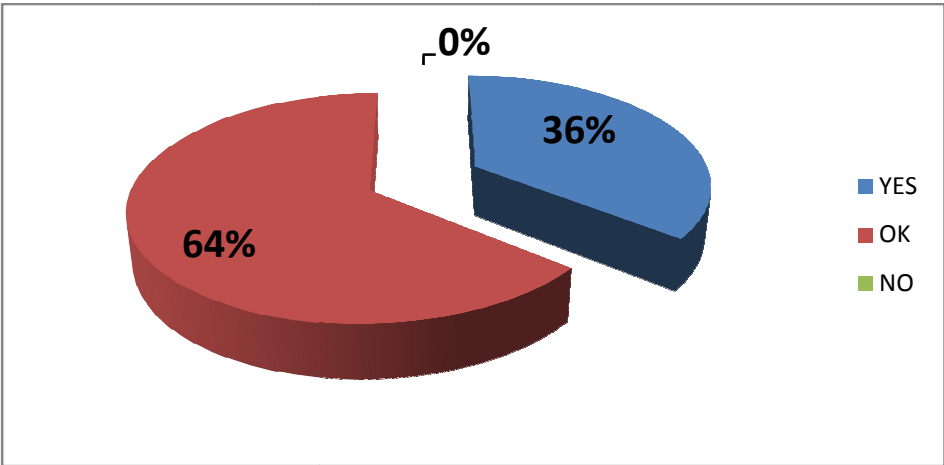
4. Which session from Part-2 of the Workshop was most relevant for you?	<ul style="list-style-type: none"> <input type="radio"/> Introduction to CSR <input type="radio"/> Overview of other Compliance Management Systems- SAI,BSCI,WRAP,ETI <input type="radio"/> MGMA Code of Conduct <input type="radio"/> Introduction to BSCI <input type="radio"/> Requirements and regulations, building up a social management system, monitoring/audit
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<p>5. Which BSCI Training(s) are you interested in doing?</p>	<ul style="list-style-type: none"> ○ Getting Started with BSCI ○ Fair Remuneration and Decent Working Hours ○ Occupational Health & Safety ○ Grievance Mechanism ○ Social Management System ○ Drafting Remediation Plan
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<p>6. Was your time well spent in this Workshop?</p>			
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7. Are you interested in becoming a FTA Member company?	YES	NO
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