

Assessing the Impact of Social and Environmental Certification programs with respect to improvement of working conditions and a better environment of the community

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ACRONYMS

AIG	: Additional Inspector General
Amfori BSCI	: Business Social Compliance Initiative
BILS	: Bangladesh Institute of Labour Studies
BDT	: Bangladeshi Taka
CBM	: Community-Based Monitoring
CSO	: Civil Society Organization
CSR	: Corporate Social Responsibility
CM	: Country Manager
DIFE	: Department of Inspection for Factories and Establishments
DIG	: Deputy Inspector General
EPZ	: Export Processing Zone
ETP	: Effluent Treatment Plant
EU	: European Union
FEM	: Facility Environmental Module.
FoA	: Freedom of Association
FGD	: Focus Group discussion
FWF	: Fair Wear Foundation
ISO	: International Organization for Standardization
GOTS	: Global Organic Textile Standard
GM	: General Manager
GSKOP	: Garments Sromik Kormochari Oikko Parishad
GRS	: Global Recycled Standard
ID Card	: Identification Card
ICS	: Initiative for Compliance and Sustainability
JIG	: Joint Inspection Group
NGO	: Non-Governmental Organization
NTUC	: National Trades Union Congress
OCS	: Organic Content Standard
OEKO TEX STeP:	OEKO TEX Sustainable Textile and Leather Production
OHS	: Occupational Health and Safety
OT	: Over Time
PC	: Participation Committee
PM	: Production Manager
PPE	: Personal Protective Equipment
RCS	: Recycled Claim Standard
RMG	: Ready-Made Garments
RSC	: RMG Sustainability Council
SEDEX	: Supplier Ethical Data Exchange
SME	: Small and Medium Enterprise
TCC	: Tripartite Consultative Council
TU	: Trade Union
UV	: Ultraviolet
WBM	: Worker-Based Monitoring

Executive summary

In this research, we attempted to examine the effectiveness and impact of environmental and social certification in the large-scale ready-made garment (RMG) industry in the Ashulia region of Bangladesh. We mainly studied three environmental and social certifications namely OEKO-TEX STeP, GOTS, and GRS and two multi-stakeholder initiatives and their auditing framework on social compliance namely amfori BSCI and Fair Wear Foundation. A research team was formed with equal participation of university graduates and worker representatives. This research team successfully completed the complex task of collecting primary data. The research department of BILS, the only labor studies institute in the private domain in Bangladesh, led the overall research. FEMNET e.V., a renowned feminist organization in Germany, ensured the necessary advisory support at all stages of the research.

Conducting this study was undoubtedly challenging. To the best of our knowledge, this is the first research project to investigate the effectiveness and impact of environmental and social certification programmes in the ready-made garment industry in the Ashulia region of Bangladesh. Only top export-oriented companies have environmental and social certification arrangements. Amidst the lack of social and environmental compliance and continuous criticism, social and environmental certification systems are a silent initiative of many consumer brands. From the literature review, it can be seen that there is a lot of talk about false claims or green washing in the case of these certifications. RMG owners and the institutions and individuals conducting audits for certification are quite sensitive about providing information. On the other hand, workers are often not familiar with the term certification.

Recognizing these challenges, we mainly focused on studying social and environmental compliance and respective audit systems. Special emphasis is placed on conducting a comparative analysis between the status of social and environmental compliance over a specific period of time, i.e. 5 years before and after. We employed a successful combination of quantitative and qualitative research approaches and respective methods and tools/techniques. We spoke to almost all stakeholders relevant to social and environmental audits in the garment industry. We interviewed 384 workers from 25 garment factories in Ashulia with pre-developed detailed questionnaires. Among others, we interviewed 92 female workers. In selecting the garment factories, the factory with the highest number of targeted five certification coverage was taken into account. In addition, we spoke in detail with owner representatives, factory managers and supervisors, social and environmental auditors, government representatives, trade union representatives, local communities, media representatives, NGO representatives and experts. Specific checklists and guidelines were developed for each stakeholder. We have successfully and comprehensively documented the impact and effectiveness of social and environmental certification in garment factories in the Ashulia region of Bangladesh.

Research findings

Certification understanding: Understandings vary significantly across stakeholder groups, with buying brands' requirements and priorities perceived as among the dominant driving forces.

Six different types of certifications/audits were found such as 1) Brand standards audit, 2) Social certification/Audit/Monitoring, 3) Environmental certification, 4) Combined Social and environmental certifications, 5) Product certification, and 6) Safety certification

Different processes: Involve different processes such as checklist driven, criteria/standards driven, full assessment, partial assessment, modular-based risk assessment, and follow-up audit. Usually one and maximum two audits per year by a certification authority. In a factory, on average, 8/9 different audits are conducted every month. In most cases, it is a rush audit, for half a day or a full day. Auditors may or may not talk to workers.

Three common instructions to workers: 1) Discipline yourself or make yourself compliant with all standards and processes, 2) Don't give any negative information, and 3) Talk only positively.

Two common fraudulent practices such as 1) Several salary sheets are maintained, which is to be interpreted as double or triple book-keeping, 2/3 even 4 and 2) The payment sheet is there but no actual pay.

Certification costs: 2,000 to 8,000 USD per audit depending on certification and coverage. These costs are ordinarily borne by the factory, not the brand, as stipulated in their supply contracts.

Knowledge/awareness about certification/audit: Workers and their legal representatives in the factory don't know about environmental or social certification but they know about different audits conducted in their factories. Employers and government level stakeholders have a reasonable understanding of certifications. National level TU leaders have low to moderate awareness. Government representatives and expert stakeholders interviewed for the study predominantly regard the system as superficial greenwashing, rather than an effective instrument for achieving meaningful compliance improvements.

Environmental certification is only a little satisfactory: Regarding at least three broad-based environmental indicators out of five we have studied, such as 1) energy use efficiency, 2) chemical usage and management and 3) surrounding biodiversity, our research finds only a very negligible improvement in environmental compliance over time. Under each broad-based variable, we have studied a set of sub-variables. Improvement in energy use efficiency in the post environment certification stage is very insignificant, only around 1%, our research finds. Total energy usage has increased over time but carbon emissions have reduced in the top rated exporting factories.

Chemical usage and management are most dissatisfactory. Chemical wastes is one of the main reasons for serious environmental degradation in the research locales. Environmental certifications have failed noticeably to control chemical usage, treatment and discharge. Hazardous chemical use is rated most unsatisfactory, followed by chemical wastewater discharge. PPE usage in dealing with chemicals is reportedly on a declining trend. Associated with chemical usage, health risks such as skin diseases, allergies, burning sensation in hands and feet, asthma, and loss of appetite are reported common, especially among women.

Surrounding environment protection is a missing component in the environmental certifications we have studied. Water, air, soil and sound pollution are one of the highest in the Ashulia industrial

zone. Land has been degraded severely. Ground water usage has increased manifold and ground water depletion has been very acute.

Water use efficiency and waste management practices are low to moderate satisfactory:

Among many others, we find that discharging untreated water into open water bodies is common causing serious biodiversity and health concerns. Though there is an increasing number of ETPs in factories, actual ETP usage is low. Despite this liquid waste management remains almost unchanged, overall waste management is rated low to moderate satisfactory. Among the improvements, solid waste storing and dumping practices are reported as main improvements. Among dissatisfactory practices, discharging untreated liquid waste through drains to the nearby open water bodies and solid waste discharge and dumping are rated worst. Organic materials usage and recycling however is reported as an ever-increasing practice due to its cost effectiveness.

Current status of social compliance is moderately satisfactory: To understand the implications and improvement following social certifications/audits, we have studied nine broad-based variables separately such as 1) job security and workload of workers, 2) working environment, 3) wages and benefits, 4) leave and rest policy and practices, 5) inequality protection, 6) forced labour, child labour and harassment practices, 7) occupational safety and security, 8) right to Freedom of Association (FoA) and collective bargaining and 9) OSH practices. For each broad-based variable, we have further studied a set of sub-variables. Among many others, our research finds that:

- Good practices like timely and regular wage payment prevail but job firing continues as before. Automation and technological upgradation are reportedly causing regular job-cuts.
- Very minimal or no change in workload. Many have reported that workload is settled verbally in the beginning.
- The working environment such as lighting, sound quality, drinking water, safety and accident prevention inside the factory reportedly has improved over time.
- Wage practices have improved and benefits increased although wage and benefits increase has always been incremental with work-load increase.
- Fifty-fifty satisfaction and dissatisfaction are reported in leave and rest practice.
- The wage & benefits gap between men and women has worsened but maternity protection has increased.
- Harassment practices, forced labour and child labour have reduced in the top rated RMG industry in Ashulia.
- Occupational safety and security such as ventilation in the workplace, fire safety systems, and PPE issuance and maintenance have improved than before.
- Very little or no change in the right to FoA. Despite negative growth in TU practices, the growth and improvement of the PC committee & safety committee have been reasonable.
- Medical facilities, particularly structural arrangement, medical attendants, and compensation to occupational victims have increased. However, medical insurance, community level medical facilities and mental health are completely unaddressed.

The social compliance related grievance mechanism is comparatively strong. Certification authorities reportedly have their system in-built grievance mechanisms. There is constant pressure from both buyers and buying countries' governments. TU and the government have also continued playing a strong role. Additionally, there are multi-diversified initiatives from different parties. However, the main flaws in the social certification grievance mechanism reported is that there is a lack of accountability both by the brands and owners.

Poor environmental grievance mechanism. The penalty is often minimal against a maximum gain. Certification governance mechanisms, particularly audit conduct, are not participatory. Audit reports are never shared with the workers nor community members. Factory owners control the local power structure and influence environmental monitoring and supervision in the surrounding communities. Factories' internal control mechanisms particularly regarding environmental issues such as heat control and cooling facilities have improved considerably. However, air and water quality monitoring is reportedly not up to the mark.

Challenges and Gaps: Our research has identified following sixteen main challenges and gaps in environmental and social certification processes:

- After audit/certification compliance is very highly dissatisfactory.
- Audits are predominantly staged with a distinct emphasis, addressing either social or environmental issues.
- Information leak is common for almost all audits.
- Around 100 of brands have different set standards and/or code of conduct. There is no unified code of conduct.
- Document falsification and double/triple book-keeping is a common practice.
- Bribing auditors and influencing audit reports through unfair means is often reported.
- Transparency is a missing component, strict confidentiality is maintained.
- Auditing and certification processes are non-inclusive and non-participatory.
- Auditors are vulnerable to job security.
- Lack of proper skills, competency, and gender sensitivity of many auditors.
- Government stakeholders in general have a negative attitude and treat certification authorities as their competitors.
- There is criticism regarding certification's legal mandate.
- There is procedural weakness regarding certification validation.
- Owners have taken certification as a business case rather than emphasising social and environmental compliance improvement.
- Checklists and methodology remain static, not changed/updated over time.
- Determining the exact impact of certifications on social and environmental compliance is difficult, given the simultaneous influence of multiple other efforts, such as LEED-certified

green transitions, the ACCORD/RSC initiatives, continuous monitoring by government authorities and DIFE, NGO activities, and ongoing trade union engagement.

Recommendation: Workers, owners, TUs, auditors, NGO/CSO stakeholders, government representatives, experts, media people and community people have suggested a good number of recommendations as following:

- A real audit other than a staged one is recommended as a top priority.
- Expert stakeholders stress the need for a “must-achieve” approach with defined responsibilities and accountability for key actors, rather than using exclusion or coercion.
- Labour stakeholders’ emphasis highly on awareness building and effective participation of workers and TUs in the audit processes.
- Owner stakeholders recommended strongly developing unified code of conduct.
- Regular and systematic audits are also strongly recommended to prevent document falsification and other forms of misconduct.
- Disclosure of audit reports is a top emphasis by almost every stakeholder.
- Skills and capacity building of auditors, especially in legal matters, are also a common demand.
- Many stakeholders have urged initiating work to sensitize relevant government departments and their employees about social and environmental certification.
- Community people have recommended considering surrounding environment protection as a top agenda in all environmental audits.
- Drastic improvement of governance and grievance mechanisms for environmental and social compliance both inside factories and in the community is also highly recommended.
- Auditors have recommended conducting offsite audits meaning offsite interviews and social dialogue before onsite interviews and social dialogue.
- Few have recommended introducing an approach of continuous improvement through monitoring and supervision under a skilled authority /institution instead of private certification bodies or standard companies.
- Few stakeholders have recommended introducing a risk-based approach, agreeing on a certain level of improvement for priority identified risks.

Bangladesh is the world's second-largest garment exporter. The sector employs millions of workers, approximately 60–65% women, and contributes more than 81% of national export earnings (BGMEA, 2025)¹. The overall size, production and exports continue to expand. Despite China having been affected badly by the recent US tariff application, Bangladesh's garment exports to the American market are on the rise. Despite all these achievements, the industry continues to face systemic challenges: tragic incidents such as the Rana Plaza collapse (2013) and Tazreen fire (2012) highlighted critical failures in workplace safety, while industrial hubs like Ashulia and Gazipur endure severe environmental degradation (Hossain & Ahmed, 2022; World Bank, 2019). As such, strict maintenance of social and environmental compliance in the RMG industry including RMG making and production units has become a vital concern by almost every stakeholder connected to the RMG supply chain. There is continued pressure to increase resource use efficiency, reduce carbon emissions, and establish social and environmental compliance.

This was the vital essence as well as created the opportunity. Social and environmental certifications have become an essential part of RMG making in Bangladesh. Nowadays, it is almost impossible to get a single garment product without having one or more certification tags either social or environmental. For several hundred top exporter RMG factories, it has now been an issue of reputation and prestige. Mostly, competent RMG factory owners have taken certification as a business case. After the Accord and Safety Alliance processes, the application of environmental and social certification is the second highest in Bangladesh's RMG industry.

Certifications promise improved compliance, safety, and environmental outcomes. However, the efficacy of social and environmental certifications in improving actual working and environmental conditions remains questionable. Audit processes have often fallen short, contributing little to on-the-ground improvements. Rights holders, including workers, are frequently overlooked or interviewed under restrictive conditions. Additionally, the broader environmental and health impacts of production outside factory premises are rarely assessed. Many of the relevant national and international stakeholders have continued to criticize environmental and social certifications as green washing² only. There is clearly an inherent lack of accountability from both factory owners and brands in the entire process. Apparently, fashion brands have both a great influence and interest in these, on the other hand there is clearly a paucity of critical assessment.

In the underlying circumstances, this research was undertaken. This research critically evaluates the effectiveness of the environmental and social certifications and identifies the gaps with the aim of addressing them through worker-based monitoring (WBM) and community-based monitoring (CBM) approaches. We have particularly studied the effectiveness of three certifications such as 1) GOTS, 2) OEKO TEX STeP, 3) GRS and two multi-stakeholders' initiatives such as 4) Amfori BSCI, and 5) Fair Wear Foundation. This report narrates the research findings.

Objectives

¹ See at https://www.bgmea.com.bd/page/Export_Performance

² Greenwashing refers to misleading claims about environmental protection.

- **Primary:** critically assess the effectiveness of social and environmental certifications in improving working conditions and the well-being of workers in Bangladesh's RMG industry (and the surrounding communities).
- **Secondary Objective:** To enhance dialogue between rights holders, civil society and standard organizations to strengthen advocacy for rights holders in supply chains.

Research Questions

This research endeavors to answer the following three sets of research questions:

Environment/Ecology metrics

- What is the status of water usage and pollution? Does the certification have any implications?
- What is the status of energy consumption and emissions? Does the certification have any implications?
- What is the status of chemical management? Does the certification have any implications?
- What is the status of waste management? Does the certification have any implications?
- What is the status of sustainable materials usage and practices (organic/recyclable)? Does the certification have any implications?
- Do factory production practices respect biodiversity conservation? Does the certification have any implications?
- What is the status of environmental responsibility and protection inside factories and communities? Does the certification have any implications?

Social metrics

- What is the status of fundamental principles at work? What is the status of safety and security? Does the certification have any implications?
- What is the status of OHS practices? Does the certification have any implications?

Cross-Cutting Metrics (Environmental + Social)

- What is the status of community health? What is the status of water and air quality? Does the certification have any implications?
- What is the status of working conditions? What is the status of safety and security of the workplace? Does the certification have any implications?
- What is the status of the grievance mechanism? Does the certification have any implications?
- What is the status of wages, and working hours? Does the certification have any implications?
- What is the status of gender equality? Does the certification have any implications?

Methodology

This research employs a mixed-methods approach. More particularly, both quantitative and qualitative research approaches and respective tools and techniques are employed. Data are collected both from primary and secondary sources.

Quantitative data are particularly collected from the RMG workers. A representative sample of 384 workers was surveyed from 25 RMG factories from Bangladesh's Ashulia region, a textile production hub under Savar Thana, Dhaka District. RMG factories audited through OEKO TEX STeP, GOTs, and GRS certifications and Amfori BSCI and Fair Wear multi-stakeholders initiatives and/or adopted maximum of them are particularly covered. A pre-developed semi-structured interview schedule is used for the survey. Final respondents are selected purposively. Considering 1) availability, 2) suitable timing and 3) easy communication from 19 factories each 15 workers are interviewed, from 3 factories each 14 workers are interviewed, from 2 factories each 16 workers are covered and from 1 factory 25 workers are interviewed. Along with men workers, we have interviewed 91 female workers. Our target was to cover as many women as possible. Actually, we cover only around one-quarter (24%) female workers. In several factories selected for the survey, working hours are quite long, with a break at 9/10/11 pm. Moreover, our research found that several factories also work on weekends. Due to this, despite having a larger target, the number of women workers respondents is significantly lower. It is noteworthy that we also found several factories where almost regular working hours are maintained. Among the respondents, 82% were operators. Other roles included helper, ironman, quality controller, loader and cutting and store men.

Apart from this, we have administered massive qualitative research. The aim was to capture information and opinions from every possible source and stakeholders which have a stake in the research topic as well as to mitigate any gap that comes out from quantitative data analyses. Among others, we have interviewed auditors, factory owners, factory managers and supervisors, government and NGO representatives, journalists and experts/academics. In the survey locations, we have talked in-depth with around 15 workers and another 15 community members through a series of FGDs particularly to understand the implications from environmental and social certification on the surrounding environment and community life. Moreover, we have conducted a series of consultation meetings with the workers representatives/ TUs particularly at three different levels i.e., 1) local/factory based basic TU leaders, 2) RMG sectoral TU federation leaders, and 3) national level TU leaders. All including 30 TU leaders participated in these consultation meetings. We collected their valuable opinions on research topics as well as cross-checked with them the different opinions/views that other stakeholders expressed to us in different interviews, FGDs and meetings particularly to get a TU perspective/labour rights perspective on those. Different pre-developed checklists and guidelines are used for collecting qualitative data from every different stakeholder's level as attached in the annex. Lastly, we collected and researched available literature on research topics through two-step processes such as a) light literature review at the very beginning to develop concept and finalize methodology and tools and techniques, and b) comprehensive literature review continued throughout the entire research period.

This report presents a combined analysis of quantitative and qualitative information, with the necessary synthesis and triangulation. The analyses presented in this report are as accurate and authentic as possible, with any professional bias minimised.

SECTION TWO


Social & Environmental Certification: Understanding & Awareness

While social and environmental certification issues are well-known at the global level of the international clothing supply chain including brands, except employers, they are not as clear to national and local stakeholders. The issues are even more elusive to garment workers. This is the first research of its kind to study the impact of social and environmental certification of garment factories in Bangladesh. For this reason, studying the level of awareness of social and environmental certification has been consciously emphasized at every level of the study. We particularly emphasise a two-way process. Firstly, we have attempted to capture the level of awareness and understanding of the various stakeholders with regard to the different aspects of social and environmental certification. Secondly, all collected information has been triangulated in an attempt to create a simple text on social and environmental certification. This chapter of the research report details the findings of this study.

Concept/understanding OEKO-TEX STeP, GOTS, GRS, amfori BSCI, & FWF





This research has covered three environmental/ecological certifications, namely 1) OEKO-TEX STeP, 2) GOTS, and 3) GRS and the code of conduct audit systems of two Multi-Stakeholder Initiatives (MSIs): 4) amfori BSCI and 5) the Fair Wear Foundation. The following table presents a snapshot understanding of these certifications and audit frameworks:

Table 1: Studied Environmental and Social Certifications at a glance³

SL	Certifications logo	Nature	Compliance requirement	Application in Bangladesh
1		Certification	A. Environmental/ecological - Chemical management - Wastewater treatment - Environmental management B. Organic/sustainable materials usage & recycling C. Social compliance	771 ⁴ certified units (2nd globally), mostly large export-oriented factories

³ Sources: Locke, 2013; Fransen, 2012; Egels-Zandén & Lindholm, 2015; Donaghey & Reinecke, 2018; GOTS, 2023; Textile Exchange, 2022; OEKO-TEX, 2023; Ashraf & Prentice, 2019; Hossain & Ahmed, 2022

⁴ As per GOTS Supplier Database (15.12.2025): <https://global-standard.org/find-suppliers-shops-and-inputs/certifiedsuppliers?country=BD&page=1>

			- Wage, working hour, OSH, Non discrimination, Right to FoA, Grievance mechanism, Inclusion and participation	
2		Certification	A. Environmental/ecological - Energy use efficiency - Chemical management - Environmental performance (water, energy, waste) B. Social compliance - Occupational health & safety - Social responsibility - Quality management	Mostly large dyeing/finishing units in Dhaka, Savar, Gazipur
3		Certification	A. Organic/sustainable materials usage & recycling B. Social compliance - No child/forced labor - Safe working conditions - Responsible practices	Moderate adoption in recycling-focused factories; limited SME uptake
4		Multi-stakeholder initiative	Social compliance - Employment protection - No child & forced labour - Fair wage & working hours - Working environment	Widely adopted in Bangladesh, covering many lead suppliers
5		Multi-stakeholder initiative	- Occupational health and safety - Right to FoA - Free from discrimination - Grievance mechanisms	Smaller reach in Bangladesh, niche adoption

Certification: Different understanding to different stakeholders

Stakeholder groups have different understandings of certification and auditing processes. The following snapshots highlight the perception of each group.

Employers: It is a rating based on some standards. “When we fully comply with the standards, then it is certified”, said an employer

Certification authority: 1) improved compliance, safety, and environmental and ecological performance; 2) audit-driven incremental improvements; 3) private governance tools; 4) part of CSR strategies; 5) help to access markets; 6) workers’ entitlements to safe work, fair pay, and freedom of association. However, auditors from multi-stakeholders initiatives representatives are not eager to view their logo in product as certification. Rather, they refer to it as monitoring

under a skilled authority/institution. “Fair Wear does not certify products or factories. Yes, we have audits conducted, to assess improvement”, says Fair Wear Country Manager.

Workers and their representatives: Certifications are audits, social audits, environmental audits.

Government stakeholders: It is a compliance audit. It has no legal mandate since only DIFE is authorized to conduct labour law compliance inspection/audit.

Six different types of certifications/audits

The certifications and initiatives analyzed: OEKO-TEX STeP, GOTS, GRS, amfori BSCI, and Fair Wear, operate within a broader landscape of standards that includes widespread systems like ISO, B Corp, SA8000, and industry-specific codes, each varying in focus from social compliance to environmental management and holistic corporate responsibility.

- **Brand standards audit:** All brands have their own standards. It is a must to comply with them. Often brands employ a third party to audit these standards
- **Social certification/Audit/Monitoring:** AMFORI BSCI, SEDEX, ICS, RAP, Fair Wear
- **Environmental certification:** OEKO TEX STeP, FEM
- **Combined Social and environmental certifications:** SEDEX, GOTS
- **Product certification:** OCS, RCS, GRS, GOTS etc. Usually EU buyers requirement
- **Safety certification:** Focused on occupational health and safety standards, often part of broader social compliance frameworks.

Different processes

The assessment approaches vary across actors, methods and scope:

- Certification authorities/institutions: checklist-driven assessments
- Brands: criteria- and standards-driven evaluations
- Comprehensive (full-scope) assessments
- Partial or limited-scope assessments
- Modular, risk-based assessments targeting specific high-risk areas
- Follow-up audits

Practical audit: Facts and processes

The following feedback displays the most important aspects of the audit process:

- **Registration and comprehensive audit:** Factories typically undergo registration and a full audit before commencing business with a particular brand.
- **Audit frequency:** Most factories experience one audit per year, with a maximum of two conducted by a certification authority; follow-up audits may occur depending on findings.
- **Fragmentation of standards:** Similar issues are assessed using different rating systems across brands and certification bodies, leading to inconsistent evaluations.
- **High audit burden:** On average, factories undergo 8–9 audits per month, consuming at least 10 working days of managerial time. Workers reported frequent and overlapping visits by buyers and auditors, covering quality, electrical safety, waste management, ventilation, complaint mechanisms, and medical facilities—often with multiple audits occurring on the same day. *“Every buyer has a quality audit. There is an electrical audit, a garbage audit. There is no end to the audits. Someone is coming to see the windows. Someone is coming to see the adjusted fan. Someone is coming to see the box inside the toilet, a complaint box, that box. They also check the medical box”,* said to us a group of workers in an FGD. *“There is even such a day when two or three different buyers come into our floor the same day. This is this sir, this is that sir. I mean, there's nothing else to say except greetings. Buyers come, audits come. They come everyday, once a week, they come once a month”* said another group of workers in a separate FGD. *“Duplication is in place. Instead of the same standard, I say one way, another audit says another way, so it is overlapping. It is not unified”,* FW CM.
- **Duplication and lack of harmonization:** Stakeholders noted significant overlap among audits, with varying standards applied to identical issues, reflecting the absence of a unified framework.
- **Limited worker engagement:** Auditors may or may not speak with workers. In many cases, observations are conducted across production sections, while worker interviews are either brief or omitted altogether. *“The Auditor observes everything from the cutting section to the finishing, swing, etc., and then asks whoever he likes. Many times, he leaves without asking. The owner's people are around”* says a group of workers in an FGD.
- **Group-based questioning:** When interviews occur, auditors generally address workers in groups rather than individually, often asking a small set of standard questions. *“He asks 5/6 people together. The auditor can't ask one person alone”,* said a group of workers in an FGD. *“Audit comes. Sometimes they ask when your factory pays the salary, how is it going? They ask like this suddenly. Not every audit asks”,* says a group of workers in an FGD.
- **Rushed audit processes:** Audits are frequently described as time-constrained. Workers reported that auditors spend only a few minutes on each production floor, rarely engaging in meaningful dialogue. Fear of repercussions discourages workers from reporting problems. *“Auditors don't talk to us. They don't have time to talk. They just go around and tweet and make videos. They may talk to someone in a hurry. The company people are too in a rush, don't give them a chance to talk. If someone is in an audit, there will be 4 more people behind him. If we report a mistake there will be a remand afterwards”,* said to us a group of

workers in an FGD. *“The auditor has very limited time on the floor. 6/7 minutes on average. If there are more than one floor, it takes more time, if only one floor, the audit ends by lunch time”*, said a group of workers in an FGD.

- **Contrasting employer accounts:** Employers reported that auditors sometimes conduct individual worker interviews in separate rooms and may also meet with management, depending on brand requirements. *“As the brands want. Generally, they talk in a separate room. Sometimes they remove us if we are there”*, said one employer.
- **Predominantly announced audits:** Most audits are pre-announced, with unannounced visits being rare. *“All our audits are announced audits. We do not do unannounced audits”*, says FW Country manager.
- **Limited on-floor presence:** Although audits may last the entire day, auditors typically spend only 6–7 minutes per production floor, according to workers.

Why certification is necessary: Five different perspectives

Collected feedback from all stakeholder groups involved:

- **Brands:** Brands perceive certification as essential to fulfill their legal responsibility to protect human rights throughout the supply chain. Each brand maintains its own code of conduct, setting standards for human rights and environmental standards.
- **Certification authority/organization:** Certification serves three main purposes: 1) to identify risk factors through independent third party assessment, 2) to determine context-specific remedies, and 3) to respond to consumer expectations. As Fair Wear Country Managers explained: Country Manager *“We are a multi-stakeholder initiative. Trade unions, NGOs, business associations, European business associations are on our board. Brands become members for leverage. It is basically a multi-stakeholder initiative for monitoring and guidance. Member brands source from multiple countries. It is not possible for them to identify the risks of these countries. Fair Wear does that work.”*
- **Employers:** For employers, certification represents a business case: it enhances factory reputation and credibility with both brands and consumers. One employer noted: *“Brands are members of certain certifications and standards; if we want to do business with them, we must meet these requirements. If we don’t, the business will not come.”*
- **Government/TU:** Certification is often seen as a brand requirement. Most brands adhere to some standard, although a few reportedly operate without any certification obligations.
- **Trade Unions:** Some view certification as primarily buyer-driven. *“This is essentially a certificate business. You have to pay money to get a certificate. Is the government involved, does the garments TCC know? Are they sharing with the government?”*, said a group of NTUC leaders in a consultation.

How are the workers informed about audits?

The most common ways to inform workers are:

- **Admin officers come in and announce:** *"In charge, the admin comes and warns that an audit is coming. Sometimes he says on the day it comes, and sometimes he also informs one day before. Only verbally",* says a group of workers in an FGD.
- **Announced through the microphone:** *"They announce on the microphone that there will be an audit tomorrow from OEKO TEX or from AMFORI. From the GM sir to the admin, the people there give the orders.",* says a group of workers in an FGD.
- **Notice given in the notice board:** *"There is a board of instructions in the factory. There a notice is given. There is OEKO TEX written there, there is Fair Wear written there",* said a group of workers from Ananta Garments in an FGD.
- **PC meetings**
- **Safety committee meetings**
- **Training:** *"Training and awareness are provided throughout the year by planning training according to the guidelines provided for each standard",* said one senior manager

Audit preparation of workers:

These quotes illustrate how workers are prepared for audits:

- **Discipline yourself:** *"You will have everything ready. You will wear your ID card around your neck. You will do the work properly. Don't run around. Wear a mask. Don't throw garbage everywhere",* says a group of workers in an FGD
- **Don't give any negative information:** *"Say that, don't say anything about how many hours of over time you do, our faces are covered with tape. We are on duty until 10 pm, but if they ask how long your duty is, then there is no duty after 7 pm, that is two hours. This is the case in every factory. We are workers. We have to do a lot to save our jobs",* said a group of workers in an FGD.
- **Talking only positive:** *"You have to say everything is good. If you say something bad, you won't have a job. You will be punished. They tell you that",* said a group of workers in an FGD.

Two common fraudulent practices

Double bookkeeping and false documentation were identified as two common practices:

- Several salary sheets are maintained, 2/3 even 4. One is real, one for buyer, one for several audit requirements, that means that there is double and triple bookkeeping.
- The payment sheet is there but no actual pay. *"Factories are so smart, it is sometimes almost impossible to justify the false documents"* said Fair Wear CD.

Level of awareness about certification

Awareness of specific environmental and social certifications is critically low among factory workers and local union leaders, who often see audits as abstract visits from foreign buyers without understanding their purpose. A worker mentioned: “We don't know that such an audit has been done in our eyes,” perfectly encapsulates workers' disconnect from the formal certification process. Local trade unionist stated: “We have heard that there are audits... But we have not heard that there are environmental audits and social audits,” demonstrates a fundamental gap in understanding the types and purposes of audits.

In contrast, employers and government stakeholders possess a reasonable, if primarily commercial, understanding focused on product quality and market access. Employer/government representatives stated: “It is very simple that I will want to wear healthy and comfortable clothes which have no side-effects on the body,” clearly states the consumer-centric, product-quality rationale understood by officials. National union leaders are more informed but attribute their knowledge to personal job experience, not union resources, highlighting a systemic information gap. Overall, understanding is fragmented and operational, with few stakeholders grasping certifications' holistic aims for systemic improvement. Furthermore, a significant thread of skepticism exists, with many advanced stakeholders dismissing certifications as superficial “eyewash” that fails to deliver tangible benefits to workers or the supply chain's lowest tiers.

SECTION THREE

Environmental certification: Implications and Effectiveness

Environmental compliance audits in the clothing industry can broadly be classified into two main categories: (1) factory-level or facility-level standards and manufacturing audits, and (2) product-related standards and audits. The former are typically conducted as management system and process audits, involving a comprehensive assessment of operational procedures, environmental management practices, and the interactions among production processes within a facility. The latter assess the environmental profile of specific products, with particular attention to material composition, chemical use, environmental impacts arising during production, and sustainability-related product attributes across relevant stages of the supply chain. We have studied five broad-based environmental indicators to see what kind of changes or improvements have occurred in environmental compliance as a result of the implementation of one or more of the OEKO-TEX STeP, GOTS and GRS audits or certifications. More particularly, implications and improvements on the following five environmental standards are studied in-depth:

1. Implications for water use efficiency and their discharge and pollution
2. Implications for energy use efficiency and carbon emission reduction
3. Implications for chemical usage and management
4. Implications for waste management and recycling practices
5. Implications for biodiversity

Each of the five broad-based environmental indicators has been considered as a separate metric as well as studied and analyzed separately. Under each metric, a set of sub-indicators has been determined and studied to consider if there was any positive impact due to audits and certifications. For each sub-indicators, only four alternative answer options are considered, such as 1) same, 2) improved, 3) worsen, and 4) don't know. We consider a simple hypothesis that the specific environmental indicator we studied has changed and/or improved as a result of the audit or certification initiative. Therefore, while analyzing the research data, we considered the 'same' answer and 'don't know' answer as an underdeveloped state, and in many cases, they have been considered together with the answer 'worsened'. Since, they indicate an unchanged and/or unknown/uninformed situation. The following sections narrate research findings and analyses metric by metric.

Limited effective environmental certification

At aggregate level, environmental/ecological certifications are assessed only 21% effective. Whereas, 79% of workers reported that environmental compliance after audits/ certifications either worsen or remain unchanged or are totally unknown/unnoticed. At individual level, out of five broad-based indicators we have studied, three reportedly have attained only a very negligible improvement such as energy use efficiency, chemical usage and management and surrounding biodiversity. Qualitative findings suggest that although water use efficiency and waste management practices have achieved a moderate change over time, it cannot be certainly concluded that environmental certifications have contributed to this. Many other initiatives, actors and forces are associated with this such as ACCORD and safety alliance processes, LEED certification and others.

Table 2: Effectiveness of OEKO-TEX STeP, GOTS, & GRS to address environmental compliance

5 broad-based Environmental Compliance Indicators	Status		
	Unchanged/ Worsen/DNK	Improve	Total
Water use efficiency	58.4%	41.6%	100%
Energy use efficiency	98.75%	1.25%	100%
Chemical usage and management	92.38%	7.62%	100%
Status of waste management	55.82%	44.18%	100%
Status of surrounding biodiversity	90.4%	9.6%	100%
Aggregate total	79.15%	20.85%	100%

Water use efficiency is only little satisfactory

In order to determine how successful environmental certification is in increasing the efficiency of water resource use, in the quantitative part we studied the following six indicators:

- Status of water consumption
- Status of water savings
- Status of wastewater treatment
- Status of wastewater dumping
- Status of drainage system
- Status of water pollution

Research findings suggest that the current level of water use efficiency is only satisfactory by one-third of a percentage point. An aggregate average of 42% of all respondents have claimed to us that total water use efficiency has improved because of environmental certification. *“Earlier, we would have used 83 liters of water per kg of cloth washing. Buyers have set a target for this. We have made a road map. Now we are consuming 40-45 liters per kg. Earlier, we would have used 20/30% recycled water. Now, it has been optimized to 50%. Our target is to go to zero discharge”*, claimed a senior RMG manager in an interview from Ashulia. Individually, the highest number, almost half of RMG workers (49%) said that environmental certification have improved the water pollution situation. Drainage improvement reported the second highest (47%), followed by improvement of wastewater treatment (45%) and water dumping (39%). This reported perception of improvement stands in notable contrast to documented evidence within this study and others⁵, where ETPs are frequently turned off outside of audit periods, suggesting that workers' assessments may reflect visible infrastructure or managerial promises rather than consistent operational practice.

⁵ Sakamoto, M., Ahmed, T., Begum, S., & Huq, H. (2019). Water pollution and the textile industry in Bangladesh: flawed corporate practices or restrictive opportunities?. *Sustainability*, 11(7), 1951.

On the other hand, an aggregate average of 59% RMG workers reported that water use efficiency either remained the same or worsened over time. This empirical dissatisfaction exposes a critical gap between certified standards and ground-level practice. Water consumption efficiency was rated the most dissatisfactory, more than two-third of the workers (66%) opined the same. Wastewater dumping was rated the second top dissatisfactory (46%), and drainage system the third most (45%). Qualitative research findings suggest that many large factories have ETP but no or little washing functions. Reportedly, they use third party factories for washing, which mostly don't have an ETP. Discharging untreated water and chemical waste is common in many industrial locations in Ashulia, causing serious environmental, biodiversity and health concerns. *"The washing is done from a separate factory. We don't have a washing plant. There is a drainage nearby where all dirty water is discharged. Later it goes into the Turag River"*, said to us a group of workers in an FGD. One JIG of DIFE categorically said to us in an interview, *"Big factories do not have washing plants. Most of the clothes are washed at external factories that do not have an ETP system. This water is released in an untreated state. This is ruining the roads. The roads break every year because of them. Furthermore, the washing yarn and waste are clogging the drains and causing them to overflow."*

Table 3: Water Use Efficiency

Water Use Efficiency Indicators	Status				
	Same/ unchanged	Improve/ Decrease	Worsen	No/DNK	Total
Status of water consumption	39.1% (150)	33.6% (129)	16.7% (64)	10.6% (41)	100% (384)
Status of water savings	40.9% (157)	36.7% (141)	0.3% (1)	22.1 (85)	100% (384)
Status of wastewater treatment	28.9% (111)	45.3% (174)	0%	25.8% (99)	100% (384)
Status of wastewater dumping	46.1% (177)	38.5% (148)	0.3% (1)	15.1% (58)	100% (384)
Status of drainage system	41.7% (160)	46.6% (179)	3.6% (14)	8.1% (31)	100% (384)
Status of water pollution	26.0% (100)	49.0% (188)	4.7% (18)	20.3% (78)	100% (384)
Mean average	37.1% (143)	41.6% (160)	4.3% (16)	17.0% (65)	100% (384)

Secondly, although some factories with washing plants have ETP, its actual usage is reportedly too low. There is again reporting of establishing less capacitance ETP than what is required. As such, dumping untreated water often containing hazardous chemicals to the streets and open water bodies are common. One JIG from DIFE said to us in an interview, *"It was a large factory comprising four units. I went to inspect it. They use 250,000 litres of water every day. However, the ETP capacity is only 150,000 litres. At night, they discharge a large quantity of untreated water into the drain."* A NTUC leader said to us in a consultation meeting *"The factory that has ETP is not using the ETP properly. Water is being dumped elsewhere"*.

Despite all these, our research however finds that the establishment of ETP is yet on an increasing trend. As a result, water treatment before discharging has increased. *“The two main ingredients for the use of ETP or water purification are lime and alum. The market for lime and alum has almost doubled in the last few months. This market proves that in the recent past the use of ETP has increased. The use of ETP has increased, which means the level of water purification has increased”*, said another NTUC leader. Employers and managers have claimed that it is a must to set up an ETP and they all have ETP. *“No brand will accept it without ETP. Water is treated perfectly before disposal”*, claimed one senior manager in an interview. He also claimed that the water is only released into the City Corporation's drainage system once the standards have been met.



Photo: Research locales at Ashulia, flooded with untreated chemical contaminated water from RMG

Electricity consumption has increased instead of reducing

To determine energy use efficiency and carbon emission reduction as an immediate implication from environmental certification, we have studied following four sub-variables:

- Status of electricity consumption
- Status of solar power usage
- Status of bio-gas usage
- Status of energy saving practices

Research findings suggest that there has been only an insignificant improvement in energy use efficiency. At the aggregate level, 99% (28.46% + 23.1% + 47.28%) reported that the usage stayed the same, worsened or was unknown. More particularly, electricity consumption instead of decreasing has increased significantly over time. Qualitative research findings also have established the same. *“Energy use will not decrease. We need electricity, diesel, and gas. Boilers emit the most gas”*, an RMG owner said to us in an interview.

Among individual indicators, bio-gas use efficiency was rated the worst (100% negative), followed by energy saving practice (97.7%), solar power usage (95.5%), and electricity consumption (96%). Overall, solar power and bio-gas usage and energy saving practices have decreased remarkably.

Table 4: Status of energy use efficiency

Energy Use Efficiency Indicators	Status				
	Same	Worsen	Improve	No/DNK	Total
Status of electricity consumption	41.9% (161)	34.9% (134)	4.2% (16)	19.0% (73)	100% (384)
Status of solar power usage	31.0% (119)	19.0% (73)	0.5% (2)	49.5% (190)	100% (384)
Status of bio-gas usage	12.0% (46)	4.4% (17)	0.0% 0	83.6% (321)	100% (384)
Status of energy-saving practices	28.9% (111)	33.9% (130)	0.3% (1)	37.0% (142)	100% (384)
Aggregate average	28.46% (109)	23.1% (88)	1.25% (5)	47.28% (182)	100% (384)

Carbon emission has reduced

Qualitative research findings suggest that despite energy usage increasing over time, carbon emission has reduced in many factories in Ashulia. One RMG owner claimed that environmental certification has contributed positively to taking drastic action to cut emission. *“There are requirements, some goals or targets have to be set. Suppose this year I emit 100 tons. They fixed a target to reduce carbon emissions by 56% by 2030. There is an index, the carbon emission index. There, carbon emissions have to be brought down to 20% by 2027”*, said one employer. Since, there is increasing pressure on the employer from the brands, some of them reportedly have even taken an initiative to buy carbon emission reduction certificates to offset carbon emission. *“There are requirements and some goals or targets must be set. Suppose I emit 100 tons this year. The target is to reduce carbon emissions by 56% by 2030. There is a carbon emission index. According to this index, carbon emissions must be reduced to 20% by 2027”*, claimed a senior RMG manager from Ashulia. However, the three environmental certifications we studied do not have specific targets for reducing carbon emissions. Moreover, our research on this subject is very limited. Overall, despite the claims of a couple of owners of Ashulia's top-rated garment factories to reduce carbon emissions, it was not possible to determine the impact of environmental certification on this. More in-depth research is needed to come to a specific conclusion.

Dissatisfactory chemical usage and management

To determine environmental certification implication on hazardous chemical usage control, and on respective discharge and pollution, we have studied the following five sub-variables:

- Status of chemical usage
- Status of hazardous chemical use
- Status of PPE usage
- Status of chemical pollution
- Status of chemical waste discharge

Our research didn't find any satisfactory implication from environmental certification on hazardous chemical usage, and on respective discharge and pollution control. Chemical wastes reportedly have been one of the main reasons for serious environmental degradation in the Ashulia region. Environmental certifications have failed measurably to control chemical usage, treatment and discharge. At aggregate level, more than 90% reported negatively. Among all indicators, hazardous chemical use efficiency was rated the most dissatisfactory, 99% of respondents reported that hazardous chemical usage has remained the same or increased over time. The second most common source of dissatisfaction was pollution from the discharge of water containing chemicals, with 98% of respondents reporting a negative view. This was followed by dissatisfaction with the inefficiency of chemical use and the discharge of contaminated wastewater. *"The contaminated water is drained away and flows into the Turag River"*, said to us a group of workers in an FGD. *"Several hundred acres of land on the western side of the EPZ have been ruined by this chemical. All cultivation has ceased. There is no arable land left. Direct chemicals are thrown onto the land that could be cultivated"*, said a local media person. *"The roads and people's houses are regularly flooded. In the morning, you will see that there is no water. Once work starts after 12 noon, you will see that there is rotten water everywhere"*, said a group of workers in an FGD.

Table 5: Status of chemical usage and management

Chemical Use & Management Indicators	Status				
	Same	Decrease	Increase	No/DNK	Total
Status of chemical usage	20.6% (79)	8.3% (32)	2.9% (11)	68.2% (262)	100% (384)
Status of hazardous chemical use	11.2% (43)	1.0% (4)	14.1% (54)	73.7% (283)	100% (384)
Status of PPE usage	22.4% (86)	22.9% (88)	2.9% (11)	51.8% (199)	100% (384)
Status of chemical pollution	8.6% (33)	1.8% (7)	17.4% (67)	72.1% (277)	100% (384)
Status of chemical waste discharge	34.9% (134)	15.1% (58)	0.8% (3)	49.2% (189)	100% (384)
Mean average	19.54% (75)	9.82% (38)	7.62% (29)	63% (242)	100% (384)

However, it is worrying that 23% of workers have reported a decrease of PPE usage in dealing with chemical usage. In addition is reported that health risks are common from hazardous chemical usage. Skin diseases are reported highest particularly among women workers from exposure to chemical usage, more than half of the workers (54%) reported to us the same. Among others women's health risks from chemical exposure, allergy (24%), burning sensation in hands and feet (17%), asthma (15%), and loss of appetite are reported main. In addition to the reported negative health effects, exposure to harmful chemicals also can result in long-term effects and diseases such as cancer, reproductive disorders, neurological problems among others.

Health Risks	%
Burning sensation in hands & feet	17.1%
Skin diseases like itching	53.7%
Getting ill frequently	7.3%
Asthma	14.6%
Allergy	24.4%
Loss of appetite	4.3%

Almost unchanged liquid waste management

To understand the implications from environmental certifications on waste management improvement and organic material usage and recycling, we have particularly studied the following six indicators:

- Status of solid waste storage and dumping
- Status of liquid wastes storage and dumping
- Status of drainage system
- Status of waste management
- Status of recycling practices
- Status of sourcing organic/recycled materials

Moderate improvement of waste management practices are reported. At aggregate level, 44% of workers have reported that waste management practices particularly inside factories have improved. Individually, solid waste storing and dumping practices inside factories reportedly improved the most, more than two-thirds (72%) of RMG workers have reported the same. In response to a related supplementary question, more than 90% of RMG workers said that their factory has a designated area and room for storing solid waste, 8% said that garbage trucks come and take away the solid wastes in time. Waste management showed the second highest.

However, qualitative research findings suggest that solid waste discharge and dumping outside the factories is one of the worst. An NTUC leader mentionend in a consultation meeting, *"If you go to Ashulia, you can see that there is no waste management, particularly solid waste. They are dumping it*

wherever they can. It is constantly getting worse. They are creating mountains of waste next to Gabtoli”.

Table 8: Status of waste management

Waste Management Indicators	Status				Total
	Same	Improved/ Increased	Worsen/ Decreased	No/DNK	
Status of solid waste storage and dumping	27.3% (105)	72.4% (278)	0.3% (1)	0.0% 0	100% (384)
Status of liquid wastes storage and dumping	37.2% (143)	48.4% (186)	0.3% (1)	14.1% (54)	100% (384)
Status of drainage system	39.8% (153)	50.3% (193)	0.3% (1)	9.6% (37)	100% (384)
Status of waste management	23.4% (90)	69.5% (267)	0.3% (1)	6.8% (26)	100% (384)
Status of recycling practices	40.6% (156)	13.8% (53)	3.1% (12)	42.4% (163)	100% (384)
Status of sourcing organic/recycled materials	31.3% (120)	10.7% (41)	0.5% (2)	57.6% (221)	100% (384)
Mean average	33.27% (128)	44.18% (170)	0.80% (3)	21.75% (83)	100% (384)

The liquid waste management and drainage systems have remained almost unchanged, with only minor modifications. Nearly half of the workers in each case have reported the same. This stagnation highlights a fundamental failure of environmental certification to mandate and verify infrastructure upgrades or compliance. In response to a supplementary question on the topic, almost two-thirds (64%) of RMG workers said that their factory discharges untreated liquid waste into nearby canals and rivers via drains.

Table 9: Status of waste storing and dumping

Where store solid wastes	Frequency	%	Liquid waste dumping	Frequency	%
Don't Know	12	3.1%	Don't Know	87	22.7%
Store Room/specific place	347	90.4%	Specific Place	16	4.2%
Waste collection truck took the trash	30	7.8%	Tank	44	11.5%

Throw Away in a Sack	1	0.3%	Drain	241	62.8%
			Cannel/River	3	0.8%

Increasing usage of organic materials and recycling practices

There is a constant demand that usage of organic materials is reportedly on an increasing trend. *“Almost 60% of the orders are made from either recycled cotton or organic cotton. Every product has a certificate. The factory from which I buy it, like China, India, Turkey, has a certificate. Working organically is very troublesome and expensive. There is a cost. This product has to be cared for separately. It has to be kept separate. For this maintenance, workers and supervisors have to be trained. These are audited”*, claimed an RMG owner.

It is also evident that recycling practices are increasing. But, it is very difficult to establish a connection with environmental certifications. A part of the solid garment waste is recycled to produce mattresses and pillows. However, this is a continued process. An NTUC leader said in a national consultation meeting, *“When a bag is made from jhute (leftover cloths), it reduces waste and keeps it in the cycle. Using jhute for mattresses and pillows is downcycling. It could have contributed to the economy if it had been recycled and recycled again. Some places are sorting the cotton and then spinning it into yarn, some factories are only starting this work”*.

Surrounding biodiversity is at risk due to environmental contamination

Table 10: Status of surrounding biodiversity in Ashulia

Biodiversity Indicators	Status				
	Same	Improved	Worsened	No/DNK	Total
Status of water bodies around	56.0% (215)	7.0% (27)	11.7% (45)	25.3% (97)	100% (384)
Status of ground water usage	44.8% (172)	15.6% (60)	9.9% (38)	29.7% (114)	100% (384)
Status of land quality around	39.3% (151)	7.6% (29)	11.5% (44)	41.7% (160)	100% (384)
Status of air quality around	37.5% (144)	10.7% (41)	39.6% (152)	12.2% (47)	100% (384)
Status of sound quality around	24.2% (93)	7.3% (28)	65.9% (253)	2.6% (10)	100% (384)
Aggregate average	40.4% (155)	9.6% (37)	27.7% (106)	22.3% (86)	100% (384)
Aggregate total	40.4%+27.7%+22.3%=90.4%				

Surrounding biodiversity has been seriously degraded. Water, air and soil pollution are highest in the industrial zones. Land has been degraded severely. Ground water usage has increased many fold and ground water depletion has been very acute. Research findings show that biodiversity protection is a missing implement in the environmental certifications. At aggregate level, more than 90% of workers have reported biodiversity has either worsened or remained the same before after environmental certifications. Individually, water pollution is reportedly the worst in the Ashulia region, 93% of workers reported that water quality in the factory surroundings either worsened or remained the same before-after certification. Soil pollution (92%+), land degradation (92%) and air pollution (89%) also are reported extremely high, respectively occupying second, third and fourth position according to workers rating.

In the qualitative part of the research, we further spoke to different local level right-holder and right-bearer stakeholders particularly associated with the RMG industry. We could not find any impact or improvement in the factory-surrounding biodiversity due to environmental certification. Local stakeholders repeatedly claimed to us that the biodiversity has degraded further over time and that RMG liquid wastes have a direct connection to this. A local government engineer told us, *"I was sailing down the local river in a boat. The foul smell of the river water was unbearable. If it goes down to 50 feet, it will be even harmful to the rice growing above"*, one senior DIFE official said to us in an interview that even the underground water has become contaminated. *"The fish we eat, we are eating poison"*, said one of the NTUC leaders.

SECTION FOUR

Social Certification: Assessing Implications and Effectiveness

To understand the implications and improvement of social compliance following social certifications/audits, we have studied nine broad-based variables separately. Under each broad-based variable, we further studied a set of sub-variables. For each sub-variables only three alternative answer options are considered, such as 1) Improved, 2) Worsened, and 3) Same. In our analysis, we only consider the answer option 'improve' as having a positive implication or change. However, we consider the other two answer options as unchanged and underdeveloped states, and thus merged their values together to determine a negative implication while analysing. The following nine broad-based variables are particularly studied:

1. Implications on job security and workload of workers
2. Implications on working environment

3. Implications on wages and benefits
4. Implications on leave and rest policy and practices
5. Implications on inequality protection
6. Implications on forced labour, child labour and harassment practices
7. Implications on safety and security
8. Implications on right to FoA
9. Implications on OSH practices

Good practices prevail but job firing continued

We have studied following four sub-variables/standards to understand social certification implications on job security and workload:

1. Implication on workload
2. Implications on over time policy
3. Implications on job security⁶
4. Implications on Job firing practices

One out of every two workers (53%) have claimed that job firing practices have remained the same or worsened further over time. *“Each company is laying off 200/300 people. It happens in our company too. It doesn’t happen every day. 30 people were laid off in a day during the last Eid. We don’t know why this happened. If we ask, they say there is no work, so what will they do to you?”*, said a group of workers in an FGD from Ashulia. It is noteworthy that related to automation and technological up-gradation, job cuts are reported a regular phenomenon. An NTUC leader said to us in a consultation meeting, *“Automation causes workforce to decrease. Certification cannot do anything against this.”*

However, regarding overall job security, both right-holder and right-bearer stakeholders have reported a few good practices in the recent months. A group of workers from the surveyed Ashulia’s factories said to us in an FGD, *“In many factories, now they pay the money first and lay off the workers later.”* Another group of workers said to us in another FGD, *“At present, the management doesn’t fire the workers suddenly. If any workers engage in provoking activities, they give notice 1/2/3 times”.* *“In the Ashulia area, 90% of factories have employment certificates, identity cards, and service books”*, claimed to us in an interview one senior DIG from DIFE. However, our research could not establish any defined association between these good practices and social certification initiatives.

Very nominal change in workload

Workload Indicators	Status
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⁶ By job security we particularly consider that there is no tension and fear of being illegally fired at any time. There are proper safeguards in place to prevent unlawful dismissal.

	Improved	Same	Worsen	Total
Implications on workload	29.9% (115)	60.2% (231)	9.9% (38)	100% (384)
Implications on over time policy	47.9% (184)	44.8% (172)	7.3% (28)	100% (384)

Table 11: Status of workload

Workload improvement reportedly has been nominal, only 30% of respondents have reported improvement of work pressure, while the rest of the workers have reported no change or negative change in their workload.

Table 12: Status of Working hour

One out of every two workers (55%) said that they work 10-11 hours daily, another more than one-third (34%) of workers reportedly work 12+ hours daily. It is necessary to mention that workers reportedly are willing to do a couple of extra overtime hours of work every day particularly

Daily Working Hour	Frequency	Percent
<8 hours	1	0.3
8 - 9 Hours	43	11.2
10 - 11 Hours	210	54.7
12 - 13 Hours	117	30.5
14 Hours & above	13	3.4
Total	384	100.0

for two reasons 1) double payment for overtime work hours compared to normal time, and 2) there is a need for extra income to sustain a living. Workers repeatedly (52%) mentioned in the survey that overtime management has not improved.

Qualitative research findings have also confirmed the same. Stakeholders at different levels repeatedly claimed that there has been little or no change in the workload before and after the certification. Less workload is reportedly reflected only in the audit report, but in practice it remains unchanged. Many have reported that workload is settled in the beginning at the entry level. A prominent TU leader mentioned in a consultation meeting, *“Even in green-certified companies, terms of employment are initially agreed verbally. They might say that your salary is this much, but your working hours are 12, even though it will be written as 8. These conditions are given at the beginning of the job. Certification has nothing to do with this.”*

Working environment reportedly has improved over time

We have studied working environment metrics based on the following six indicators:

- 1) Status of overall working environment
- 2) Status of lighting inside factory
- 3) Status of sound quality inside factory
- 4) Status of drinking water
- 5) Status of workplace safety

6) Status of safety measures against accidents/hazards

Research findings suggest that the working environment in terms of lighting, sound quality, drinking water, safety and accident prevention inside factories has improved over time. At the aggregate level, more than eighty percent (83%) of workers reported that the working environment has improved in their factory. Each of the researched indicators reportedly advanced almost equally. Qualitative research findings further strengthened the findings of quantitative research. *“There is ample light and ventilation. There are adjustable and ceiling fans. Around 800–900 people work on one floor, so there is a little pressure, but it is good”*, said a group of workers in an FGD from Ashulia. *“The factory is in good condition. The air quality is good. If it gets too hot, I open the window. Fresh air comes in from outside”*, said a second group of workers in a second FGD. *“There have been improvements in safety, working environment, grievance mechanisms. There have been many improvements in all the factories. Workers are getting a much better environment than before”*, says an employer.

We assume the studied certifications might have some influence on improving the working environment. However, we could not specifically determine the extent of their role. Qualitative research findings show that many other efforts have been working side by side for improving the working environment, such as LEED certified green transition, the efforts of ACCORD/RMG Sustainability Council, government and DIFE, the work of NGOs, the continued efforts of trade unions and others. Again, there is also criticism about actual improvements in the working environment. A NTUC leader stated, *“The only changes made were to the outside of the building: new trees have been planted, the building has been painted and the gate has been enlarged.”*

Wage practices have improved and benefits increased

A group of workers from Ashulia said, *“We need salary, holiday pay, maternity pay and so on. If they are given correctly, it’s all fine. We don’t ask for anything else. We are happy as long as we receive our salary and benefits regularly and on time.”*

We have studied six indicators to understand social certification effects on wages and benefits as following:

1. Status of wage policy
2. Status of wage practices
3. Status of increment
4. Status of festival bonus
5. Status of attendance bonus
6. Status of tiffin allowance

At aggregate level, 78% of workers reported that their wage and benefits have increased than three years before. Individually, 87% of the workers have claimed improvement of increment, followed by festival bonus (86%) and attendance bonus (80%). Two out of every three workers (64%) reported that wage related policy and practices have improved. *“Earlier, our salaries were paid on*

the 9th; now they are paid on the 7th. They don't pay cash, and we get paid on time”, says a group of workers in an FGD.

Table 13: Status of wages and benefits practices

Wage and Benefits Indicators	Status			
	Improved	Same	Worsen	Total
Status of wage policy	63.5% (244)	36.2% (139)	0.3% (1)	100% (384)
Status of wage practices	69.8% (268)	30.2% (116)	0	100% (384)
Status of increment	87% (334)	13% (50)	0	100% (384)
Status of festival bonus	85.9% (330)	14.1% (54)	0	100% (384)
Status of attendance bonus	80.2% (308)	19.8% (76)	0	100% (384)
Status of tiffin allowance	79.2% (304)	18.2% (70)	2.6% (10)	100% (384)
Aggregate average	77.6% (298)	21.92% (84)	0.5% (2)	100% (384)

On the other hand, at aggregate level, 23% of the workers reported no change and/or a negative change in the wage and benefit status. One Assistant Inspector General from DIFE said to us in an interview, *“It's very rare that wages and benefits have changed. Moreover, the government has changed. Some owners have fled the country.”* At the national level consultation meeting, a NTUC leader said, *“The actual wage has not increased, rather if you calculate, it will be seen that real wage has decreased”*. Another NTUC leader expressed to us his deep concern regarding monitoring of wage implementation aspects. According to him, *“There is no monitoring of wage implementation. The last declared minimum wage has not yet been implemented in many factories.”*

It is noteworthy that the minimum wage in the RMG sector was reviewed and increased in 2024. As a result, wages increased. Furthermore, following the government's fall on 5 August 2024, there was widespread unrest among workers in the Ashulia region's garment factories. A formal agreement was immediately reached between the government, factory owners and workers to provide additional benefits. Consequently, wages and benefits increased in the factories under study. However, they remain below an acceptable standard.

Secondly, the exact role of certifications in increasing wages could not be determined. Another important finding from our analysis of qualitative data is that increases in wages and benefits have always been incremental with increases in workload. More specifically, when wages and benefits increase, so does the workload. Social certifications do not consider this. *“The salary has increased,*

so the workload has increased too. They are forcing us to do double the work. Even if we go to the toilet or drink water, we have to keep track of the time”, says a group of workers in an FGD.

Leave and rest: fifty-fifty satisfaction and dissatisfaction

As with other social audit variables, changes/improvements to leave and rest policies and practices have reportedly been achieved in almost half of the studied factories over the last few years. At an aggregate level, over half (53%) of workers reported an improvement in their leave and rest policies and practices. Conversely, around half of workers (47%) reported no change or a worsening of their leave and rest policies and practices.

Wage & benefits gap worsened but maternity protection increased

This research has studied five variables to understand inequality metrics as follows:

- 1) Wage gap between men and women
- 2) Gender gap in promotion
- 3) Gender gap in training
- 4) Injustice to pregnant women
- 5) Status of maternity protection

At the aggregate level, more than half of workers (55.5%) said that inequality has increased or remained unchanged. Particularly, the wage gap between women and men has increased substantially. Three out of every four workers (77%) said that wage disparity between men and women has either increased or remained unchanged. Two out of every three workers reported separately that the inequality between men and women in promotion (69%) and training (62%) has increased. Qualitative research further identified a few indirect discriminations. A NTUC leader said, *“We hardly see any woman in the management position”*.

Despite that overall gender gap has widened over time, at an individual level indicator, maternity protection reportedly has improved considerably, with 83% of workers claiming this. One AIG from DIFE said that in the Ashulia region, roughly 80% of factories provide maternity benefits, including sub-contracting factories. One out of every two workers (47%) further reported that injustice to pregnant women has reduced.

Table 14: Status of Gender Gap

Gender Gap Indicators	Status			
	Yes/Same	No/Worsen	Improved	Total
Wage gap between men and women	26.5% (102)	50.3% (193)	23.2% (89)	100% (384)
Gender gap in promotion	19% (73)	49.5% (190)	31.3% (120)	100% (384)
Gender gap in training	10.9%	51%	38%	100%

	(42)	(196)	(146)	(384)
Injustice to pregnant women	5.5% (21)	47.1 (181)	47.4% (182)	100% (384)
Status of maternity protection	10.4% (40)	7.0% (27)	82.6% (317)	100% (384)
Aggregate average	14.5% (56)	41.0% (157)	44.5% (171)	100% (384)

Forced labour, child labour & harassment practices have reduced

To understand social certification/audits implication on forced labour, child labour and harassment practices, we have studied four variables as follows:

- 1) Status of forced labour
- 2) Status of abuse/harassment
- 3) Status of abuse/harassment reporting
- 4) Status of child labour

At the aggregate level, more than three-quarters of workers (76%) reported that forced labour, harassment/abuse and child labour have reduced over time. Some 84% of workers said that harassment/abusive practices (both verbal and physical) toward workers in general have decreased in their factory. Four out of every five workers report that the reporting practices of harassment/abuse have improved. A NTUC leader said, *“Compared to before, the incidence of sexual harassment in factories has decreased. The level of involvement of mid-level management with women’s sexual harassment has decreased compared to earlier.”*

On the other hand, one out of every three workers reported that the issue of forced labor has remained the same as before or has worsened further. Some 16% of workers said that harassment practices remained unchanged or worsened further. It should be noted that we only studied the top-rated RMG factories. The research findings may not be representative of the entire industry. Our research findings suggest that overall, forced labour, harassment, and child labour have reduced over time in the top rated RMG industry in Ashulia. Among many others, social certifications may have contributed a role. However, what is the exact role of social certifications in this, requires further in-depth research.

Table 15: Status of forced labour, harassment and child labour

Indicators	Status				
	Same	Improved	Worsen	No FL	Total
Status of forced labour	27.1% (104)	60.4% (232)	6% (23)	6.5% (25)	100% (384)
Status of abuse/harassment	12.5% (48)	78.1% (300)	3.9% (15)	5.5% (21)	100% (384)

Status of abuse reporting	18.2% (70)	77.3% (297)	2.9% (11)	1.6% (6)	100% (384)
Status of child labour	25% (96)	58.1% (223)	0	16.9% (65)	100% (384)
Aggregate average	20.70% (80)	68.48% (263)	3.2% (12)	7.63% (29)	100% (384)

Implications on occupational safety and security

Four variables are studied separately to understand the impact of social certification on occupational safety and security metrics. The analysis of the quantitative research findings shows that occupational safety and security metrics have improved significantly compared to five years ago. At the aggregate level, more than two-thirds of workers (72%) reported improvements, a little over a quarter of workers (26%) said that occupational safety and security issues remained the same or have not changed, and a very negligible number (3%) of workers said that the situation has worsened. Individually, the highest number of workers (90%) claimed that ventilation in the workplace has improved. The second highest number of workers (84%) said that fire safety systems have improved. Moreover, more than fifty percent of workers said that PPE issuance and maintenance have improved.

A group of workers in an FGD said that fire safety has improved tremendously, *“The factory has changed a lot since before. Five years ago, firefighters’ equipment was not there. Now, a factory has everything a firefighter needs. Fire audits are conducted regularly.”* A second group of workers claimed to us in a second FGD, *“There are some factories that have one training every month. They teach you how to get out in case of fire and how long it will take. They also teach you how to help someone who has fallen.”* Again, ACCORD and the Safety Alliance have worked to improve occupational safety and security in the RMG industry. This has also been one of the main focuses of the RMG Sustainability Council. As such, despite there certainly being a role for social certification, our research could not pinpoint its exact role in this.

Very little to no change in the right to FoA

Right to FoA is of particular importance to workers to assert their rights. The following three sub-variables are researched in-depth to understand social certification implications on right to FoA:

- 1) Status of functional TU in workplace
- 2) Status of functional PC committee
- 3) Status of functional safety committee

Research findings suggest that the right to TU is still very limited. 87% of workers said that either their factories don’t have a TU or the existing TU is non-functional or the situation has further worsened before-after social certifications/audits. At the aggregate level, 15% RMG factories reportedly don’t have any recognition of the right to FoA. These factories don’t have either TUs, or PC committees, or safety committees. A NTUC leader stated, *“We are facing a dilemma regarding the*

level of union activity. There has been no improvement. The yellow unions add a new dimension. There are no real unions anymore.” When enquired further about yellow union another NTUC leader said, “If there are factories with unions but no collective bargaining, those are considered ‘yellow unions’”.

Table 16: Status of Right to FoA

Right to FoA Indicators	Status				
	Same	Improved	Worsen	No	Total
Status of functional TU in workplace	48.7% (187)	12.5% (48)	0.3% (1)	38.5% (148)	100% (384)
Status of functional PC committee	32% (123)	63.3% (243)	0.3% (1)	4.4% (17)	100% (384)
Status of functional safety committee	30.5% (117)	67.4% (259)		2.1% (8)	100% (384)
Aggregate average	37.07% (142)	47.73% (183)	0.20% (1)	15% (58)	100% (384)

Despite negative growth in real TU practices, the growth and improvement of the PC committee and safety committee reportedly have been significant. Two out of every three workers (67%) reported that functionality of the safety committees in their factories has improved over time. Nearly two-third of workers (63%) reported separately that the practices of the PC committee have improved. Even different stakeholders have reported to us several instances in which the owners have taken the initiative to form a TU or PC committee of their own to comply with the buyer/certification requirements. Many national and sectoral TU leaders however have expressed direct disagreement in recognizing either PC committee or safety committee as any right to FoA. Workers in the FGDs frequently reported that mostly PC committees are arranged and serve the purpose of the employer. *“Whatever the owner teaches, they come and share it with the workers. This is the job of the PC committee. It does not have its own power”,* said a group of workers in an FGD. Again, there are reportedly many PC committees, where the owners have purchased the elected members to serve their purposes. So, quality is a big flaw. A group of workers from a reputed RMG factory from Ashulia in which we administered a survey under this research said to us in an FGD, *“Our factory doesn’t have a TU. In the PC committee we have two representatives from each floor, one chairman and regular member. Everything happens through them. We elect them. But the owner gives benefits: For example if the salary is 14.000 BDT, the owner increases it by 2.000 BDT. They were elected through us but now speak for the owner.”*

Medical facilities inside factories have improved

To understand the impact of social certification on medical and health care issues, six separate sub-variables have been studied as followings:

- 1) Status of medical facilities inside

- 2) Status of doctor, nurse and medical attendant
- 3) Status of mental healthcare
- 4) Status of compensation to occupational victims
- 5) Status of health insurance
- 6) Status of medical facilities at community level

At the aggregate level, more than a third of workers (43%) reported that occupational health issues improved before and after social certification in both factories and communities, more than one-quarter of workers (29%) reported that medical facilities remained the same, and another more than one-quarter of workers (27%) claim that they are out of any medical facilities either inside factories or in the community.

Medical facilities, particularly structural facilities, medical attendants, and compensation to occupational victims reportedly have increased in recent years. Three out of every four workers (77%) reported that the number of doctors, nurses and caregivers has increased. Two out of every three workers (64%) said that compensation for victim workers has increased. *“Apart from the prevention of occupational diseases, there have been significant improvements in health and safety. Accidents in the workplace are now much less, compensation has increased, and medical facilities have improved”*, claimed one senior joint inspector general from DIFE. Again, many NGOs, brands/buyers initiatives and government and employers are continuously working on improving medical facilities in the workplace. Along with these, social certification might have contributed to these changes.

Table 17: Status of Healthcare of Workers

Healthcare Indicators	Status				
	Same	Improved	Worsen	No FL	Total
Status of medical facilities inside	23.4% (90)	73.7% (283)	2.9% (11)	0.0% 0	100% (384)
Status of doctor, nurse and medical attendant	20.8% (80)	76.6% (294)	2.6% (10)	0.0% 0	100% (384)
Status of mental healthcare	43.5% (167)	21.1% (81)	0.0% 0	35.4% (136)	100% (384)
Status of compensation to occupational victims	32.3% (124)	64.1% (246)	1.6% (6)	2.1% (8)	100% (384)
Status of health insurance	23.7% (91)	6.8% (26)	0.0% 0	69.6% (267)	100% (384)
Status of medical facilities at community level	29.9% (115)	14.6% (56)	1.8% (7)	53.6% (206)	
Aggregate average	28.9% (111)	42.8% (164)	1.5% (6)	26.8% (103)	100% (384)

But there are negative aspects, too. Most workers reported no progress or a very poor state in the areas of medical insurance, community level medical facilities and mental health. Some 93% of workers categorically mentioned that there has been no progress in the area of medical insurance. Around 85% of respondents gave a negative answer to the issue of medical facilities in the community. About 79% of respondents felt that the issue of mental health was neglected.

SECTION FIVE

Factory policies & grievance mechanisms: Implications and effectiveness

A grievance mechanism is a structured process that allows workers to raise complaints, concerns, or disputes related to their workplace (ILO, 2019). An effective grievance mechanism has several key features. It must be accessible to all workers, regardless of position or background; confidential, so employees can report without fear of retaliation; and impartial, ensuring that all complaints are handled fairly. It should also be timely, with clear steps for resolution, and transparent, keeping workers informed about the outcomes (OECD, 2018). We have studied fourteen sub-variables separately to understand the impact of social and environmental certification on the governance of workers' social and environmental rights and grievance management as follows:

- 1) Status of ETP
- 2) Status of environment protection policy
- 3) Status of water consumption policy
- 4) Status of electricity consumption policy
- 5) Status of gas consumption policy
- 6) Status of chemical usage policy
- 7) Status of gender policy
- 8) Status of awareness of workers on policies
- 9) Status of workers' participation in the policy formulation
- 10) Status of workers' participation in policy implementation
- 11) Status of environmental/social focal person/authority
- 12) Status of complaint reporting
- 13) Status of reporting without retaliation
- 14) Status of social dialogue practices

Research findings are mixed. At the aggregate level, more than one-thirds of workers (44%) said the grievance redress mechanisms and governance systems (policies) have improved compared to five years ago. Looking at individual level indicators, two-thirds of workers (71%) reported that the process of filing a grievance has improved. Two out of every three workers (65%) said that they now face no retaliation for filing a complaint. Separately, more than half of workers said that their factory now has an environmental protection policy (62%) and a gender policy (57%). Around half of workers (47%) claim that their factory has a specific officer/department to look after social/environmental issues.

On the other hand, at the aggregate level, more than half of workers (56%) claim that there has been either no change in the grievance redress and governance arrangements, or worsened further. The most neglected issues reportedly are participation in policy formulation and implementation, social dialogue, appointment of social or environmental officer, policy awareness, and establishment of ETPs.

Social compliance grievance mechanism is comparatively strong

Certification authorities reportedly have three types of grievance mechanisms such as 1) for Brands, 2) for workers, and 3) for producers. *“As for FWF, the brand has to post the local helpline number and the code of conduct on their website. We ensure that there is a worker representative at the opening and closing meetings of every audit. We take a photo of the ID of a worker whom we talk to during an audit. We monitor continuously with the brand if the same worker is continuing or not. We provide workers a hotline number if the worker has any grievance afterwards, he/she can call Fair Wear”*, said a Country Manager of FWF. He further said that they also have mechanisms where suppliers, too, can give feedback on the brand’s operation.

Apart from these, there is reportedly a constant pressure from both buyers and buying countries' governments. TU and the local government have also continued playing a strong role. *“Trade unions are working hard. Our federation has a trial legal team of 56 people, they are filing 20 cases every month. We already solved 6000 cases”*, said a NTUC leader in an interview. Committee formation for grievance handling and installation of complaint boxes in factories are also quite common, especially in the surveyed factories: *“A complaint box is set in the washroom. It is the company's GM(General Manager) and those at the higher levels of GM can only take and open the box. No one below him can touch that box”*, said a group of workers in an FGD. *“We do monitoring in two ways. One is internal and the other is external. We have created a separate department for this. We have a grievance mechanism committee. We have also formed a sexual harassment committee”*, claimed an RMG owner from Ashulia.

However, the biggest flaw in the reported complaint mechanism for social certifications is that there is a lack of accountability on the part of both brands and owners. Since certain brands only purchase 5-10% of a factory's products, they have the opportunity to avoid taking full responsibility. *“I am a small brand. I only source 5%, 10% or 20% of the entire product. I cannot take responsibility for the entire factory”*, a FWF Country Manager reported to us, quoting the global brands. Country Manager Similarly, since single factories comply with different brands' codes of

conduct and certification standards and processes, they refer one to another, thereby avoiding responsibility.

Poor environmental grievance mechanism

Local RMG related stakeholders have reported a good number of loopholes. Factory owners occupy top positions in the local power structure. Factory owners are making environmental monitoring and supervision particularly difficult in the locations surrounding factories. One senior government officer from DIFE said in an interview, *“An area in Tongi was flooded with dirty wastewater. As part of his academic research, one of our inspectors went to investigate any potential environmental issues and the health problems experienced by the workers. The owners whose water is causing this situation are not willing to take responsibility for it.”* Another JIG from DIFE said in an interview, *“Textile dyeing has been taking place in Sirajganj for thousands of years. A professor from Dhaka University's Department of Food and Nutrition Science did some research and found toxic elements in cow's milk there. Now everyone is trying to undermine the professor's competency.”*

Another flaw in the grievance mechanism is that the penalty is often minimal compared to the potential gain. In an interview, one senior DIFE inspector told us that he knew of at least one case in which an employer regularly paid a penalty of 50 lakhs BDT a month for discharging untreated water into the local river. This is cheaper than the cost of water treatment through ETP.

The audit process itself allows little room for comment or criticism from those affected: They are not participatory, and audit reports are never shared with the workers. A senior employee of DIFE told the research team, *“Take a look at all the certifications in the factories. None of the workers know anything about them. If management really wanted this, they would have consulted the workers. This is even the case with ISO 4500 certification. This clearly states that it cannot be achieved without worker participation. When I asked the workers about this during the factory visit, none of them knew anything about it.”*

Status of monitoring and control

To determine monitoring and control of social and environmental compliance, five independent sub-variables are considered as followings:

- 1) Status of heat control inside
- 2) Status of cooling facilities inside
- 3) Status of air quality monitoring
- 4) Status of water quality around
- 5) Status of toilet cleanliness

Research findings show that internal control mechanisms regarding environmental issues such as heat control and cooling facilities have improved considerably. The highest number of workers (88%) reported that heat control measures inside the factory have increased. The second highest

number of workers (87%) said that cooling facilities have improved. The third highest number of workers (80%) said that the cleanliness of the toilets has improved.

However, there are large gaps in air and water quality monitoring. Well above one-thirds of workers (44%) reported that water quality remained the same as before and another around one-fifth (19%) claimed that they have no knowledge of water quality monitoring. More than one-third of workers reported being unaware of air quality monitoring.

SECTION SIX

Social & Environmental Certification: Analysing Challenges and Gaps

Following an audit, compliance appears to drop dramatically. *“Change only lasts as long as the auditors are present. Once they leave, everything returns to how it was before.”*, said a group of workers in an FGD. A trade union leader said, *“When buying brands or auditors come, they arrange a for first aid, they arrange for doctors. But if you go at any other time, you will see that there are no doctors or medicines.”* Another NTUC leader claimed, *“Everything is arranged for the day of the audit. Once the audit is over, there will be no children at the childcare centre.”* A Fair Wear Country Manager said, *“After audit compliance is hardly at 25% in the factories”*. The following sections detail the research findings on these gaps.

Challenges, gaps and loopholes

The following points highlight the key findings of qualitative research conducted among all stakeholder groups regarding audits and their implementation.

Staged audit: Most audits, whether social or environmental, are staged. *“If you speak to the auditor, you won't lose your job. However, there is an official instruction not to provide negative answers”*, claimed a group of workers in an FGD. An NTUC leader shared one of his experiences at a national-level consultation meeting: *“Once, we went on a factory visit. It was a team appointed by the wage board. When we arrived, I noticed that the factory was different to how it normally is; they were decorating it. I asked a worker on the floor whether the wage he received was right. He looked around. He didn't have the courage to speak up. I understood that he had been told in advance not to say anything.”*

Information leak is common? Even in case of unannounced audits, employers reportedly manage to obtain this information in advance, at least a few hours beforehand. *“They know, because*

they have their own people for this.”, said a group of workers in an FGD. A second group of workers claimed in another FGD, *“Even if they arrive in a hurry, the factory management will find out that an audit is taking place. They have people on the inside. This is the reality”*. One NTUC leader said in a national consultation meeting, *“Management has an advantage. I know of a situation in which, when we were heading to an unannounced audit, but the driver informed the factory management that we were on our way.”* However, employers have a completely different opinion. Most employers and senior managers told us that the majority of audits are unannounced. *“Yes, all audits are unannounced. They don't come with any prior notice”*, said an employer in an interview.

No unified code of conduct: Another procedural gap is the lack of harmonization. With hundreds of brands, each follows its own standards or code of conduct. The same is true for social and environmental certification bodies, each using its own checklist. While some standards overlap, others differ significantly. *“Instead of having on standard, one audit may require one thing and another audit something else entirely. At the very least, this shows that the system is not aligned.”*, said a FW Country Manager. Everyone has their own individual audit system and different check lists. This leads to an enormous loss of time and resources, employers find ways to circumvent compliance and there is very limited time available to check important compliance issues on site. *“Every buyer undergoes several audits. There is an electrical audit and a waste audit. The audits are endless. Someone is coming to check the windows. Someone is coming to check the adjusted fan. Someone is coming to check the box inside the toilet — the complaints box.”*, said a group of workers in an FGD. *“There is even such a day when two or three different buyers come into our floor the same day.”* said another group of workers in a separate FGD.

Document falsification: The falsification of documents is reportedly widespread, and audits appear to do little to address it. In an interview, a Fair Wear Country Manager stated: *“Some factories create four different salary sheets to conceal actual working hours. One is shown to the buyer or auditing party. A second reflects what workers are actually paid. Some brands do not allow more than two hours of overtime, while others do. Some brands allow overtime but prohibit work on holidays. As a result, factories prepare separate records for different brands.”* Workers in a focus group discussion (FGD) described a similar pattern: *“When an audit takes place, they remove all the fake documents. „Even if they only have five minutes' warning, the factory will be completely clean.“*

Concealment of non-compliance: There are also reports that audit results are manipulated through improper means. In a focus group discussion (FGD), one group of workers stated: *“The owners have an arrangement with the auditors. For example, if the auditor finds some irregularity, they may write down a fine of 50,000 taka and settle the matter there.”* In an interview, an NTUC leader mentioned *“I have seen a factory whose compliance report showed no overtime after 5 p.m. Yet in that factory, it is rare for work to end before 10 p.m. After 5 or 6 p.m., the doors and windows are closed. The lights remain on inside and production continues, but from the outside the factory appears shut. Sometimes, when the following day is a weekly holiday, production continues until 3 a.m.”* Another NTUC leader told us that auditors sometimes negotiate over certain non-compliance

issues, after which management asks what needs to be done to prevent those findings from appearing in the final report.

Lack of transparency: A high level of confidentiality is maintained regarding both the audit firms involved and the audit reports themselves. During a national consultation meeting, a GSKOP leader told us: *“Audits should not be a secret matter. The factory environment, compliance conditions, and the status of workers’ rights have all been assessed. But does anyone actually know what is in the audit reports? The information contained in these reports is never made public.”*

At the same consultation, another NTUC leader stated: *“No audit organization shares with us or with workers what they have found, where the gaps are, or why those gaps exist. We are not aware of any process to address or reduce these gaps.”*

Lack of participation and inclusion: Another reported weakness of social and environmental audits is their exclusionary and non-participatory nature. As one GSKOP leader stated: *“It is not inclusive. No representatives from the workers’ side, and no workers themselves, are ever involved. This is a major gap. As a result, the report is non-inclusive, non-participatory, and one-sided. It serves the interests of the supplier and buyer—not those of the workers.”*

Auditors’ precarious position and compromised independence: Another crucial weakness identified is the lack of job security among auditors. There is reportedly a serious power imbalance between factory owners and certification companies on the one hand, and auditors on the other. As a result, auditors are often in a vulnerable position and may overlook violations of labour and environmental standards, even when they are aware of them. In some cases, it is also reported that auditors reach informal arrangements with factory management in exchange for favourable benefits. As one trade union leader stated during a consultation meeting: *“If a report is filed against a factory owner, the auditor’s position becomes insecure because owners hold that much power. Many auditors have told me that, even when they want to speak out, they cannot say certain things. In some cases, they have to ignore violations even when they have detected them.”*

Insufficient skills and contextual knowledge among auditors: There is also criticism regarding the skills and competence of auditors. Several key stakeholders reported that many auditors lack the necessary expertise. In an interview, a Fair Wear Country Manager stated: *“There is a lack of knowledge of the country context. Many auditors are not gender-sensitive. There are also shortcomings in addressing issues from a human rights perspective.”*

A national trade union leader similarly noted: *“They have little or no knowledge of workers’ rights. They are not sufficiently familiar with labour law. Auditors often lack the technical skills needed to properly identify and address workers’ rights issues. It seems to me that they are not properly trained.”*

Government scepticism toward private auditing and certification: Government stakeholders reportedly display a strongly negative attitude toward private auditors and certification bodies, which they often view as competitors rather than partners. In an interview, a senior official from DIFE stated: *“Auditors from private companies have far less capacity than DIFE inspectors. They have no education in labour law. They never communicate or coordinate with DIFE.”*

Several government officials also questioned the legal authority of certification bodies. During a meeting at DIFE, officials argued that only inspectors authorized under Bangladesh Labour Law have the mandate to assess labour law compliance. In their view, private auditors lack both the legal authority and the labour law expertise to issue such certifications.

Procedural weaknesses: Some stakeholders have questioned both the scope and the procedures of social and environmental certification schemes. In many large RMG groups, several factories operate under the same legal entity but are located in different places. In such cases, certification granted to, or denied for, a single factory is often treated as applying to the entire group, even though other factories within the same group may or may not be compliant.

Business-driven approach: Another flaw identified is that employers often treat certification primarily as a business case rather than as a tool for genuine improvement. Certification is valued mainly for reputational reasons and because buyers demand it, which encourages companies to obtain certificates by any means rather than to address underlying problems. As one interviewee noted: *“The main goal is certification—to obtain the certificate at any cost.”* It was also reported that audit checklists and methodologies often remain largely unchanged over time and are not regularly updated.

Audits used as a pretext for extra work:

Finally, there are even reports that audits are sometimes invoked as a pretext to make workers work on holidays or weekends. In a focus group discussion in Ashulia, one group of workers stated: *“When they announce that an audit is coming on Friday, we just laugh. We call them ‘sidewalk audits.’ The speakers keep announcing that buyers are coming.”*

SECTION SEVEN

Conclusion and Recommendation

Despite their stated aim of improving compliance, the effectiveness of social and environmental certification schemes in achieving meaningful social and environmental improvements remains questionable. Audit processes have frequently fallen short and have contributed little to tangible changes on the ground. Across interviews, focus group discussions, and consultation meetings, stakeholders offered a wide range of recommendations to address these shortcomings. The following section provides a detailed overview of these recommendations.

- **Many stakeholders emphasized the need for genuine rather than staged audits.** To achieve this, experts and CSO representatives proposed an enabling approach: instead of relying primarily on punitive measures for persistent non-compliance, stakeholders—including factory owners and brands—should agree on and implement a clear action plan with defined roles and responsibilities to address identified problems.
- **A second key recommendation was to ensure the active participation of workers and their representatives throughout the entire audit process, from beginning to end.** Many stakeholders also suggested preparing a worker-friendly Bengali version of the audit report and sharing it with workers through a formal process.
- **Awareness of certification processes needs to be significantly increased among all stakeholders.** As one DIFE inspector noted, “We need to educate ourselves first.”
- The development of a **unified code of conduct** was also strongly recommended.
- Workers, trade unions, and CSO stakeholders particularly emphasized that **the right to form and join trade unions** should be fully integrated into both social and environmental certification processes.
- **Preventing document falsification and unfair practices should become a formal priority.** Stakeholders recommended regular, systematic, and innovative approaches rather than one-off interventions.
- **Transparency should take precedence over confidentiality throughout the audit process.** Wherever possible, audit reports should be published online.
- **Auditors’ job security should be protected, and their skills and competencies should be strengthened on a continuous basis.** Stakeholders further stressed that auditors should adopt an inclusive and solution-oriented approach in the conduct of their work, rather than an exclusionary one.
- A few stakeholders called for environmental and biodiversity protection to be addressed more systematically within environmental codes of conduct.

- The development of governance and **grievance mechanisms, particularly for environmental issues both inside factories and at community level**, was also highlighted as a priority.
- **Audit reports should be shared with government authorities.** One trade union representative argued that, since factories operate within Bangladesh and pay taxes, audit findings should be visible to the government.
- **Off-site audits prior to on-site visits were considered important for identifying actual conditions.** This approach can help verify claims through discussions with nearby communities and other relevant stakeholders before entering the factory.
- **The overall certification approach should be reconsidered.** Rather than focusing narrowly on certification status, stakeholders recommended a system based on monitoring and supervision by a reputable and skilled authority or institution.
- Few stakeholders have recommended introducing a risk-based approach for certification. More particularly, agreeing on a certain level of improvement for a prior identified risk to achieve the certification.
- **A number of stakeholders also stressed the importance of stronger legal enforcement to improve social compliance.** As one interviewee noted, effective enforcement of national law would reduce the need for external audit systems.

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