

Understanding Just Transition and Environmental Sustainability in the Bangladesh RMG Sector

A Summary of the Perception Survey

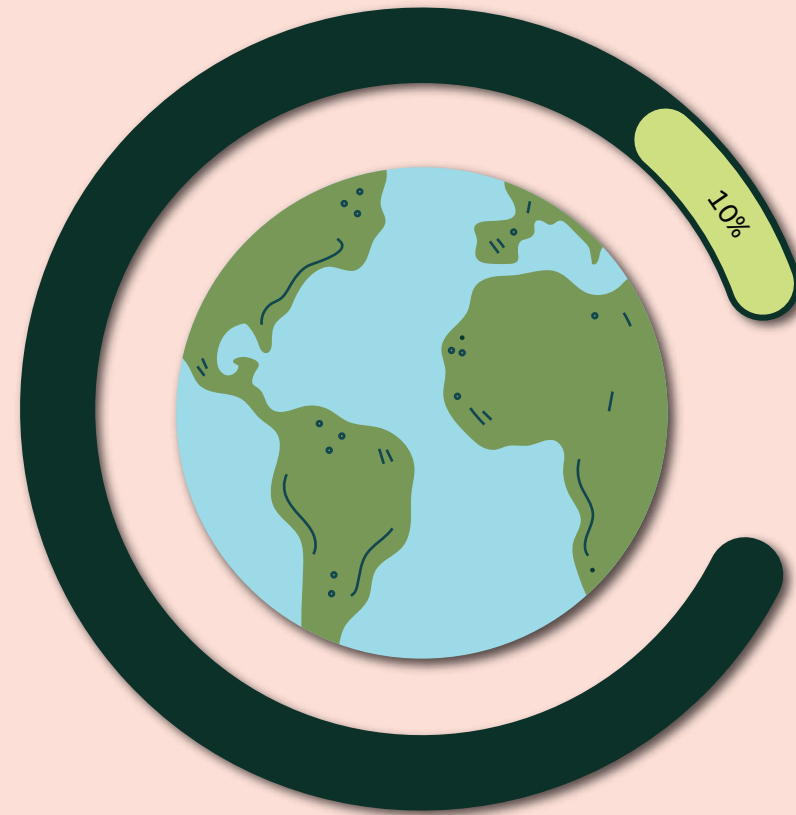


Project Background

Human-induced climate change is one of the most pervasive threats to the environment and societies the world has ever experienced and the poorest countries of the world are currently paying the heaviest price. Mitigating climate change is a pressing issue for all key world organisations and it has been outlined in commitments such as the Paris Agreement, Sustainable Development Goals (SDGs), European Green Deal, UN Global Framework for Climate Services (GFCs), United Nations Framework Convention on Climate Change (UNFCCC) and Human Rights and Environmental Due Diligence (HREDD)¹ legislations.

Bangladesh is currently the 7th most climate risk-affected country. A projected 50 cm rise in sea level may lead to an approximate loss of 11% of the country's land, affecting 15 million people². Additionally, the country is plagued by erratic weather patterns, increasing temperatures, rise in infectious diseases, natural disasters, reduction in rice production (25% by 2050), displacement and internal migration³. To counteract these vulnerabilities, Bangladesh has developed a few policy commitments (albeit with varying levels of implementation) e.g. Environmental Conservation Act (1995), Mujib Climate Prosperity Plan (2022-2041), Nationally Determined Contributions (2021), Bangladesh Climate Change Strategy and Action Plan (2009), National Adaptation Plan (2023-2050), 8th five-year Plan (2020-2025), and Vision 2041.

Given the global and national context, ETI Bangladesh's three-year strategy (2023-2025) concentrates on addressing climate and green transition based on ILO's just transition principles and undertakes measures at both the workplace level and sectoral levels. At the workplace level, ETI Bangladesh has implemented its "Green Social Dialogue" programme. This perception survey is part of ETI's sectoral level interventions under the project titled, "*Understanding Just Transition and Environmental Sustainability in the Bangladesh RMG Sector.*"



Globally, the garment and textile industries contribute to 10% of the world's CO2 emissions

The RMG sector employs nearly 4 million workers and is considered the lifeblood of the national economy, constituting almost 85% of the country's export earnings⁴. Globally, the garment and textile industries contribute to 10% of the world's CO2 emissions⁵. And, in Bangladesh, the garment sector is one of the largest contributors of CO2 emissions at an estimated 15.4%⁶. The weaving, dyeing and finishing processes, along with the high-intensity use of fossil fuel for electricity production are the most environmentally-damaging aspects of the industry⁷.

Heavy reliance on non-renewable energy makes Bangladesh particularly vulnerable towards global market shifts. As the nation aims to graduate from least developed country (LDC) status by 2026, aligning with international labour and environmental standards is imperative to retain EU trade preferences⁸. While the government and certain segments of the garment industry have made efforts to mitigate the climate issue, existing efforts are still insufficient to tackle the problem.

Currently, only 4% of garment factories are LEED-certified⁹. Existing initiatives have not properly addressed the principles of 'Just Transition' which is crucial for both the industry's economic and social viability.

As the LEED certification heavily emphasises energy efficiency, LEED-certified factories in Bangladesh may or may not make improvements in ventilation, materials for roofing, workplace crowding, heat from machines, and active cooling systems. Urgent investments need to be made in 'green' factories which ensure such improvements. If at least half of Bangladesh's apparel manufacturers make investments in cooling practices and temperature reduction, an annualised 2.66% increment in productivity by 2030 can be achieved. This could also avoid a projected loss of 28.44% of export earnings by 2030 (USD 7.58 billion) and 73,372 jobs due to high heat stress¹¹.

Pushing the share of green factories above 50% may lead to larger projected gains by 2050¹².



What is a "Just Transition"?

The ILO defines it as "Greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind". This concept has been around since the 1980s when US trade unions needed to protect workers affected by newly introduced pollution regulations¹⁰. The specialty of Just Transition lies in the fact that it is not meant to be a "one-size-fits-all" solution. Countries are suggested to develop their own vision for a just transition and what it may mean for affected workers, communities etc. through ongoing dialogue and adaptation. Just Transition therefore aims to utilise collective dialogue and responsibility to achieve a net-zero economy and simultaneously promote green jobs, so that every level of stakeholder may win.

¹ United Nations. "The 17 Goals," 2023.

United Nations, "Synergy Solutions for a World in Crisis: Tackling Climate and SDG Action Together," 2023.

European Commission, "The European Green Deal," 2024.

European Coalition for Corporate Justice. "Human rights and environmental due diligence," 2023.

² The Dhaka Tribune. "Three new RMG factories receive LEED certifications," 2022.

³ World Bank. "The World Bank in Bangladesh," 2022

⁴ Bangladesh Bank. "Quarterly Review on Readymade Garments (RMG): April-June of FY23," 2023

⁵ UNFCCC. "UN Climate Change Annual Report 2018," United Nations Framework Convention on Climate Change, 2018.

⁶ Green Climate Fund. "Climate action during the pandemic," 2020.

⁷ ILO. "A Just Transition in the Textile and Garment Sector in Bangladesh Technical Stakeholder Workshop," 2022.

⁸ The European Commission. "2022 Rule of Law Report," The European Commission

⁹ Data sourced from ETI's own calculation of LEED-certified garment factories to total number of RMG factories in Bangladesh,

¹⁰ UNDP, 2022. "What is a Just Transition? And why is it important?"

¹¹ Judd et al. (2023). "Higher Ground Report 1: Fashion's Climate Breakdown and its Effect for Workers." Cornell ILR Global Labour Institute and Schrodes.

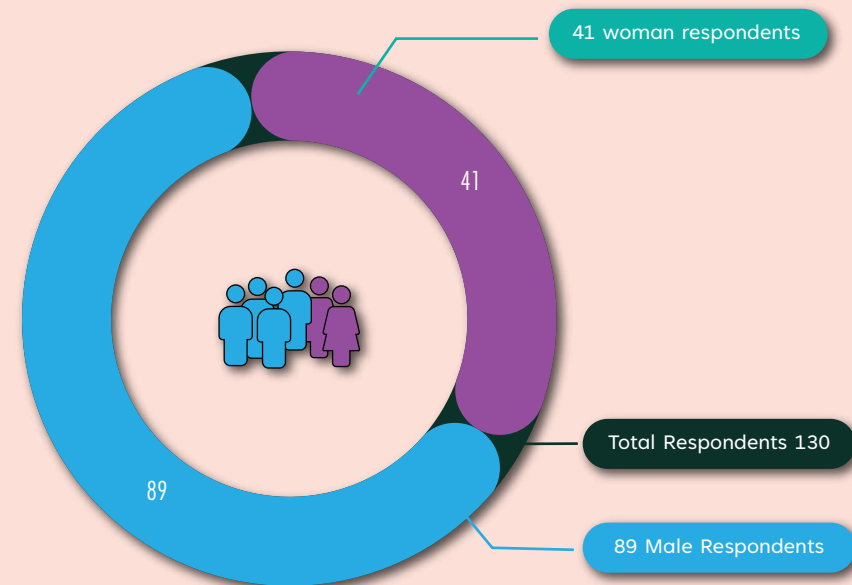
¹² Judd et al. (2023). "Higher Ground Report 1: Fashion's Climate Breakdown and its Effect for Workers." Cornell ILR Global Labour Institute and Schrodes.

Methodology

Research Gap:

Research deep-diving into more nuanced worker, manager or union member perspectives on just and inclusive transitions are mostly limited to studies in the West. Studies specific to the RMG sector itself and of Bangladesh are still limited. A handful of research has studied the concept of Green Human Resource Management (GHRM) within the RMG sector in Bangladesh and its perceived challenges¹³. But Just Transition specifically is still a very novel concept in Bangladesh and is yet to be fully represented in literature.

The project opted for a mixed method approach with both qualitative and quantitative assessments. The key tools of this research were Focus Group Discussions (FGDs), Key Informant Interviews (KIIs), consultative workshops and secondary research. A total of **130** participants had been interviewed, where **89** respondents were male and **41** were women. Major stakeholder categories include: factory management, brands, labour rights representatives, business associations and the Government of Bangladesh. The data collection spanned between September 2023 - October 2023. ***As the time and number of respondents for this study was very limited, the study's responses may not be fully representative.***



¹³ Azad et al. (2022). "Green Human Resource Management Practice in Bangladesh Readymade Garments Industries". Journal of Social Science, 3(3), 582-589. <https://doi.org/10.46799/jss.v3i3.331> ;
Islam et al. (2019). Exploring challenges and solutions in applying green human resource management practices for the sustainable workplace in the ready-made garment industry in Bangladesh. Business Strategy & Development, 3(3), 332-343. <https://doi.org/10.1002/bsd2.99>

Overall Objective

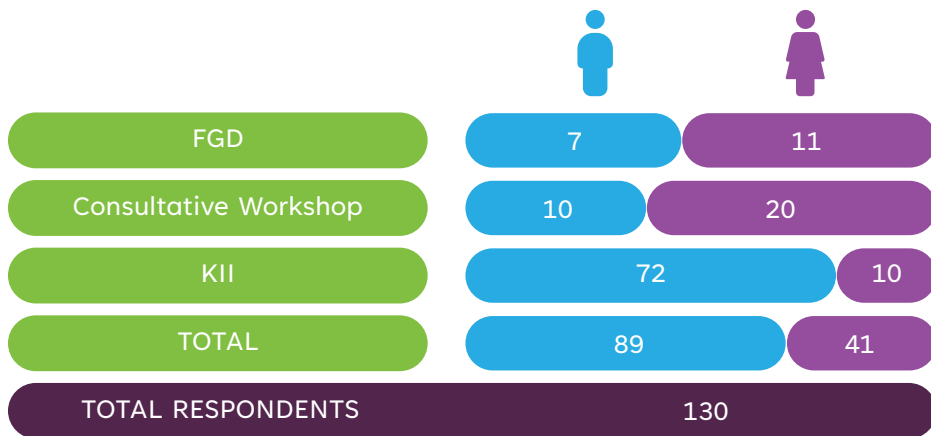
To understand the perception regarding green energy transitions and environmental sustainability from:

- » Suppliers
- » Brands and Buyers
- » Workers, Unions and Federations
- » Government and Business Associations

Focus Areas:

- » Perception of stakeholders (suppliers, brands, federations, business associations and the government) on Just Transition
- » Green energy practices within the industry
- » Motivations towards environmental sustainability and green transition
- » Challenges and opportunities
- » Intersectionality within worker voices, their well-being and climate change

Total Respondents:



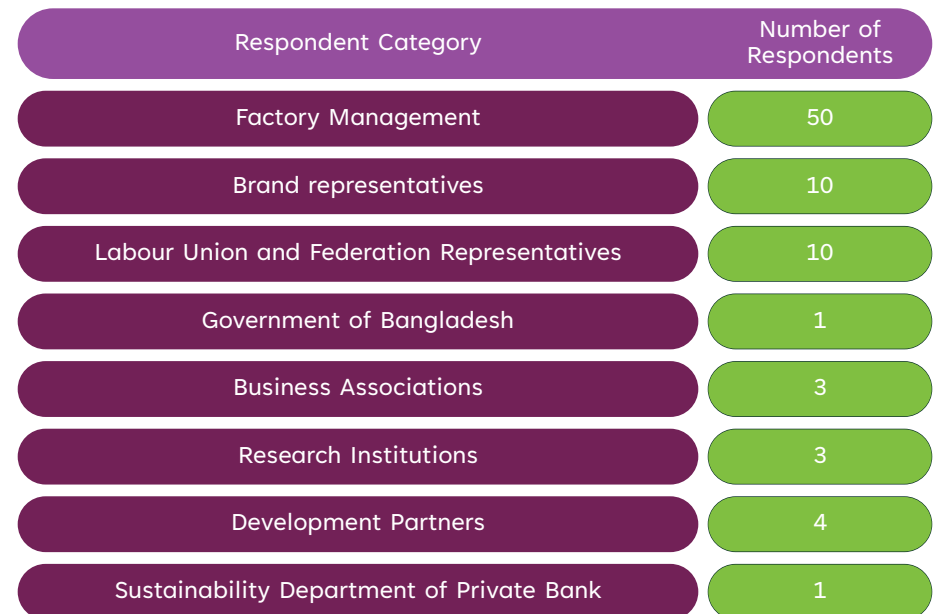
Factory Types:



Green Status:



Breakdown of Key-informant interviews:

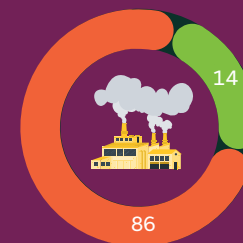


Key Findings

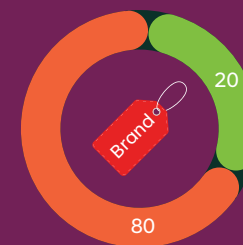
Perception and understanding

Just Transition and Worker Rights

Have you heard of Just Transition?



86% of the sample factory management have not heard of Just Transition.



8 out of a total of 10 sampled brand representatives have not heard of Just Transition.



Out of 10 labour rights organisation representatives, only 1 had heard of Just Transition

The results of this research showcase a very low level of awareness on climate change, Just Transition and environmental sustainability amongst key stakeholders. **Stakeholder responses indicated minimal focus on the intersectionality between climate change, green transition and workers.** Most do not see any correlation between energy transitions and worker rights. Only 7 respondents from the 50 sample factories have indicated that they had heard of Just Transition. Out of these 7, only 2 respondents correctly identified that workers lie in the crux of Just Transition. Barring one respondent, all other brand respondents were also unfamiliar with the term. Familiarity with the "justice philosophy" within the supply chain enables brands to still focus on avoiding any adverse effects on the workers. However, majority of the brand representatives were observed to struggle finding a strong connection between worker rights and climate change. Awareness levels within workers and worker federation representatives was observed to be the lowest, with many referring to Just Transition as "Just Transaction." Interestingly, **once the concept was broken down to them**, worker representatives could connect the impacts of climate change to the workers very accurately, highlighting both the physical and mental strain. Lastly, as most of the existing national policies still lack extensive focus on workers, our interview with a government representative found similar results with minimal emphasis on workers.

Stakeholder Views:

Just Transition and worker rights

1) Comparative views by supplier, brand and federation representatives

Supplier	Brand	Trade Union/Federation
Correlation between worker rights and climate change seen only “in theory” not in practice-- frameworks such as “Just Transition” are believed to be in name only.	Sees just transitions and environmental sustainability as intertwined issues, where sustainability means preserving resources for the future.	<i>Most common understanding of climate change and its impact on the environment: extreme heat and environmental pollution</i>
The energy crisis due to climate change may lead to factories closing, leading to jobs being lost– in this way workers may be connected to climate change, but this is not very common (as of yet).	Believes that a s workers are in charge of waste management, they have an impact on how energy efficient a factory can be.	Just Transition needs to ensure workers retain jobs as joblessness is increasing among workers--believes climate change and green energy transitions leads to automation, thereby affecting workers due to job loss.
Climate change impacts may result in workers becoming sick (e.g. colds/fevers due to the extreme heat)—believes that a greener factory environment can lead to a more peaceful work environment for workers	Sees Just Transition as a way to collaborate with suppliers to ensure environmental sustainability	Women workers face many health-related issues due to climate change. They may lose their capability to work due to heat stress, mental and financial burdens etc.
Workers’ active engagement in industry forums– sharing insights, and advocating for policies that support environmentally friendly practices may be a way that workers are connected to climate change	Believes new generation of factory management is already more aware of environmental issues	Workers are connected with climate change due to urban in-migration: victims of river erosion or climate change from villages gradually migrate into urban areas and enter the RMG sector.

Supplier	Brand	Trade Union/Federation
(few) Believe ensuring a just transition involves transparent communication, worker involvement in decision-making, training, and fair treatment.	-	The impact of climate change is not only on workers but also the factory owners and other locals too – representatives indicate a “communal impact”
Connections between climate and worker rights are primarily interlinked to large dry factories and textile factories rather than with garments factories.	-	Believes green changes are simply “aesthetic” and does not see any real impact on workers
The energy crisis due to climate change may lead to factories closing, leading to jobs being lost– in this way workers may be connected to climate change, but this is not very common (as of yet).	-	-

The mass unfamiliarity with Just Transition is evident through the responses tabulated above. Interestingly, although brand requirements are the key driving force for factories to implement green infrastructural changes, their responses were the most generalised, focusing primarily on overall environmental sustainability. This may be indicative of their primary objective, which is to meet globally set metrics and satisfy consumers in a severely competitive global market. Similarly, for factories the existence of a "business case" has been observed to be their core catalyst. Accordingly, when connecting climate change to worker rights, factory management stressed the role workers can play in energy conservation rather than how workers themselves may be impacted. Workers and worker federation leaders from all levels did not display much priority towards climate change, as their pressing agenda are still job security and ensuring living wages. For them, the climate change issue is not seen as a matter of the “environment” per se, but what the impact may be upon the individual workers. Federation members emphasise upskilling and enhancing the lives of the workers in general, where environment-related impacts may coincidentally overlap. Yet, despite not knowing the technical vocabulary, when the concept was explained, workers could aptly make a proper connection with the intersectionality of climate change and worker rights (particularly women workers). They were also the only stakeholder group who emphasised the need for collective action with all relevant stakeholders

II) Comparative views of business association and government representatives

Business Associations	Government
Believes the climate change issue is very critical due to Bangladesh's vulnerable geographical positioning.	Rising temperatures due to global warming is a big issue for workers in factories as this may impede their productivity and, in this way, it affects them as well.
Active inclusion of workers within climate issues may be unnecessary at the current stage of the industry which requires further infrastructural/technical changes.	-

These results indicate the restricted range of vision for each category of stakeholder, where they view the issue from the lens of their own priorities. Bigger picture thinking is still lacking and stakeholders exhibit limited focus on the intersectionality of the issue—creating a large mismatch in agendas and therefore, no large-scale industry action. A critical gap exists in the understanding of sustainability, green energy and Just Transition amongst most respondents.

Here, we can see minimal acknowledgement of the intersectionality between workers and climate change. This illuminates the need to view the issue thoroughly from the policy, infrastructural, and worker level.

“

If there's a small fire in the house, it will not be identified by me or my manager, rather, it will be identified by my workers'. This is where they play their role, including the saving of water or energy. Everyone has his role, and I am afraid, the recognition is still missing.

- Labour rights expert

”

Environmentally Friendly Workplace

When it comes to defining an environmentally friendly or green factory all stakeholders unanimously had two criteria:

I) Thermal comfort of workers (through good airflow and exhaust systems)



II) Lower energy emissions (through energy-efficient systems e.g. use of solar energy, circularity, water/waste management etc.).



However, brands and factories were observed to have a distinct divide in their interpretation of "green" factories. This is elaborated in the following table:

Factory Representatives	Brand Representatives
Having a LEED certification automatically means the factory is green.	LEED is a marketing tool and does not necessarily mean "green"; many non-LEED factories have lower emissions than their LEED counterparts.
-	"Green maintenance" is required to be an actual green factory i.e. factories that are implementing renewable energy, maintains energy efficiency and proper waste management, and has had no significant factory expansion.

These results indicate a clear disparity in how the same issue is being viewed by two driving stakeholder groups, which creates roadblocks to any smooth green transition. Suppliers are driven to implement green changes to meet buyer requirements. Brands are under intense pressure to cope with a very competitive market, so they are in need of certain checkboxes to be ticked-- but acknowledge the inefficiency and lack-there-of any actual "green" change with these sorts of certifications. This acknowledgement is however, lost in a sea of auditing, complying with regulations and offering competitive prices. Energy and environmental issues are not deemed to be too "capitalisable" as of yet--- leaving the question of how stakeholders can be incentivised up for debate.

Is non-LEED non-green?

One particular non-LEED factory reports stringent measures to reduce dirty gas emissions from generators. Additionally, one of their factories boast a 20,000 square metre roof which has been equipped with solar panels generating 3.57 megawatts of electricity. This capacity adequately meets their daily power requirements, including holidays, with the assistance of a government agreement. Surplus electricity is exported to the National Grid, further contributing to the energy supply during non-operational hours. The adoption of water saving technology (WST) has also played a pivotal role in enhancing eco-friendly practices. These efforts have yielded substantial cost savings, with electricity expenses decreasing from over 1 crore BDT to an estimated 70-75 lacs BDT.



“ There is no such thing as green or non-green in our country. For example, if I make a green factory by cutting 10,000 trees, it does not show any green-ness, which is contradictory, I know. But if it is a green factory, everything must be green.

- Factory Management ”

Gendered Differences in Perspective

While proper gendered differentiation in perception cannot be made with the study's uneven ratio of male and woman respondents, it is important to note that none of the male respondents connected climate change issues to women's health particularly. This was an extremely emphasised point amongst the female workers interviewed in the workshops and FGDs. This gap in acknowledgement furthers their economic and social inequities, such as job mobility and income. Many women are even shown to quit their jobs after a certain period due to a lack of proper health amenities which are now even more so necessary, due to the increasing weather turbulence and climate change. It has also been observed that women interviewees have showcased the most interest and enthusiasm to learn about Just Transition and actually implement its practices.

A particular brand with a female-led employee roster also showcases this significant gendered difference in willingness to partake. Theirs was the only organisation that stated wanting to first, understand any guideline before implementing them. They were also shown to be very keen in developing tools to gauge worker needs and implement them. ***This difference in attitude between women-centric and male-dominated managerial bodies is therefore, extremely telling of the need for inclusion of women in future negotiations and collective dialogue.***

Practices

What are factories currently doing?

The most prevalent green energy and environmental-friendly practices found within the sample factories were Higg, ETP, PaCT and ISO14001 or ISO 9001. Initiatives found in the study were primarily either related to energy efficiency or water. Commonly used methods for energy efficiency include EMS, EGB Boilers, LED lights and solar panels. The primary practice for waste water reduction has been found to be the use of ETPs. Additionally, results from the sample factories indicate no significant difference in specific initiatives between green and non-green factories, other than some factories having a "LEED" tag and some without it.

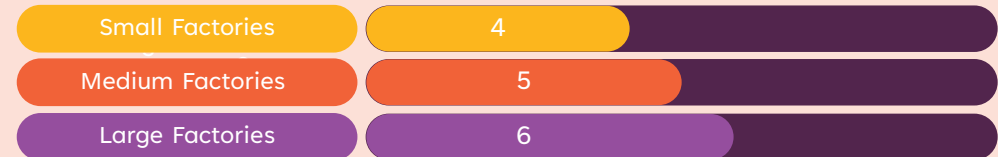


Existing Initiatives

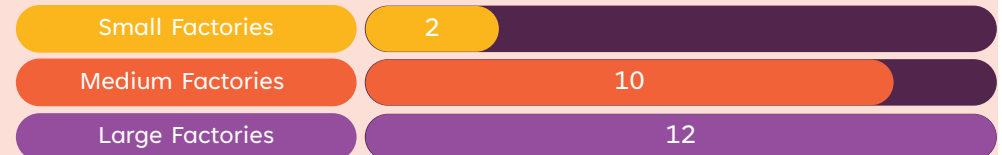


Most Common Initiatives

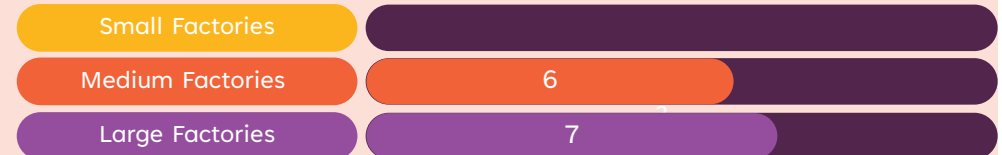
HIGG



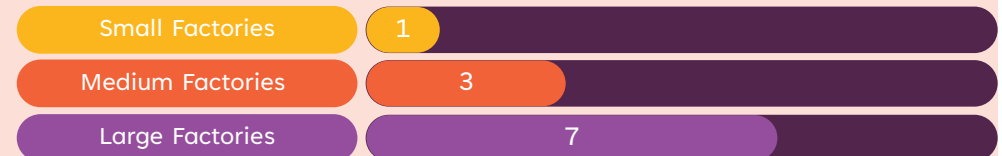
ETP



PaCT



ISO14001



Taking brand definition to heart:

An exceptional business case

The factory started their sustainability in 2013. This was not the requirement by stakeholders at the time. They were reportedly the first to become a LEED Platinum certified laundry worldwide. LEED Platinum certification is provided in two categories, one for newly constructed buildings and the other for older buildings that have been refurbished—this factory belonged in the latter category.

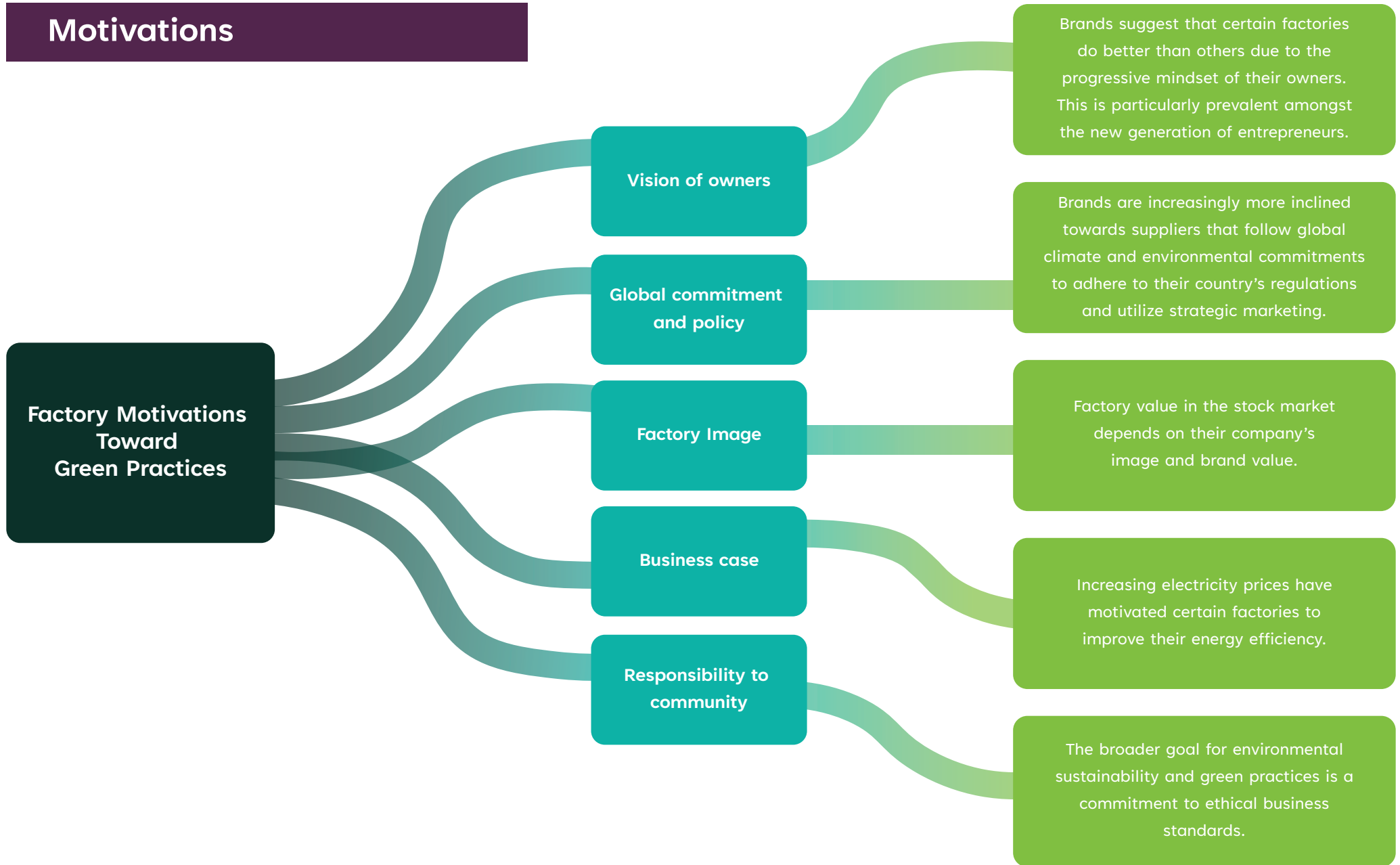
To increase energy efficiency and reduce use of fossil fuels, the factory moved towards sceptic power generation and is currently not utilising national grid powered electricity. Their electricity is produced in-house using natural gas. From 2006-2022 they relied on a single generator. With increasing factory capacity, the factory invested BDT 3-5 crores to bring in an updated generator and boiler.



Installation of solar panels had been attempted in 2017 in collaboration with IFC but was later halted for the time-being. Technical calculations indicated that the same investment on solar panels in 2026 would produce 3 times more energy with more advanced solar power extraction technologies by then. This would enable 40 percent of their energy requirements to be solar powered.

Finally, the factory reported advances in their waste management. 30% of fabrics get wasted through usual processes (called “jhoot”). The factory is currently partaking in an EU initiative where they directly sell this jhoot to recyclers. However, not all waste can be reduced this way as certain technologies are unavailable and also very expensive—the factory therefore, segregates their waste accordingly.

Motivations

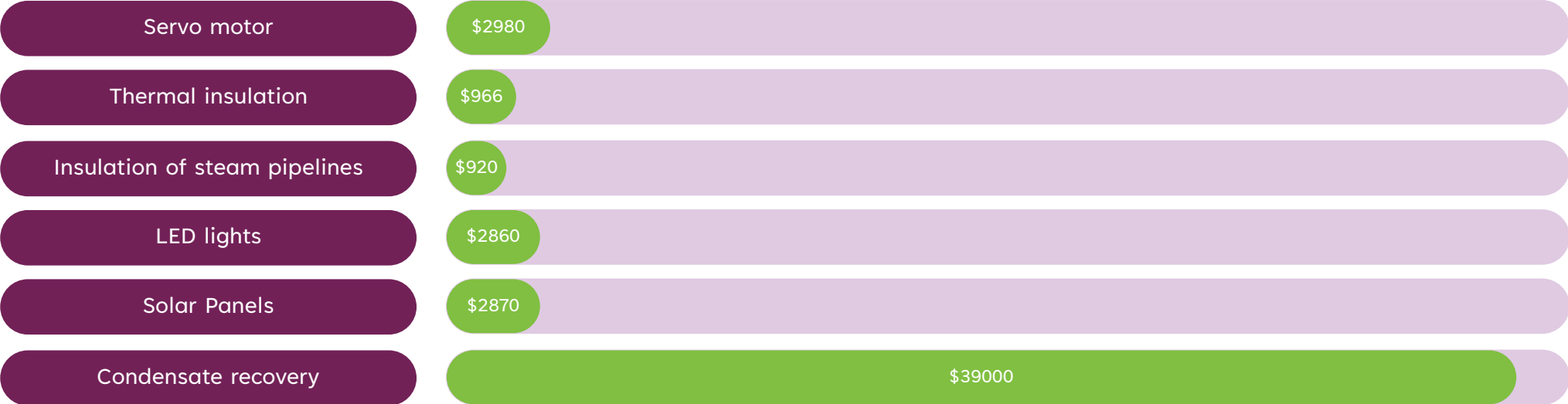


The diagram above illustrates all the distinct motivations of factories towards green initiatives identified by the sample respondents.

Impacts of Green Initiatives

Inputs by 6 different factories on 6 distinct initiatives

Annual Savings Through Initiatives



CO2 Reduction/Tonne



Core challenges towards a just and inclusive green transition

This study found that the core challenges towards achieving such an inclusive green energy transition for all stakeholder bodies combined are **a lack of coordination** and **shared responsibility** and, **the absence of a clear roadmap** towards implementation of related policy commitments.

Additionally, this study's respondents have identified an extensive list of challenges for every relevant stakeholder body within the supply chain. These have been illustrated in the following tables below:

Suppliers:

Issue	Description
Financial and technical support	Support from brands is limited– Pricing offered in contrast to their extensive policy requirements is very financially taxing.
	Factories face pressure to meet emission reduction targets to secure orders.
	Complying with government policies (e.g. meeting certain environmental standards or obtaining relevant certifications such as ISO14001) require substantial time, cost, and resources.
	Lack of a government planning/constant regulatory changes create confusion on where to start and what actions to take.
	Enforcement of Government penalties without proper guidelines.

Issue	Description
	Sudden increases in electricity and gas prices challenges supplier ability to implement environmental plans based on previous market prices.
	Concerns about taxation on environmental initiatives, such as solar panels and chemicals used in ETPs, are raised.
	<i>Factories report the non-contextual standardised audits by both brands and government officials increases the burden for some factories beyond their capacities.</i>
Cost of raw materials	Having to import raw materials results in high costs, which does not leave aside enough capital for such in-depth green initiatives.
Energy management	Symbiosis of product management system and environmental management system is required to ensure energy utilised is converted to green energy, which is extremely costly.
Net metering	Difficulty maintaining liaison with the BPDB (Bangladesh Power Development Board) or REB (Rural Electrification Board)
Arrangement of long training sessions for workers	Loss of production and obstruction in workflow amidst increasing production demands by brands.
	Lack of cooperation from mid-level management to send workers for training due to production setbacks

Issue	Description
<p>Knowledge and skilled sustainability compliance personnel</p>	<p>Lack of skilled personnel (<i>In several factories, environmental concerns were handled by staff from social compliance, with a notable absence of a dedicated sustainability unit</i>)</p>
	<p>The misconception of treating HIGG as an audit rather than a self-assessment for continuous improvement</p>
<p>Mindset of suppliers</p>	<p>Hesitation amongst suppliers regarding participation in programmes due to fear of exposure of shortcomings, concerns about information being taken away by foreigners, fear of being reported, and reluctance to step out of comfort zones</p>
	<p>Absence of young ideas at the conversation table,</p>
<p>Net metering</p>	<p>Difficulty maintaining liaison with the BPDB (Bangladesh Power Development Board) or REB (Rural Electrification Board)</p>

Workers:

Issue	Description
Formation of labour-led working group	Lack of institutionalisation of issue restrains federations to collectively form any group and work towards the climate issue.
	Difficulty in forming trade unions as factory owners are unwilling to cooperate. In the cases where owners allow their formation, the condition is that they follow the owner’s requirements, defeating the purpose of a trade union.
	The CBA does not have any agenda on “Just Transition” specifically.
Inhibitions towards open dialogue	Fear of job loss inhibits open dialogue from workers
	Malnourishment, health and living condition issues take more precedence over green energy/environment concerns— <i>workers trace their discussions back to wages whenever given the opportunity to speak.</i>
	Minimal priority and motivation as majority of the workers are unaware of the issue and its significance, benefits etc. – “just transition” is too vague.

“

Pricing burdens shared by a supplier

*The price of organic cotton is a lot, and the buyers are aware of it... If the buyers put a tag on it that they have bought it from a green factory, which is environmentally sustainable, they can easily sell it for a higher price... We have taken the initiative and in return, we can expect them, as our business partners, to support us by offering higher prices. When the green and the non-green factories are receiving the same amount of price from buyers, where’s the extra benefit? **When it comes to price, there is no ethical trading.***

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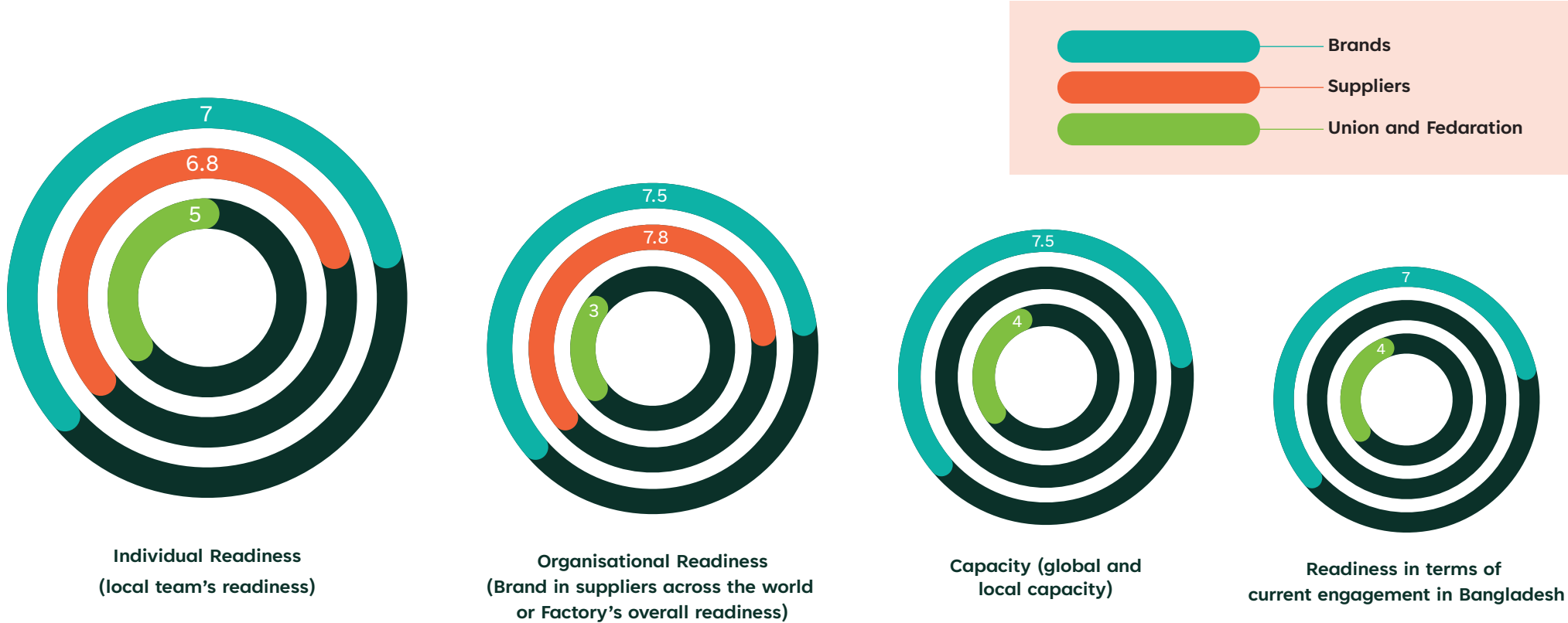
Other Stakeholders:

Brands	Government	Business Associations
<p>Difficulty balancing local and global standards makes contextual implementation very complex:</p> <ul style="list-style-type: none"> – <i>different buyer countries have different criteria</i> – <i>local context in different supplier countries/regions also differs</i> 	<p>Development of a policy with all the variables in mind as different kinds of factories have different environments (e.g. composite and sewing factories different)</p>	<p>Unable to impose environmentally-friendly practices on SMEs-- can only encourage</p>
<p>Inability to introduce sustainable materials– <i>Even when brands recommend such materials, the European market is not always ready to accept the higher costs.</i></p>	<p>Some policies are developed but the industry is not ready to implement them, so the government struggles to scale-up initiatives.</p>	<p>-</p>
<p>The misuse of LEED certification by some factories to attract buyers makes monitoring harder for auditors.</p>	<p>Political and business interests are intertwined, making it challenging to enforce and support environmental regulations.</p>	<p>-</p>
<p>-</p>	<p>The absence of a yardstick for measuring progress in environmental sustainability and energy efficiency, making assessment of achievements very complicated.</p>	<p>-</p>

Readiness

Brand, supplier and labour rights organisation representatives were asked to assess their own levels of readiness towards a just and inclusive green energy transition (illustrated below) A scale of 0 to 10 was used, where 0 refers to not ready and 10 to completely ready. Brands can be surmised to be the “most ready” according to the graphical representation, however, proper collaboration with other stakeholders is still missing (as highlighted by suppliers). Suppliers are a close second in terms of readiness while unions are illustrated to struggle the most.

Levels of Readiness



The above estimated projections come from respondents' own beliefs on their organisational capacity, although realistically this may not be an accurate projection.

Where are the worker voices?

While factories are slowly making “green” infrastructural changes, worker inclusion is minimal at best. Factories are unable to see the need to include workers beyond some training programmes on energy efficient workplace practices, where their own utility bills decrease. This has resulted in the desired results, as the workers are very receptive and eager to practice, strengthening the belief that few routine training sessions is good enough.

However, **the issue still continues** to be the lack of emphasis and understanding of the relationship between workers and climate change. The effect that falls on them goes beyond the supply chain—their health, costs of living, mental strain and so on, all of which then circles back to their productivity which *is the factory’s concern*. Moreover, the energy-efficiency protocols that do exist in factories are carried out by workers to begin with—strongly indicating their involvement in the process. Yet, short-term thinking restricts both suppliers and brands from valuing the possible scopes of worker inclusion.

This issue mainly comes from imbalanced power dynamics (between workers and upper management) and a lack of space to open up. Given the historically exploitative beginnings of the industry, workers showcase contentment with the current bare minimum rights they have (cooling systems, PPEs, Health and Safety Committees etc.). When asked whether they would want anything in addition, almost all workers had simply stated, “No.” – partly due to fear of repercussions and partly due to the lack in understanding of the issue.

That said, with the current trend in decline of both skilled and female workers, if labour retention is to be desired within this industry, inclusion, collaboration, re-skilling and other mitigation efforts need to happen before any drastic impact in the industry. Moving forward, if feasible worker-led solutions are to be curated, one must think of asking the workers themselves first what issues need to be addressed and what questions to ask, before scaling up to the top.



Recommendations

» Enhancing the integration of climate and Rights in the workplace

1. *Strengthen the link between climate and human rights:*

- Conduct further evidence-based research to solidify the connection between climate and human rights, emphasising the impact of climate change on worker health and productivity.

2. *Overcoming challenges in worker engagement::*

- Address the knowledge gap accompanied with building capacity on soft skills amongst workers and union/federation leaders, by providing comprehensive training programmes on environmental issues.
- Create awareness amongst stakeholders about the importance of prioritising the environment, emphasising the challenges in changing human behaviour.
- Explore potential strategies to balance financial costs for environmental initiatives without compromising worker wellbeing.

3. *Initiate a culture of positive behaviour:*

- Encourage a supportive approach from workers towards energy and resource conservation, showcasing instances of self-initiative.
- Demonstrate eagerness to change working behaviour through practical examples, emphasising the potential positive impact of waste management on worker health.

4. *Engage worker representatives:*

- Recognise the key role of trade unions, democratically elected PC and Health and Safety Committees in raising awareness of environmental issues among workers.
- Provide training to these committees on environmental awareness, breaking down the concept of 'Just Transition' into simpler, more relatable terms focused on job security and economic opportunities.
- Ensure freedom of association, promote a culture of social dialogue and mainstream climate and environmental agenda in the social dialogue process.

5. *Include Just Transition in sustainability policy:*

- Encourage brands to integrate the principles of 'Just Transition' into their sustainability policies, providing guidelines for factories.
- Educate the environment cell of factories on 'Just Transition' principles, fostering collaboration between brands, factories, and unions to ensure a balanced approach to environmental and social concerns.
- Emphasise the benefits of integrated social and environmental teams for effective project delivery and problem-solving in factories.
- Ensure better coordination between the social, environmental and business teams of brands to promote the Just Transition principles in their purchasing practice.

6. *Enhance the role of global and local agencies:*

- Advocate for the incorporation of worker voices in global agency discussions on environmental sustainability, emphasising the crucial role workers play in ensuring factory safety, energy conservation, and water savings.
- Encourage global agencies, such as the ILO, to give greater focus to environmental issues that directly impact workers.
- Utilise the efforts of BGMEA to drive smaller factories into conducting green initiatives.
- Create a single specialised environmental cell in every factory to ensure sustainability.

» Ensuring Environmental Sustainability

1. *Understanding and executing with context:*

- Emphasise the importance of contextual understanding in implementing environmental sustainability initiatives within specific industries and regions.
- • Initiate collaborative research projects with universities/research institutions to gain deeper insights into the local environmental and social dynamics.
- Advocate for a strong commitment to sustainability, ensuring that

- initiatives align with long-term environmental and social goals.
- Research on the viability of green energy transitions and energy consumption that collaborates with bilateral research organisations (e.g. ILO, CPD), focusing on the entire country rather than just the textile industry. Capacities of every institution linked with the supply chain (government, factories, banks, ports etc.) need to be assessed.
- Asses the capacity of every institution linked with the supply chain (government, factories, banks, ports etc.)
- Concepts on Just Transition or green energy need to be linked to the actual objectives that stakeholders would want to achieve-- goals therefore need to be calibrated with every level of stakeholder.
- The creation of a profitable business model for owners to be incentivised.

2. View voluntary initiatives as business cases:

- Present the adoption of environmental initiatives as a voluntary business case, underlining the importance of providing measurable outcomes and benefits.
- Stress that sustainability efforts enforced solely by brands may not guarantee long-term success and that voluntary commitment from all stakeholders, including factory owners, is crucial.

3. Brand support and incentives:

- Encourage brands to actively support factories in finding expertise in environmental matters, sharing technical knowledge, and providing necessary resources.
- Propose the implementation of incentives for suppliers who champion environmentally sustainable practices, creating a positive reinforcement for proactive engagement.
- Brands need to be clearer about their expectations, which then needs to be dispersed from the top to the bottom, all across the stakeholder body.
- While EU or other international regulations cannot be altered, conversations can be initiated with relevant personnel in-charge on how to make these regulations applicable in the context of the garment industry of Bangladesh.

4. Government involvement and institutionalisation:

- Advocate for government involvement by ensuring easy access to finance for environmentally sustainable initiatives, particularly for Small and Medium Enterprises (SMEs).
- Suggest the formation of a dedicated cell within the government to monitor and support sustainability initiatives such as tax incentives, budgetary allocation, infrastructure development, concrete policy guidelines, media campaigns using government-owned media channels, following a roadmap for systematic implementation.
- Emphasise the need to engage the private sector in the institutionalization of sustainable practices.
- A clear and simplified roadmap is required for the industry (as discussing impacts alone cannot incite change).
- Understanding the potential of existing policies and then focusing on adjusting those policies or expanding on them.
- The Government needs to make a cell to study all regulations and then disperse the best ones.
- Although the financing is present, there is a gap in the diffusion of information, which fails to reach the industry-- This information needs to reach factories and they need to be capacitated to receive the funding.

5. Collaborative approach with worker involvement:

- Stress the importance of a collaborative, multifaceted approach involving stakeholders, with a special emphasis on incorporating the voices of workers.
- Propose the establishment of a platform, following Beijing's Institute of Public and Environmental Affairs (IPE) model, involving BGMEA/BKMEA, the government, and research institutions to avoid overlapping initiatives and enhance coordination.

6. Implement awareness for long-term sustainability:

- Highlight the risk of short-term Key Performance Indicator (KPI) achievements without the involvement of worker awareness, emphasising the need for holistic and sustainable practices in environmental initiatives.
- Urge stakeholders to consider the long-term impact and benefits of sustainability efforts, ensuring they are embedded in the organisational culture for lasting positive change.

Summary of Findings

Perception

- Most respondents have not heard of Just Transition
- Difficulty understanding Just Transition and subsequent misconceptions of its guidelines
- Most believe there is no connection between worker rights and climate change
- LEED certification is seen as an ornamental label (by most stakeholders other than certain factory management)

Practices

- No real difference between “green” and “non-green” factories
- Number of green initiatives depend primarily on factory size, access to finances and motivation (of the factory management)

Challenges

- Access to finances
Lack of capacity (knowledge, skills and relevant personnel)
- Duplication of initiatives by brands without the consideration of a factory’s individual context
- Limited Government support
- Little to no collaboration between different stakeholder groups
- Limited inclusion of worker voice or inputs in the energy transition processes/initiatives

What has been over-emphasised?

- Technical aspects of green transitions e.g. monitoring systems, infrastructure etc.
- Limited financial capacity and need for larger profit margins
- Blame on the Government or brands without looking into what factories themselves can individually change as an organisation

What has not been highlighted?

- Human aspects of energy transitions have been grossly ignored
- Worker health and its correlation to climate change
- Women workers and their additional adversities
- Interconnection between climate, health and declining number of skilled workers

This research was jointly conducted by BRAC University and Ethical Trading Initiative Bangladesh. The research team comprised of Dr. Shahidur Rahman (Lead Researcher), Dr. Moiyen Zalat Chowdhury (Co-Researcher), and Priyong Sabastini (Research Assistant) from BRAC University. The summary report has been prepared by the Ethical Trading Initiative (ETI) Bangladesh to support the dissemination of the findings. For access to the full report and any further clarification, please contact ETI Bangladesh (munirshamim@etibd.org).

For human rights, better business

ETI is a leading alliance of trade unions, NGOs and businesses, working together with key stakeholders to promote practical solutions to end the abuse of human rights at work.

Our vision is a world of work that protects human rights, ensures dignity for all, provides opportunity and is free of exploitation and abuse.

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