

Letter of Transmittal

Mr. Anup Chowdhury

Lecturer

BRAC Business School

66 Mohakhali, Dhaka-1212.

Subject: Letter of Transmittal

Dear Sir,

With great pleasure I am submitting my final report on “Aarong”. I have found this study of the report to be quite interesting, beneficial and insightful. I have tried my level best to prepare an effective & creditable report.

The report contains description about some activities of SCPR (Social Compliance & Producer Relations) department of Aarong and some proposed policies for the organization which is prepared by myself.

Here I have gathered information through different sources such as website, actual interview from the head of the SCPR department and from my 3months activities.

I honestly hope that my analysis will help to give idea of the SCPR department. I hope you will find this report worth all the labor we have put in it.

I welcome your entire query & take pride to answer them.

Yours sincerely,

Nasiha Mahazabeen

(06304032)

Acknowledgement

My acknowledgement begins by thanking my supervisor Mr. Anup Chowdhury , who has provided me with suggestions for making this internship report and also provided me the format for preparing this report. Then I would like to show my warm-hearted gratitude to Naushaba Chowdhury ,the Senior Manager of SCPR department of Aarong , who has provided me with great deal of information, adequate data and helped throughout for the accomplishment of this report successfully.

Methodology:

- ❖ To prepare this report I have collected data from different job that I accomplished.
- ❖ I have collected information from several websites.
- ❖ My knowledge and experience working with Aarong gave me idea for making this report
- ❖

Limitations:

- ❑ Unfortunately I did not get much information from the company because of communication problem with the officials but eventually I am thankful to them for their all over help.
- ❑ And surely time was bit limited.

Executive Summary

“Aarong”, formed in 1978, had established themselves one of the biggest cooperative groupings in the fair trade sector in Bangladesh. It’s vision to help the artisans to help themselves by restoring their pride and self-esteem, reviving Bangladesh’s traditional Art and Craft. Another aim was to confirm the women right and to establish them as a valuable asset in the society.

The primary objective of this report is to discuss Aarong’s compliance policies activities and its impact on the society. So all the things that I actually tried to construct here is totally based on my work experience and my knowledge

Since the social compliance and producer relation department is very new and I was the only employee who was involved in making policies for Aarong. Here I have discussed Environmental policy, Child Labour Policy and Business Management Module for Producers.

I have made the first draft of those polices. At the end of this report I have given recommendation of some problem that I observed during my three months of internship contract.

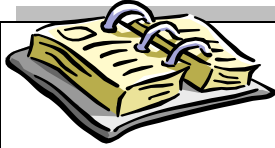


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PART 1

Background of the Organization:

With the vision of enlightened, healthy and democratic societies free from hunger, poverty environmental degradation & forms of exploitation BRAC started its journey in 1972 after the liberation war. Aarong established 1978; Aarong is a fair trade organization. Aarong dedicated to bring about positive changes in the lives of disadvantaged artisans and underprivileged rural women by reviving and promoting their handicraft. Reaching out to weavers, potters, brass workers, jewelers, jute workers, basket weavers, wood carvers, leather workers & more. Aarong embraces and nurtures 65,000 artisans, 85% of whom are women. Today, Aarong has become the foundation upon which dependent cooperative groups and family-based artisans market their craft, in an effort to position the nation's handicraft industry on a world platform of appreciation and acknowledgement.

Today few urban consumers will argue that Aarong is the local Mecca for DESHI handicraft. Aarong product designs has brought consumer attention back to the products and style that are indigenous to Bangladesh, its designers blending the traditional with the contemporary in a manner that has won instant consumer appeal, starting a revolution intent that has now been taken up by countless boutiques and stores. Aarong's present design focus on the diverse types and textures of crafts and patterns that have been played along from generation to generation among weavers and artisans in craft hubs around the country.

Aarong means a village fair – it symbolizes fairness in the global village. Aarong works as the marketing arm of **BRAC**. Its objective is to provide a stable and gainful source of employment for the poor rural people. Aarong established in a vision to help the artisans to help themselves by restoring their pride and self-esteem, reviving Bangladesh's traditional Art and Craft.

Another aim was to confirm the women right and to establish them as a valuable asset in the society. In the process Aarong contributes greatly to **BRAC's** goal of poverty alleviation and empowerment of the poor..

Relationship between BRAC & Aarong

The women Aarong employs are among the country's most disadvantaged. Through Aarong they have been offered a way out of destitution and degradation where before they had none. And the benefits that they received extend well beyond simply the wages they earn of their products, since every single woman who works in Aarong- owned product facilities is also a beneficiary of BRAC's multifaceted development programs. As a support entity of BRAC, a significant portion of Aarong earnings go directly into financing the NGOs development programs in healthcare, education as well as economic and social development.

Aarong Retail Outlets:

- Aarong Center (Head office)
- Aarong at Gulsan
- Aarong at utara
- Aarong in Nasirabad , Chitagong.
- Aarong in Sylhet
- Aarong in London (Buyer)
- Aarong at Dhanmondi
- Aarong at Moghbazar
- Aarong at Wari
- Aarong in Haliashahar, Chittagong.
- Aarong in khulna.

Aarong Products:

Aarong the leading fashion and craft retail of Bangladesh has been playing role in energizing the traditional Arts and crafts of Bangladesh. By using the goods and of the country Aarong offers a huge range of exciting products from traditional to western attire o house hold goods to shoe bags , jewelry and leather accessories and has become the Mecca of Deshi products. The creativity and quality of the products has promoted it to the leading position in the fashion and craft industry of this country. The range of product offered by Aarong is as follows:

- **Men garments:**

1. Punjabi
2. shirts
3. Short kurtas
4. Lungi
5. Shawls
6. Sleeping suit

- **Women/ Ladies Garments:**

1. Sharee
2. Shalwar
3. Tops, pants
4. Kameez
5. Dopatta
6. Skirts
7. 3 pieces
8. Kamiz
9. Fabrics
10. scarves
11. Shawls
12. Night wear.

- **Children garments:**

1. Girls: Pant tops, Skirts, Lehenga sets.
2. Boys: Pant shirts, Fatua, Panjabee- pajama
3. New born Baby: Nima, panty, Dry paper, Baby sets.

- **Nakshi katha:**

The word “Kantha” originally suggests a light quilt of mild winter and cool monsoon nights. Through the concepts exist in almost all parts of the world, the form of quilting that’s prevail;s in Bengal is unique and not only serves as functional article but also represents the culturel identity and folk arts of this land. The colorful patterns and designs hat are embroidered on these articles results in the name “ Nakshi Kantha”. Each of this kanthas represents the contents of a woman’s mind and fields with romance, sentiment and philosophy. Cushion covers, Bed covers, tapestry, jewelry boxes, ladies parts etc.

- **Toys:**

1. Staff toy
2. Traditional toy

- **Paper:**

Wrapping paper, Greeting cards, Boxes etc.

- **Home textiles/ Home accessories:**

There are many types of home accessories. These are block print, woven, jackard, Nakshi kantha, batick, screen print, tie dye etc.

Table cloth, napkins, Tablemats, Aprons, Gloves, Bed cove, Pillow cover, curtains, Cushion cover, cushion, Pot holder etc.

Aarong is the name of differentiation. Its cloth lines are different in design from any other shops of the country. More than 3000 weavers across the country are involved with the production of Aarong clothing lines. Each and every dress has its own significance as they are made by the talented craftsmen which are contributing to the locally manufactured handloom fabric. Every clothing line is exclusive with a variety of shade, textures drawing, and trimmings. Aarong paper products consists stationery, card books, wrapping papers which have their own significance.

- **Jewelry:**

Aarong is sold silver, Gold, pearl, Beads, Clay & Jute Jewelry. Gold Jewelry of Aarong is guaranteed to be 21 karat. Aarong is the foirst silver jewelry selling outlets in Bangladesh. Silver jewelry from Tangail, Savar , Dhaka, Mymensingh, Rangpur. Some jewelry products are Bangles/ Bracelets, Ear rings, Necklace, Anklets, Nosepins, Rings and newly Diamond jewelry.

- **Metal/ Brass:**

The metal products are also available for exclusive home decoration and used Candle stands, Photo frames, Lamps, CD racks Napkins Holder, Flower Vases, Ashtrays, Wall mirror, showpieces & Decorative Wall hanging re the metal and brass items.

- **Leather:**

Aarong offers the finest quality of leather produced in Bangladesh. It is to be noted that everything is hand done by the artisans. Aarong's leather product includes all kinds of desk, home, gift and personal accessories. The leather is made by small leather workshop situated in and around Dhaka 10 to 15 worker and some trainees are employed. Sheep and calf leather is generally used, sheep leather can be embossed, embroidered, printed and hand printed. Calf leather is stronger and harder than that of sheep. However, it can only be screen printed. Some products like Ladies sandal, ladies bag, Gents sandals, Jewelry box, Belts, Wallet, Key rings, Optical cases, jackets, executive bags, Folder/ Files.

- **Terracotta/ Clay:**

Clay items are produced by family based groups all over Bangladesh. It is traditional skill handed down through generations. Once upon a time all cooking vessels, storage vessels, many toys are made with clay. Clay products are of two types:

1. Wheel based
2. Dice based.

Some products are- Dinning ware, Mugs, Glasses, Pitchers, Plates, Bpws, Vases, Lamps, cups, hot plates. Aarong also provides a huge range of ceramic accessories in different designs and collection to its customers.

- **Bamboo/ Cane/Leaf:**

Cane and bamboo abundantly found raw gave rise to traditional industry who are using this as raw materials. Traditional items include furniture. Aarong makes oother products for day to day use decorations, gifts etc. Bamboo such as trays, racks, baskets, toys etc.

- **Candles:**

The types of candle design which are offered by Aarong are: Floating candles, birthday Candles, Pyramid, Pillar, Valentine, Circle etc

- **Jute/ wood:**

Banladsh produces 80% of the world's jute. Once famous for jute industry. Some of the modern products alongside traditional items are: Bags, Show pieces, Wall hang, Carpets, hammock etc.

- **Tapestry:**

Tapestry is the nontraditional item developed from ideas of Naksi kantha to frame and hang on wall. The themes are either scene from everyday life or of the mughal court. The designs are nontraditional and fabrics used for silk. Tapestry is also called **Bhorat kantha**.

Aarong Production Centre (Ayesha Abed Foundation)

Ayesha Abed Foundation (AAF) is an organization that aims to provide avenues for employment and income generation for under privileged rural women. It is an enclave for women, formed to uplift them economically, through their work as producers, and also socially, through their development into entrepreneurs. The foundation provides an appropriate working environment, financial and technical assistance, and training to develop the women skills in various crafts. The foundation was established to commemorate the memory and work for late Mrs. Ayesha Abed, a co-worker and wife of the Founder and Chairperson of BRAC. The work that is done in the foundation is a testament to her commitment to the issues of education, training and employment opportunities for deprived women, It was she who in 1976 initiated all the present major activities of AAF in Manikgonj.

The AAF aims to work with the most underprivileged women in the society. These women are often the most neglected and are in need of much assistance and support. The AAF plays the role of a facilitator. The women are placed in an enabling environment, with other women of similar socio-economic backgrounds. They are trained and then given the opportunity to generate income. One of the major challenges that these women have to face is that they are marginalized and they, on their own, have no way of becoming part of the economic system. This is where the AAF steps in, helping such marginalized women out of their peripheral existence in society, and giving them the opportunity to become involved in sustainable enterprise.

The AAF is closely interrelated with other programs especially BRAC Development Program (BDP) and Aarong. The women workers of the AAF come from the BDP organized village organizations. Working at the AAF thus gives the women access to other BRAC programs. All of the AAF's finished products are sold through Aarong, which additionally provides designs, raw materials and financial support to AAF. Since AAF supplies exclusively to Aarong, it is teemed as Aarong Production Centers.

Vision:

Aarong has a vision to establish them as world's one of the famous fare trade fashion house. Aarong's vision is to remain market leader throughout its business. Aarong expand its business in international arena. Aarong has a dream to develop more artisans of Bangladesh and make them dependent and attract more and more international customers toward Bangladeshi Culture.

Mission:

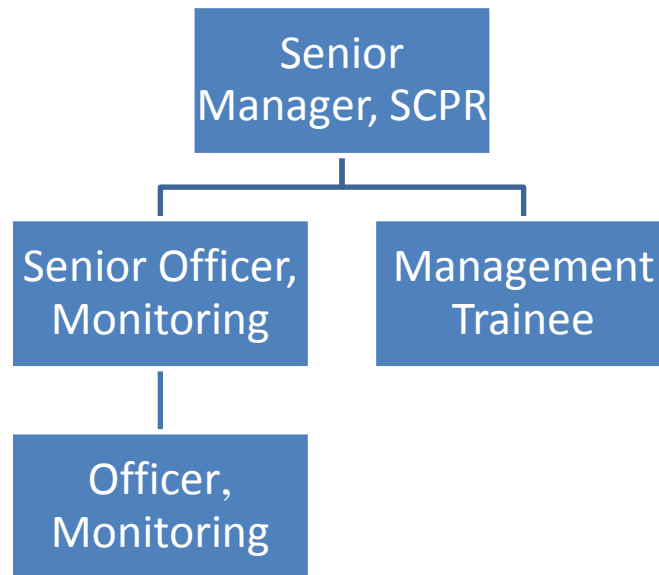
To make Aarong best in the world in providing Bangladeshi life style, experience to empower people and promote Bangladesh while protecting our environment.

Social compliance and producer relations (SCPR)

From a customer focus, the main idea of having a social compliance department is to ensure that our Customers can shop at Aarong with a clean conscience. The department is to ensure that the production centers where manufacturing takes place are operating in standards that are acceptable to society without exploitation taking place. The working environment, terms and conditions, wage levels, worker benefits, health and safety facilities, working hours and worker development are all standardized and implemented by our Producers.

Producer Relations is a very important function to the organization and gives the Producers a place to express their views and grievances of how to improve the working relationship between Aarong and its Producers. Complaints and grievances are filed to this department directly by the Producers which are then taken up with the necessary departments at Aarong for resolution. Similarly, a complaint or investigation raised about a Producer is also looked at by SCPR department for fact finding and then coming to a resolution with the relevant people involved.

Organogram for SCPR



Senior Officer, Monitoring

1. Responsible for implementing social compliance in the field level at both AAF and Individual Producer.
2. Address issues / complaints and recommend solution for the problems from the producers.
3. Work closely with AAF Monitoring Officer to implement solutions and monitor progress made.
4. Work closely with Junior Officer to implement solutions and monitor progress made by individual producers.
5. Responsible for implementing social compliance at Aarong Head Office.
6. Proactively contribute to the current development process, compliance monitoring procedure and other compliance operational practices.
7. Ensure that identified key issue in relation to the monitoring are reported to the management.
8. Facilitate to undertake social audits for producers.

Management Trainee Officer

1. Support Senior Manager to making policies.
2. Prepare Monthly Reporting on department progress and activities.
3. Research on best practices for Aarong.
4. Full time support to achieve accreditations such as SA 8000 and ISO.
5. Prepare Social Audit documents for producers.
6. Help Senior Manager to accomplish day to day activity.
7. Initial grievance handling for individual producers.

Junior Officer Monitoring

1. Assist Senior Officer, Monitoring with implementing and monitoring social compliance for individual producers.
2. Assist Senior Officer, Monitoring with implementing and monitoring social compliance for AAF.
3. Establish and maintain a strong relationship with AAF and individual producer.
4. Provide guidance and advice to producers when required to his selected business area on compliance related issue after discussion with Senior Officer.
5. Facilitate to undertake social audits for producers.
6. Follow up on non conformances identified in audits.

My responsibilities:

I worked in SCPR department of Aarong Centre as an internee for 3 months. My responsibilities were to make policies and management module for the organization. Specially my activities were

- To create Business Management Module for producer of Aarong
- To make Child Labor Policy for Aarong
- To develop Environment Policy for Aarong

Task and activity: This department is created nine months before I joined in Aarong. This department shows the commitment of the top level management to ensure compliance in every section of its production. Below the task and the activity for those SCPR is held responsible.

	Task	Activity
Social Compliance	Write up an official Compliance Policy, penalty policy, deduction policy, producer enlistment policy and environmental policy for Aarong	research best practices
		format own policies
	Orientation manual for new producers	processes and policies of Aarong in a booklet
	Research and implement environmental initiatives at Aarong	research new ideas and upcoming environmental and sustainable strategies
		introduce and implement in Aarong, AAF and producers
	Conduct social audits for all producer, AAF and individual producers	structure the criterion a producer needs to have to comply with Aarong's compliance policy
		conduct social audits
		reporting and recording audit results
		follow up on non conformances
	Producer Relations	Grievance handling
listening to producers		
recording		
communicating to relevant departments to resolve		
Offer continuous support / benefits / training for producers development		research on support / benefits / training that needs to be provided to producer's for their development.
		Organize and implement various training/events for our producers.

Part 2

Business Management Module for Producer

Producers are part of the organization who are producing different products but some departments like Accounts & Design do not maintain a good relation with them at all time because of their poor management. So to reduce that problem I have designed a business management module for producers which will help them to understand how to manage a business in a systematic manner.

(1) To set Mission & Vision of the Business

► Corporate vision is a short, succinct, and inspiring statement of what the organization intends to become and to achieve at some point in the future, often stated in competitive terms. Vision refers to the category of intentions that are broad, all-inclusive and forward-thinking. It is the image that a business must have of its goals before it sets out to reach them. It describes aspirations for the future, without specifying the means that will be used to achieve those desired ends.

Basically strategic vision concerns a firm's future business path - "where we are going"

► The mission statement of a firm focuses on its present business purpose - "who we are and what we do"

Every producer should set up their business mission & vision to set a future goal & current activities of the business.

(2) Focus on Future plan:

Business plan is a framework which your business must operate within. It will ultimately determine whether the business succeeds or fails.

► To set a right plan:

Producer should focus on exactly what they want to achieve, where they want their business to go and how they plan to get it there. Projected sales and monthly expenses will also be included in plan. All of this information will influence producer's choices, including the type of location they will be looking for. Your business plan will monitor whether you are achieving these objectives and maximize your chances of success by allowing you to keep adding to it.



A business plan is the key to long term success for new and old businesses. Your business must have a foundation to start from and you have to give your business time as success will take longer than merely weeks.

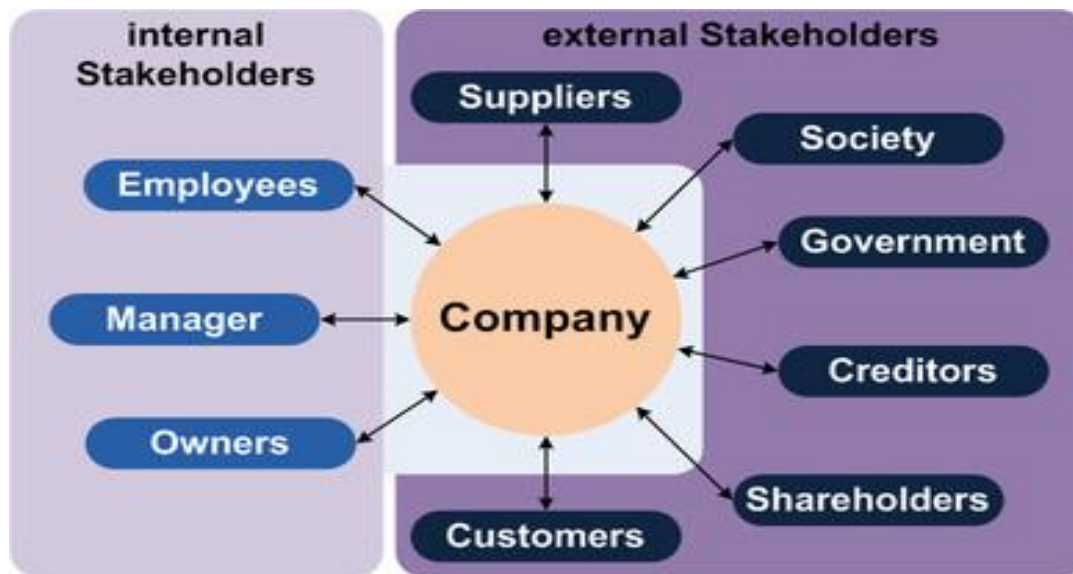
- **Set targets based on calculation:** A target should be set up after analyzing & doing a proper calculation because calculation helps to know the previous output & will help to fix a target for future. For an example if someone produce 1000 t-shirt per month & earn 3 lac tk , he can set up his target at 1200-1500 production to earn more profit..

► To understand the importance of future plan:

To set a future plan is very important for a business man because plan shows an exact path of business which helps to set a mind map.

- **Plan should be discussed with stakeholders:** Stakeholder a person, group, organization, or system that affects or can be affected by an organization's actions. Basically who have minimum

interest on business like supplier, owners, Creditor, employees everybody who are involved with business is known as stakeholders. Future plan of the business must be discussed with these people so that they get a clear idea about the plan & can take necessary steps to achieve that.



(3) Accounting for Business

► Journal Account:

Journal is an accounting record where all business transactions are originally entered.

A journal details which transactions occurred and what accounts were affected. Journal entries are usually recorded in chronological order. Every producer need to keep journal account in his business.

► Financial Plan:

It is important to plan finances in order to reap long term benefits through the assets in hand. The investments that one makes are structured properly and managed by professionals through financial planning. Financial planning helps in increasing cash flow as well as monitoring the

spending pattern. It is possible to manage income effectively through financial planning. The process helps to gain an understanding about the current financial position. So producer should make their own financial plan for business.

► **Budget forecasting:**

The first and most important step to effective financial planning is developing and implementing a budget. So it is very much necessary to make a budget for business.

► **Income Statement:**

Income statement, also referred as **profit and loss statement (P&L)**, **earnings statement**, **operating statement** or **statement of operations**, is a financial statement of a business that indicates how the revenue is transformed into the net income. To know the net income of company or your business ,it is necessary to make income statement very carefully.

► **Balance sheet:**

The Balance Sheet for accounting is an extremely important and often used statement of entity condition. It shows the extent of entity ownership of assets, liability and equity at a given point in time.

(4) Supply Chain Management

► **Concentrate on Cost benefit:**

Producer always collect raw materials from suppliers for their business purpose. So that all time they deal with different suppliers. In this case producer should do market research or may collect information from different sources about other available suppliers. It will help producer to compare the raw material cost of other suppliers & their present suppliers. Producer should search for the best offer to get cost benefit.

► **Seek best offer:**

To gain cost benefit, producer always should seek best offer from their suppliers.

► **Maintain good relation with suppliers:**

Producer should always maintain a good relationship with their suppliers because well behave helps to build a strong business relation.

► **To understand the impact of poor quality product in the whole supply chain**

Producer should ensure the quality of the product accurately before delivery to us. If the ultimate & final products are found defective then it will create impact on whole supply chain process. Aarong will not accept that defective or poor product from producer. In this case they (producers) are not allowed to sell those products in other market. Ultimately they have to face loss & workers will be sufferer for not getting wages which is supposed to earn from that thing. So Producer always should monitor the quality of the product to avoid these entire problems.

(5) General Management

► **Basic documentation:**

Basic documentation is an essential part of management. Producer should highly focus on some basic things. Those are :

- Order Sheet
- Costing sheet
- Reacquisition sheet
- Bills
- Voucher

► **Develop communication skills:**

Communication skill is an essential skill for producers. They should be more careful about oral communication because this is the main way to share thought with stakeholders. If the producer is introvert & not capable to share his idea in a effective way then he need to develop his self as soon as possible. Besides oral communication producer should focus on written communication, use of proper gesture etc

► **Inventory management**

Inventory management is an important part of a business because inventories are usually the largest expense incurred from business operations. Most companies will use an inventory management system that will track and maintain the inventory required to meet customer demand. Most systems used by companies are linked to the management or accounting information system, increasing the effectiveness of their operations. All of our producer need to maintain inventory management.

(6) Human Resource Management

Worker register is very much important to maintain for a producer to record all kind of data related to worker. Those things which a producer should include in worker register are given below:

► **Workers age, name, personal background:**

In the initial stage producer should make a list of his workers where he has to write down their names, age, personal background & family information.

► **Working Condition:**

Producer should record working condition of his workers. For example; how long the temporary or permanent worker will stay, overtime wages, minimum working hour, which benefits & facilities will be provided to them etc.

► **Guiding principle for workers:**

There should be a specific guiding principle for all workers .Only the policy & guiding principle can direct or show workers the way to work properly. Producer has to write down all the policy sequentially. Because maintaining record is part of the business operation. For an example of the principle could be Punctuality, well-manner etc

► **Time, Mode & Medium of Payment of Wages**

Wages related information also should be recorded by producer. For example; “When- (timing)”, “How-(mode of payment)” & what would be the wage range for particular workers etc. These things are very important issues so that producer has to keep & maintain a record about wages.

► **Benefits & Facilities**

In many business & organization give extra benefits & other facilities to workers. Like medical facilities, death benefits, transport facilities, free food facilities, house rent, educational facilities etc. These facilities motivate worker to do work in their work field. So if possible, producer can think about any of these facilities for their workers. Producer should make a list of all the facilities in worker register which he will give his workers.

► **Leave/Holyday:**

Different leave & holidays are allocated for worker based on their working category. For example: Festive leave, Sick leave, annual leave, casual leave etc.

► **Bonus Offer:**

If producer want to give bonus offer to his workers like festive bonus, overtime offer etc. then he should make it clear at beginning & should make a list of all the facilities that he will give them.

► **Training Period & activities:**

How long a worker will get training, which activities will be focus in training period etc should be listed by producer in his business.

(7) Workforce Retention

► **Basic housekeeping and working atmosphere**

Good housekeeping can help get a job done safely and properly. Poor housekeeping can frequently contribute to accidents.

Housekeeping is not just cleanliness. It includes keeping work areas neat and orderly; maintaining halls and floors free of trip hazards; and removing of waste materials (e.g., paper) and other fire hazards from work areas. It also requires paying attention to important details such as the layout of the whole workplace.

Effective housekeeping is an ongoing operation: it is not a hit-and-miss cleanup done occasionally. Periodic "panic" cleanups are costly and ineffective in reducing accidents.

What are some benefits of good housekeeping practices?

Effective housekeeping results in:

- reduced handling to ease the flow of materials
- fewer tripping and slipping accidents in clutter-free and spill-free work areas
- decreased fire hazards
- lower worker exposures to hazardous substances
- better control of tools and materials
- more efficient equipment cleanup and maintenance
- better hygienic conditions leading to improved health
- more effective use of space
- reduced property damage by improving preventive maintenance
- less janitorial work
- improved morale

► Improve listening habits

The aim of listening is to understand what the other is saying so that it is necessary to listen others carefully. People often think they're listening, but are really thinking about what they're going to say next when the other person stops talking. Truly effective communication goes both ways. While it might be difficult, try really listening to what your partner is saying. Don't interrupt. Don't get defensive. Just hear them and reflect back what they're saying so they know you've heard. Then you'll understand them better and they'll be more willing to listen to you. This practice has a positive impact to retain worker for the organization. So producer should be careful about this matter.

► **Your attitude and behavior and lifestyle**

Producer should understand workers attitude & it is also necessary to know about there family background, life style pattern. On the other hand workers has right to know about producer. To know each other will help both of them to make an understanding and strong relation.

► **Remember small things of your workforce**

For a producer it is very much important to remember each and every small things of his workforce. In future this practice will help him to solve workforce related complexity. If producer ignores & doesn't take small matter seriously then he might face other problem. As a result workers will be dissatisfied. For an example oral commitment to workers, workers demand etc should be memorized.

► **Unity among your community**

Unity in Community's aspiration is to be at the forefront of enabling the community to take the lead in the social, environmental, economic, and cultural of a holistic, effective and meaningful way.



► **Work recognition:**

Worker recognition is not just a nice thing to do for people. Worker recognition is a communication tool that reinforces and rewards the most important outcomes people create for your business. When you recognize people effectively, you reinforce, with

your chosen means of recognition, the actions and behaviors you most want to see people repeat. An effective worker recognition system is simple, immediate, and powerfully reinforcing.

► **Share your success**

Producer may discuss the history of his success with his workers. He can also highlight strategies which is effective to achieve success. Sharing habit would help workers to be more inspired & motivated to his work.

► **Salary wage review:**

Salary for workers should be restructured every year. It should be increased after analyzing inflation. Good compensation package, attractive bonus offer are need to include too.

(8) Research & Development

Business research is the systematically and objective identification, collection, analysis, dissemination and use of the information for assisting decision making to identify opportunities, new problems and solution to the existing ones. Systematic planning is needed at all stage of the marketing research process. The procedures followed at each stage are methodologically sound, well documented and as much as possible is planned in advance.

- Defining a problem
- Developing an approach to the problem
- Data and information collection
- Sampling Method
- Analysis, interpretation and discussion

► **Competitor Analysis:**

Competitor analysis in marketing and strategic management is an assessment of the strengths and weaknesses of current and potential competitors. This analysis provides both an offensive and defensive strategic context through which to identify opportunities and threats.

Sources of information for competitor analysis

- **Recorded data:** this is easily available in published form either internally or externally. Good examples include competitor annual reports and product brochures;
- **Observable data:** this has to be actively sought and often assembled from several sources. A good example is competitor pricing;
- **Opportunistic data:** to get hold of this kind of data requires a lot of planning and organization. Much of it is “anecdotal”, coming from discussions with suppliers, customers and, perhaps, previous management of competitors.

The table below lists possible sources of competitor data using Davidson’s categorization:

Recorded Data	Observable Data	Opportunistic Data
Annual report & accounts	Pricing / price lists	Meetings with suppliers
Press releases	Advertising campaigns	Trade shows
Newspaper articles	Promotions	Sales force meetings
Analysts reports	Tenders	Seminars / conferences
Regulatory reports	Patent applications	Recruiting ex-workers
Government reports		Discussion with shared distributors
Presentations / speeches		Social contacts with competitors

► **To know customers demand**

To know customers demand is a very vital part in business. If producer do not have any idea about his target customers, he will be unable to satisfy his customers. Understanding customers’ requirement is one of key successes in business.

(9) Risk Assessment:

Managing risk is one of the primary objectives of a business which wants to operate efficiently. So we have decided to find out the risk which we may face in running the business and at the same time we have identified the contingency plan for these approximated risks.

► Operational risks:

☞ Suppliers may fail to deliver quality product

What can be done We will have contracts with our suppliers that will ensure the quality. Because there will be an agreement like if they fail to deliver quality products then we will return that product instantly. We are planning to maintain the rule very carefully so that we can ensure the best quality to our customers. We also have to be very cautious in choosing our suppliers.

☞ Suppliers may fail to deliver products on time

What can be done--It is a very common phenomenon that business personals face lots of troubles in handling their suppliers. This problem mainly arises because of the late delivery, because it hampers a lot in day to day operations. So producer should make a contract with suppliers that will contain the conditional terms like if they(supplier) fail to deliver the products on time consecutively for two times then producer will cancel the dealership.

► Technological Risks:

Any troublesome can occur in business, for an example machineries are not working properly for technical problem. In this case always technician should hire to repair all machineries.

► **Seasonal Consideration:**

Producer can focus on producing diversified products rather than produce specific category product. Specially this strategy should be followed by those producer who only concentrate on seasonal products. For an example: person who makes winter wear can make other things. It will help them to minimize risk related to products.

(10) Enhance Efficiency:

► **Give proper training to Workers:**

If your business staff isn't trained, you may want to consider the great number of benefits of training the employees in your charge. There are many advantages of training business staff. Your company will see greater profits and much better production from the employees when they are trained properly. That is why you should seriously consider getting your staff trained.

Here are some of the benefits of training your business staff:

☞ **Knowledge** Training your business staff properly gives them much needed knowledge about the business. The more knowledge they have, the better off the company will be. That is because they will better be able to serve in their roles in the company. Knowledge is power, so they say. This is one instance where that saying is above and beyond true. The more the employees know, the more smoothly your company will run.

☞ **Fewer Errors** If you train your business staff, the error rate will go down. This is part of the knowledge that is helpful to staff members. If you train the employee's properly, they will be well versed in your procedures and what you expect of them in the job. This will create far fewer errors which saves time. When the company saves time and efforts by the employees, they also save money in the long run.

☞ **Confidence** Your staff will have more confidence in their jobs if they know exactly what is expected of them. Training is the only way to accomplish this. Employees like to know that they are doing their job correctly. If you train them, they will know that they are doing it the way you want it done. There will be fewer questions because they will have confidence in what they are doing.

☞ **Peace of Mind** If you train your employees, you will have more peace of mind that your staff is doing what you want them to do. You will be far less inclined to check up on them every minute of the day which leaves you time to get your job done. When you go on vacation, you can be assured that your employees will be able to handle their jobs without worrying about coming back to complete chaos.

These are the benefits of training your business staff. It is important to make sure that your employees know what they are doing and what you expect. They need to know that what they are doing is being done right and you need to know that as well. Unless you train your business staff, you can never be sure of that.

► **Hire Expertise**

Expertise people need to hire for producing particular product. Sometimes it is not possible to make some products without efficient people. If it is time consuming to train up ex-workers then it is better to hire expertise workers to perform brilliantly. From expertise people in particular area, ex workers might get opportunity to learn.

► **Quality Awareness:**

Quality is a core factor to evaluate the standard of the product. How efficient the worker is, it can be measured by the quality of the product. An efficient worker can produce quality product. Definitely raw materials & other factors do matter but without efficiency it is not possible to maintain the quality. Aarong always emphasize on quality product for it's target group so enhancing efficiency is must needed to develop the quality.

► **Produce more output with use of less resource**

When workers may able to produce more output with minimum or less resource then it can be said that they are efficient. It should be ensured by producer that his workers are properly using resources. Business success also depend on this strategy that “minimum cost-Maximum benefit”.

(11) To Improve Technology:

► **To understand the necessity of new technology**

At first producer should understand the necessity of new technology in business. If they are reluctant to change their old machineries, they can not compete with other competitors. By analyzing competitors’ situation our producer need to understand that what the necessary of adopting new technology is.

► **Use of new & modern machineries**

Modern & new technology helps to increase production & also gives more facilities compare to old machineries. Sometimes it may help to reduce labor cost for not using workforce. New designs with attractive features, good finishing & quality product can be produced from modern machineries.

► **To know how to use:**

To run a machine properly is also an art & credit. If workers can not handle new machineries, they need to get proper training on it.

► **Machinery usage as per demand output > cost**

Producer should set up new machinery after analyzing his business condition. If order is insufficient & production volume is comparatively lesser than his machine set up cost, then producer shouldn’t buy that machine.

(12) Government Regulation

► Gain knowledge about the Government rules and regulation

Producer should have knowledge about the Government rules and regulation.

► Apply knowledge to operate business:

After getting knowledge about Government rules & regulation, producer should apply it in his business.

► To keep hard/soft copy of the policy

All the policies should be kept as hard or soft copy. In case of any clash with stake holders regarding policy, producer can easily prove by those documents.

(13) Written Policies & Regulation:

All kinds of policies & regulations need to be collected in a written format. Written documents work as evidence & they help to avoid conflicts among business partners.

" Go Green
save
Environment "



Helping
AARONG
to make
better choices

ENVIRONMENTAL
POLICY
FOR
AARONG



Introduction

Sitting in an office environment, it is hard to visualize how our activities are impacting on the environment. Issues, such as air pollution, global climate change, deforestation, landfills, water availability, biodiversity, chemical pollution and soil erosion, seem very distant and unrelated to the activities we undertake at work. It is now recognized that climate change and carbon management is a critical issue that must be addressed through innovation and intricate collaboration. However, we all make decisions everyday that contribute to these environmental problems and we all have a responsibility to ensure that our everyday decisions and operations contribute as little as possible to these broader environmental issues.



Environmental Policy & Objectives

As a fair trade organization we recognize that we have a role to play in ensuring that we manage our environmental impacts. We also recognize that we have a role to play in communicating good environmental practice outside our organization.

Objectives

In fulfilling our environmental policy we have set ourselves the following objectives:

1. To ensure that we identify and communicate good environmental practice throughout Aarong's business
2. To regularly review our policy regarding the use of recycled paper within our businesses; and
3. To identify and monitor our energy usage with a view to setting reduction targets.

Our environmental policy is based on four goals:

1. To continually identify and integrate effective management of environmental issues within our every-day business practices;
2. To give full consideration to the management of our key environmental impacts;
3. To strive to ensure that environmental improvements go hand-in-hand with reduced costs and increased efficiency; and
4. Where appropriate, to use our position as a leading market information organization to promote good environmental practice through our products and services.



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ଝଞଞଞ Proposal for Aarong ଋଋଋ

(1) Energy efficiency policies

Energy efficiency goal

To develop Aarong which is environmentally sustainable, and continue to increase respective energy efficiency levels within the office environment. These positive energy efficiency levels are heavily reliant on maintaining procurement policies and office behavioral practices which are in conjunction with Energy Performance Standards Regulations. Many developed countries have the Carbon Pollution Reduction Scheme, known as “CPRS” in order to develop a structured framework to commit to cutting greenhouse gas emissions by 60 per cent from 2000 levels by 2050. The phase-out of inefficient incandescent lighting is one of the programs to help achieve this goal.



Lighting

- Use natural light wherever possible – By using natural light to illuminate the office Environment we can save a significant amount of energy and associated greenhouse gas emissions.
- Replace traditional incandescent bulbs with energy savings bulbs to reduce running costs by up to 75 per cent and energy consumption by 20-30 per cent. Energy savings lights produce much less heat than incandescent lights, and also last up to 10 times longer, so we would also save on cooling costs in summer.



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- Switch all lighting off after hours and in areas such as store rooms that are not going to be used for at least 10 minutes. We should use separate light switches for different areas in our office allows this to occur easily.
- To avoid misuse of lights, light switches should be clearly labeled to indicate the areas they cover and their specific purpose.
- Easy to read and eye-catching energy saving reminder signs/stickers should be placed near all major light switches. Signage may include “Turn off and reduce your carbon impact”, or “Every time you turn off this light switch you help to save the CO2 equivalent of 10km driven by a car”.
- Clean dirty lamps and fittings on a regular basis. This will enable us to maximize our lighting efficiency by up to 30 per cent!



Equipment use for information technology

- Switch all equipment off when not in use (eg. at night) .If staffs are not turning their equipment off, consider installing **energy management option (EMO)** software to switch their computers off automatically.
- We need to make one staff member in our office responsible for turning off all shared equipment at the end of each day can prove very useful.
- Turn your computer screen off when you go to lunch to save further power.
- We should deactivate our screensaver! Monitors should be set to hibernation,



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Screensavers more frequently waste energy rather than save it.

- Turn the photocopier off at the power point at the end of the working day and during periods of inactivity.
- Photocopiers and printers are left to idle about 95 per cent of the time. When left on, small machines use about 100-120W/h when idle, while larger machines use even more energy. Minimize the number of photocopiers and printers in the office to increase their productive time.

Make sure that computer settings are capable of the following energy-saving functions after the respective period of non activity:

>>15 minutes – monitor hibernation mode (switches off)

>>30 minutes – system standby (hard drive switches off)

>>2 hours – system hibernation (entire system switches off)

- Turning your computer off at night does not damage the computer. Computers are designed to handle about 40,000 on/off cycles before causing a fault. This means you could turn off your computer every night for about 109 years.
- The majority of electricity used by photocopiers is in the initial ‘warm up’ stage. Each time you start photocopying, the machine uses extra energy to get ready to operate. You can save energy by “batch copying”, which involves saving up your copying tasks and doing them in one batch.
- If office rarely receives faxes, switch off fax machines after hours to save energy. In the case of larger offices with many fax machines, energy can be saved by turning off some machines after hours and diverting calls to one or a few machines.



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Air-conditioning

(We should keep in our knowledge)

Climate control accounts for about 40 per cent of an office's total energy use. The opportunity for big savings in energy efficiency can be found in your heating, cooling, and ventilation (HVAC) systems. Use natural ventilation and fans where possible. Set air-conditioner systems to a minimum of 24°C. If air-conditioning is used, close all windows and doors to reduce the escape of cool air. If the machine has adjustable louvers, adjust them towards the ceiling when cooling, and towards the floor when heating (as cool air falls, hot air rises). Switch off heating and cooling after hours.

Other

There are numerous other areas within an office environment where energy use can be reduced by a significant amount. Appliances in other personal and shared workspaces, such as the kitchen, should be switched off when not in use. These policies are designed to become a part of the strategic direction of office environmental management. It is recommended that the initiative of a "green team" or "green staff member" is introduced in the office environment, where a number of staff members are responsible for the environmental management of the office.



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(2) Water conservation policies

Water conservation goal

To develop Aarong office that promotes the importance of water conservation through increasing staff awareness of the environmental impacts associated with wasting water in the office. To enforce policies which promote the importance of water as a resource, not only for human use, but its importance in maintaining a healthy and productive environment.

Water conservation and the office environment

(We should keep in our knowledge)

Water covers two-thirds of the Earth's surface and permeates the atmosphere in the form of water vapour. However, only 2.5 per cent of the 1.4 billion km³ of water on Earth is fresh and the vast majority of this fresh water is secured in polar ice caps.

Thus, the world's human, flora and fauna population depend upon just 0.075 per cent of the Earth's total water! Conservation is the key.

Aarong needs to follow some rules:

- Inform cleaning staff of our commitment to water reduction and conservation. Need to discuss with them ways in which they can look for opportunities to incorporate water conservation into their cleaning procedures.
- After each washing it should be checked that whether water tap of all basins of dining room are closed or not. Otherwise there always remains a risk of water loss.
- Frequently checking is needed to see whether the water taps are leaky or pierced.



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- Additional water may be reserved in separate drums for emergency in bathroom & Kitchen.
- Use dishwashers only when they are fully loaded, using the economy cycle. Scrape rather than rinse before placing items in the dishwasher.
- If boiling the kettle, only use as much water as you personally need.
- Replace single flush toilets with dual flush toilets. This can save 8L/flush on average.
- Install five or six star urinals, waterless urinals or sensor flush control with flow restrictor.

(3) Air & Noise Management



Aarong needs to follow some rules for Air management:

- For keeping the stores dust free and clean it should be checked that the external packets of goods are dust free before storing the goods in Aarong outlets.
- Well ventilation should be maintained
- For workers electrical fans should be available in all the rooms which is applicable for both foundation & head office.
- Natural air flow should be maintained in the rooms, where there is no air-conditioner.
- If necessary air fresheners can be used in Air conditioned rooms to make the air fresh.



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Noise Management:

- Noise control machine can be set up both in Outlets & Aarong head office.
- For noise control, warning can be given to all through notice.
- Separate rooms can be allocated for different machines that make too much noise.
- Workers should be advised to prevent from making unnecessary noise.
- Some management should be maintained to prevent echoes in the rooms where different sound making machines/ instruments are kept

(4) Clean Land

Waste management policies

(Waste management goal)

To develop Aarong offices that incorporate sustainable waste management practices into the operation of their office environment. Through the process of environmental change management, Aarong staff will maintain the sustainability ethos of ‘reduce’, ‘reuse’, and ‘recycle’.

The management of waste within an office environment encompasses the issue of replacing office equipment. This notion of office procurement and subsequent waste minimization should include observation of the five (5) R’s:



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1. **Rethink** (do we really need to replace this piece of equipment?)
2. **Refuse** (We don't need to replace this equipment so we won't)
3. **Reduce** (maybe we only need to replace some of this equipment)
4. **Reuse** (there might be someone that could use this equipment even though it is not what we need any more) and then ...
5. **Recycle** (now we will send it off to be recycled because that is all it is good for; or all other avenues have been considered).

'Reduce, Reuse, and Recycle' — an environmental ethos

► Reduce

- Encourage suppliers to be more sustainable by asking them to provide your office with double sided documents.
- We have to set our printer default settings to print double-sided.
- Purchase office equipment capable of double-sided printing.
- Implement a paper-free electronic database for information storage and
- Communication within our office in order to reduce unnecessary paper use.
- We need to think of the environment before we print. Do we you need a hard copy of the document? Would it be possible to read from the computer screen or use electronic means of communication?

(We should keep in our knowledge)

It takes 10 times more energy to manufacture a sheet of paper than it does to copy onto it.

Creating a Paper Reduction Campaign:

Offices use a lot of paper, so they are a prime target for waste reduction. A paper reduction campaign is a focused effort to promote paper reduction by using less paper, reusing paper where appropriate, and



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recycling. To make a campaign successful, management and staff participation and support are essential.

► Reuse

- Reuse single-sided paper as draft copies or notepaper within the office.
 - Keep a 'once used paper' box near every printer and copier in your department and educate and encourage you colleagues to use them.
 - Reuse folders, file clips and covers.
 - Encourage staff to use reusable cups, crockery, and cutlery for lunch/tea breaks – providing paper cups, plastic spoons, and individually packaged sugar, milk and coffee sachets should be discouraged in order to avoid unnecessary waste.
 - Recycled paper also can be used for packaging purpose in our outlets & in head office
 - Some products also can reuse, for examples; using empty bottles to keep liquid soap in toilets & kitchen,
-
- **Paper can be used for making envelope**

Reuse envelopes and send them through the mail again whenever possible. We understand that business do not like to send some types of mail in used envelopes for reasons of corporate image. However, many businesses conduct a fair amount of mailing of types where corporate image in not a factor. For this type of mailing, use labels to cover the old address on used envelopes. Some companies sell reuse labels for envelopes, which have a discrete message at the bottom explaining that this envelope was reused to save trees.



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► Recycle

- Construct a primary recycling station in a central location within the office. This will encourage staff to leave their desk to place all recycling material in one area.
- Every desk should have a paper recycling box. Staff should empty their paper bins into the central recycling station which is to be centrally located in office.
- Recycling Paper is must needed in every where at our office & outlets.



To start a recycling program, determine which material Aarong want to recycle, find someone to pick up the material, put recycling bins around your office, and get staff to participate. That is "all" there is to it. Having commitment from your management to encourage staff will help. But it is even more important to have management participate.

Food Scrap Management:

Bangladesh throws away huge food scraps each year. That's 16 percent of all disposed materials going into landfills from businesses, residents, and institutions such as schools and prisons. Although green material collection programs have been implemented in many cities and counties, management of food scraps provides additional opportunities to help meet the State's diversion goals as well as provide greater uses for this resource. A suggested order for food scrap management is to (1) prevent food waste, (2) feed people, (3) convert to animal feed and/or rendering, and (4) compost.



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Behavioral management changes

Green office programs are cultural change programs attempting to promote more sustainable behavior within the office environment. In essence, this guide promotes a shift in behavioral management toward more environmentally sustainable work, and potentially home, practices. Research has shown there exists a causal difference between ‘attitude’ and ‘behavior’. Numerous people may maintain that environmental sustainability is a personal responsibility, such as recognizing that switching off a light and reducing energy consumption is ‘good’ for the environment. However, this is in stark contrast with the number of people who actually exert that behavior, and carry out that action of switching off the light when they leave a room. Thus, it is important to develop management policies whereby a ‘green’ attitude is transferred into ‘green’ behavior.

However, if these behavioral management changes are not effective in bridging the gap between attitude and behavior, the alternative is a mechanical fix. Such technological solutions include those mentioned in ‘Energy efficient polices’ such as motion-sensor lighting, timer switches, or energy management option software. Furthermore, social norms are important tools for behavioral management changes within the office environment. Thus, it is imperative that in order for the policies proposed in this guide to be effective, activities such as recycling, turning off office appliances at the end of the day, and switching off lights must become social norms within the office environment. Most people have positive attitudes towards protecting the environment, but won’t behave the way they know would protect the environment because of convenience, cost (or time), social norms, or they simply don’t know how.

Community based social marketing (CBSM) is founded on the idea that most of us operate in line with outside messages, circumstances, and encouragement most of the time. CBSM is a conceptual framework used to change people’s environmental behaviors. The CBSM framework involves the following steps:

- clearly identify the desired behavior change
- identify barriers to this specific behavior change



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- identify benefits of this specific behavior change
- implement a strategy – commitment, communication, incentives, norms
- evaluate effectiveness

An example is provided below using the CBSM framework, focusing on the attempt to change the behaviour of staff in regards to energy efficiency in the office environment:

1) Desired behavioral change

“Staff to switch off common area lights at end of the day”

2) Barriers

- Staff not aware of location of light switches
- Staff not aware of how switches correspond to specific areas
- No reminders or incentives to switch off lights at end of day

3) Benefits

- Environmental benefits – lower energy consumption
- Monetary benefits – lower energy costs
- Increase positive office culture and social norms

4) Communication

- Office environmental representatives survey staff about switching off lights and removing certain light globes
- Office environmental representatives discuss ideas with staff
- Signage, e.g. colour-coded floor plans, explaining switches and location; signs/stickers next to light switch reminding people to switch off; signs redesigned every two (2) months to grab people’s attention
- Environmental audits made public and discussed with staff.



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5) Incentives

Night audits conducted, if staff meet two of three criteria (lights off, screen off, paper recycling bin emptied) a small gift left on their desk (perhaps a small chocolate)

6) Norms

The incentive becomes a visible sign of the night audits and shows who did and did not meet the environmental night audit from the previous night Effective once switching off all equipment and lights becomes a natural routine

This example of an operational CBSM framework for changing the behavior of office workers to switch off lighting can be applied to many facets of management of the green office, including information technology management, office paper-waste management, or water conservation. Another effective behaviour management change tool within the office environment is to form office 'green teams' responsible for monitoring sustainability practices, and awarding certain incentives. Establishment of a 'green team' or an individual green officer will encourage staff to feel a part of the solution to environmental sustainability.



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Child Labor Policy for Aarong



**SOCIAL
COMPLIANCE
&
PRODUCER
RELATIONSHIP**

What is Child Labor

The term “child labour”, coined in Britain during the 19th century, implies that the children involved should not be working. “Youth employment”, on the other hand, implies something quite different – that young people need appropriate training and support to enter the labour market and to find jobs when they leave school. Many languages do not have a phrase that implies that children should not be working and use expressions more similar to “child work”.



Condition of Child labor in Bangladesh

According to the Bangladesh Bureau of Statistics Labor Force Survey (1990), there are 5.7 million 10 to 14 year old children working in Bangladesh. Another estimate puts the number at 15 million. Nearly all the child labor in export industries is found in the garment industry. According to the Bangladesh Ministry of Labor, "children are found working in garments, bakeries and confectioneries, hotels and restaurants, transport, biri (cigarette) factories, small engineering workshops, fish-processing, and other informal and unregulated sectors." There are also allegations of children catching and processing shrimp in Chittagong for export.

In 2002 - 03, the Bangladesh Bureau of Statistics (BBS) conducted the second National Child Labour Survey (NCLS) .This survey has been designed and conducted in the context of the commitments made by the Government of Bangladesh, following the ratification of the International Labour Organization (ILO) Worst Forms of Child Labour Convention (No. 182) 1999. According to the survey, there are 4.9 million working children) — 14.2 per cent of the total 35.06 million children in the age group of 5-14 years. The total working child population between 5 and 17 years old is estimated at 7.9 million.

- The proportion of boy and girl child workers, in the age group of 5-17 years, is 73.5 per cent and 26.5 per cent, respectively;
- The total number of working children aged 5-17 years in rural areas is estimated at 6.4 million as against 1.5 million in urban areas;
- As many as 93.3 per cent of all working children in the age group of 5-17 years operate in the informal sector. Agriculture engages 4.5 million (56.4 per cent children), while the services sector engages 2 million (25.9 per cent), and industry, 1.4 million (17.7 per cent);
- A total of 1.3 million children are estimated to be working 43 hours or more per week. More boys than girls are engaged in this form of child labour across all age groups.

Why Children Work:

Children start work when they are too young, or take on work that is hazardous, for many reasons. Children in developing countries do so because they and their families need the extra income. Indeed, many end up working unpaid for their employers in exchange for their board and lodging. In contrast, children in industrialized countries, including the UK, seek work for quite different reasons, usually to establish financial independence from their parents. Here we focus on children who are driven into the world of work by poverty. However, even for poor families there are decisions to make about what work children should take on. Parents rarely wish to expose their children to danger, but may see no alternative. All too often, both parents and young people are unaware of the risks involved. The reasons children work can be divided broadly into “supply” and “demand” factors. The very fact that so many different factors are at play is one reason why there is no single solution, no magic recipe for putting an end to the economic exploitation of children.

► The supply: What pushes children into work?

→Poverty:

The main reason why children start work instead of attending school, or leave school before completing their primary education is that their families are poor and cannot pay the basic costs of food and housing without their child earning something as well. But the reasons why families are poor vary enormously – some are global, some are national and some are historic.

Some adult workers are not paid enough to support their families, and sometimes even the wages from both parents’ incomes are not sufficient to keep their family housed, clothed and fed. However, it is also common to find families in which one or both parents are not earning anything, maybe because a parent has died or left home, or because adults are unable to get work. Sometimes employers prefer to employ children, finding them more obedient and cheaper than adults.

Alongside families where all the children are expected to work and earn their living from a young age, there are others where just one or two children work to earn money to enable another

sibling to attend school. Around the world, the details vary but the story is the same. There is not enough money for families to survive without some or all of their children working.

→ Family Breakdown

Families break down for many reasons, leaving the household short of income. Sometimes divorce leaves one parent looking after more children than she or he can afford to feed. Divorce is sometimes brought about by domestic violence, which also directly drives children to leave home when they are still young. The death of either parent precipitates economic disaster for many households. In parts of Africa, this has now become all too common as a result of the HIV/AIDS pandemic. Families also lose their livelihood as a result of natural disasters and human crises that leave people destitute and force children to start earning. The 1994 genocide in Rwanda, in which almost one million people were murdered, left huge numbers of orphans. Five years later,

more than 45,000 Rwandese households were still headed by children, mostly girls, who bore the responsibility for providing for their brothers and sisters.

→HIV/AIDS

By 2001, the UN estimated that 13 million children around the world under the age of 15 had lost either one or both parents to HIV/AIDS. About half become orphans before they are 10. The result of the premature death of one or both parents is that children take on the responsibility of seeking an income to support themselves and their younger brothers and sisters. In the case of HIV/AIDS, children often take on this role when their one surviving parent becomes seriously ill and is unable to work. A survey in 2002 of girls working as domestic servants in the Ethiopian capital, Addis Ababa, found that more than three-quarters were orphans. More than a third of those questioned were not attending school. In richer countries, government institutions generally play a role in protecting children against the impact of crises or poverty, providing subsidies or grants to them or their families. However, this sort of support is not available to most children in the world. The extended family plays a role in protecting orphans and other

children in need, but traditional systems for providing protection buckle when vast numbers are involved. This is the case in parts of Africa affected by the HIV/AIDS pandemic.

→ Attitudes to girls

All around the world, children belonging to particular social groups leave school and start work earlier than other children in the same country. In industrialized countries the obvious differences are based on wealth and social class: children from poor families start work several years before their peers in rich households. In these countries, however, there are likely to be laws, which are enforced, making it compulsory for all children to attend school until a minimum age (16 in the UK). In most parts of the world, gender is also a crucial factor: girls are discouraged from staying at school beyond puberty (and are sometimes withdrawn much earlier) and are propelled into adulthood much younger than boys, either into work or an early marriage. In some countries, school is a threatening place for teenage girls, where they are at risk of sexual harassment from male classmates and teachers, and sidelined by prejudice and poor curricula. Simply because they are girls, many are kept at home or drop out of school. UNICEF estimated that, at the end of 2003, 121 million children of school age were not attending school: well over half (65 million) were girls.

→ Discrimination against minority groups

Some children also leave school and start work earlier than others because of their origin or identity. In Latin America, indigenous children start work first. In South Asia, the caste system determines that children from “*dalit*” families (who have low status in the caste hierarchy) or “*adivasi*” (tribal or indigenous) communities start work first or do not attend school at all. In southeast Europe, it is children from the Roma minority. In each

case, a combination of supply and demand factors are at work: the communities concerned feel that the school system was not designed for them and consider it normal for children to abandon school early and start work.

Surveys by UNICEF and Save the Children UK in Bosnia and Herzegovina confirm that the vast majority of Roma are unemployed. Although 92 per cent of school-age children attend school on average, in some areas as many as 80 per cent of Roma children do not. Those who are in school often drop out early to seek work. The underlying problem is one of prejudice and discrimination in local social services and the community, rather than a lack of infrastructure or services. Between 1999 and 2001, UNICEF began supporting special educational programs for Roma children, in cooperation with World Vision.

► **The demand: Why employers want children**

Alongside factors which push children into earning money are others which pull children into the world of work. A major proportion of today's working children are employed in a family business or farm. The role of the family as a basic economic unit in many parts of the world still generates a demand for children to start work rather than study. In some cases this does them no harm. The heads of family enterprises regularly comment that school gives their children a less useful training than on-the-job experience. Of course, this approach reduces their child's opportunities later in life.

→ **Cheap & Obedient:**

The relatively low wages paid to children are often a reason why employers prefer them to adult workers. Some children work unpaid, particularly as domestic workers, in conditions that would be denounced as “**slavery**” if they involved adults. Employers find children more obedient and easier to control. Unlike older workers, they are unlikely to initiate protests or form trade unions. It is also easy for adults to intimidate children. Employers can force child workers into submission when the children are dependent on them for food, lodging and even emotional support. In most parts of the world, it is still considered acceptable for parents to beat their children. Employers take advantage of the public's acceptance of corporal punishment to beat their child workers as a means of controlling them.

→ “Nimble fingers”

In the country with the largest number of child laborers in the world, India, adults justify the involvement of children in certain jobs on the grounds that only they have the “nimble fingers” which enable them to give special attention to detail. Some sorts of work, they argue, cannot be performed by adults.

This is just one of many myths used to justify the numbers of children working today, myths which offer largely spurious arguments but strike a chord with local public opinion and come to be believed because they are repeated so often.

→ Inadequate laws

More than 130 countries have signed an international convention saying that children may not work full-time before 14 or 15 years of age. However, in some of the countries concerned, laws on this are confusing or vague and not enforced. There are particular difficulties when laws are inconsistent – for example, one dictating that children must remain in school until they are 12, while another decrees that they may not start work until 14: the inconsistency is almost bound to precipitate children into the labour market before they reach the legal minimum age.

In some countries, there are so many laws affecting the employment of children that parents and employers alike are baffled. Employers can usually point to a loophole to justify a young child working for them. Even when there are laws to regulate health and safety at work, these are rarely enforced in the informal economy where working children are found, routinely exposing them to serious risks.

→ Poor infrastructure

Another factor is the practical difficulty of establishing a child’s actual age in countries where the infrastructure may not be in place for e.g. systematic birth registration. This can disadvantage children in many ways – law enforcers are hampered because they do not have the means to absolutely establish the ages of e.g. teenagers, and, without appropriate documentation, young people may also be denied access to state services such as schools.

Child Labor in Garments Sector

The garment industry, including those enterprises producing accessories for finished garments, is without doubt the most significant industry in Bangladesh which utilizes child labor and exports to the United States. It is also a relatively young industry, established in 1977 and developed rapidly after 1983. In 1993, Bangladesh exported nearly \$750 million in apparel to the United States. The garment industry's main products include shirts, trousers, jackets, T-shirts, shorts, and briefs. Garment workers make sports caps and sweat suits for export to the United States.



Estimates vary on the total number of factories and workers in the garment industry. One estimate puts the figures at 1,500 factories and over 700,000 workers, of whom 75 to 90 percent are women. Representatives of the garment factories located in and around Dhaka frequently cite the figure of 1,800 factories registered with the BGMEA, with 1,000 actively producing garments, of which approximately 300 lead in production. However, these figures do not include a growing sub-contracting sector, which frequently goes unnoticed and unregulated.

Children ranging in ages from eight to fourteen work in the garment industry. It is reported that most of the children are girls with an average age of just over 13 years -- 10 percent of whom are already married. Reported figures on the incidence of child labor in the garment industry vary from source to source. On the one hand, Dr. Farida Akhtar, Executive Director of the Srama Bikesh Kendra, claims that one-fourth of the workers in the garment industry are children. On the other hand, in May 1994 the President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) stated that one percent of the total work forces are children, numbering an estimated 8,000 - 10,000. A recent study by the Asian-American Free Labor Institute (AAFLI) estimates that 25-30,000 children work in the industry, mostly in subcontracting industries. Still others maintain that child labor does not exist in the garment

industry. Some estimates suggest that the number of child garment workers may be near 55,000. A June 1994 report of the International Confederation of Free Trade Unions lists the percentage as ranging from 20 to 40 percent. Recent observations made during site visits by U.S. Departments of Labor and State officials suggests that anywhere from 5 to 20 percent of the work force are under age 14. In short, children are working in the garment industry, even though various observers differ as to the precise numbers.

As a result of international attention paid to child labor in the garment industry in the recent past, both the Government and the BGMEA have made efforts to encourage manufacturers to abide by the law which prohibits the employment of children under the age of 14. Fearing the imminent passage of the Child Labor Deterrence Act (otherwise known as the Harkin Bill), garment employers dismissed an estimated 50,000 children from the factories in the fall of 1993, approximately 75 percent of all children in the industry. No follow-up study has been undertaken to determine where the children went, but it is widely thought that most of them have found employment in other garment factories, in smaller, unregistered subcontracting garment workshops, or in other sectors. Observers estimate that approximately 75 percent of all child workers in the garment industry were dismissed following governmental and industry warnings. International organizations and NGOs pressured the industry to retain the remaining children in order to have an opportunity to establish "safety nets" for them.

In its written testimony to the U.S. Department of Labor's International Child Labor Hearing, the Embassy of Bangladesh noted operations are simple and technology is uncomplicated in the garment industry. Most of the work is performed by women. These women, in the absence of any guardian at home, bring along their children, particularly female ones, for security and day-care, to their places of work. U.S. Departments of Labor and State officials, AAFLI representatives, and other non-governmental organizations, however, have witnessed children on their way to work in the morning, without parents, carrying their Tiffin (tin lunch boxes) and holding their time-cards. AAFLI's study found that very few children interviewed had an immediate family member (father, mother, brother, or sister) working in the same factory, but most had a friend or some distant relative who arranged for them to get the job.

Garment factories are located in multi-storied buildings throughout Dhaka including Mirpur, Malibagh and Rampura districts (allegedly one of the worst areas), and the Free School District area. Working conditions in general in Bangladesh are far below western standards. On a par with other factory settings, garment factories are often dimly lit, with poor ventilation, and open for very long hours. However, some factories operate with good lighting and are not overly hot or crowded. The workers, mostly female, work without a break during their shift. Too often the factory doors are locked. Sometimes guards with keys stand by the locked gate; other times no one able to unlock the iron grating is near. Many times the locked gate is the only entrance or exit to a factory. The workers, including children, are frequently locked into their work place at the beginning of the morning shift and not let out until the end of the workday, and in some cases not until the next day. Overtime hours occur during peak periods in the production cycle when manufacturers are rushing to fulfill their export quotas. AAFLI's 1994 survey of garment factories found that, like adult workers, children typically work 10 to 14 hours a day, with a half-day off on Friday.

Children generally are given the less skilled tasks; adults are normally found operating the sewing machines and cutting fabric. Children are confined to cutting and trimming loose threads from completed garments, serving as "helpers" to the sewing machine operators and ironers, as stockers, transporters of garments from one station to another, and finishers who pack the products.

In contrast to some other industries in the Indian sub-continent, children in the garment industry are indeed paid, albeit very little and many times late. Each factory worker must carry an employment identification card which gives the person's name, hours worked per day, and the daily signature of a supervisor. It is only by presenting this card that an employee can receive his or her monthly wage. In some cases, the employer withholds issuance of the card for the first month or two of employment, and the child is not paid during this period. Interviews with child workers found that supervisors regularly punish misbehavior such as talking while working by docking a day's pay. Eventually the child will earn a wage. Children in some factories do not receive time cards, and often are unaware of their compulsory working hours, monthly salary, or hours of overtime work. Since there are no trade unions for the child workers, they have no bargaining power or recourse to a grievance system.

In its study of 143 garment factories in Bangladesh, the Asian-American Free Labor Institute (AAFLI) reported the salary range is 300 to 500 taka per month (about \$7.69-\$12.82), except for the case of sewing machine operators or ironers who were reportedly paid 750-1,800 taka per month (\$19.23-\$46.15), and that the children are generally paid less than adults. In a recent visit to Bangladesh, a Department of Labor official spoke with children who reported receiving anywhere from 250 to 700 taka per month. Children also reported that, like adult workers, they are often paid two to four weeks late, and rarely paid extra for overtime. In some factories, the child workers are appointed as "apprentices" or "helpers" for months and are not issued identification/time cards even after completing their apprenticeship period. In some factories, the child workers are appointed as "apprentices" or "helpers" for months and are not issued identification/time cards even after completing their apprenticeship period. There is no paid leave for holidays, and salary is deducted if the child is absent, or for unproductive periods when the electricity in the factory temporarily goes out. Girls under 15 years of age are preferred in these factories, as they work for less, are more likely to be unmarried with no children or domestic responsibilities, and cause no labor problems.

☞ Proposed Child Labour Policy for AARONG ☜

☑ Age limitation: In Aarong labour should be minimum 14 years old who will be treated as young loabur. Under 14 years aged worker are children so it will be counted as illegal action if Aarong hire or appoint children. Under Bangladesh labour code 2006 it is punishable if any organization hire child as a labor. But there is some exceptional case. Any child attaining the age twelve may be employed in light work which is not dangerous to his health and development or which will not prevent him from his education.

Girls under 15 years of age are preferred in the foundation, as they work for less wages, are more likely to be unmarried with no children or domestic responsibilities, and cause no labor problems.

Certification of fitness should be approved by a registered physician to prove whether the young person is fit or not.

Standard:

◆ Dispute with regard to age- (Under “The Bangladesh Labor Code, 2006”)

- (1) If any question arises as to whether a person is a child or young person, it is to be resolved, in the absence of a certificate of age by a registered physician, by the Inspector by sending the same to a registered physician for decision.
- (2) The certificate of age issued by a registered physician under sub-section (1) shall be conclusive proof of age of a person.

◆ Prohibition of employment of children and young persons-

- (1) No child shall be required or allowed to work in any profession or establishment.
- (2) A young person shall not be required or allowed to work in any factory unless-
 - (a) a certificate of fitness granted to him is in the custody of the owner of the establishment.
 - (b) such young person carries while he is at work a token giving a reference to such certificate.

(3) Nothing in sub- section (2) will apply to a young person who is appointed as an apprentice or under a vocational training in a profession or an establishment.

(4) The Government may, if it thinks that an emergency situation is in existence and for public interest it is necessary, by notification in the official Gazette suspend the application of sub-section (2) for the period of time specific therein.



Working hour: In Aarong , no young person shall be required or allowed to work more than seven hours in any day and forty two hours a week. No young person shall be required or allowed to work in between the hours of 7 p.m and 7a.m.



Standard:

◆ Working hours for using young persons - (Under “The Bangladesh Labor Code, 2006”)

(1) No young person shall be required or allowed to work in any factory or mine for more than five hours in any day and thirty hours a week.

(2) No young person shall be required or allowed to work in any other establishment for more than seven hours in any day and forty two hours a week.

(3) No young person shall be required or allowed to work in between the hours of 7 p.m and 7a.m

(4) If any young person works excess hours, his total working hours shall not exceed-

(a) thirty six hours a week in case of factory or mine; and

(b) forty eight hours a week in case of other establishment.

(5) The period of work of all young persons employed in an establishment shall be limited to two shifts which shall not overlap or spread-over more than seven and a half hours each.

(6) A young person shall, be employed in only one of the relays which shall not, except with the previous permission in writing of the Inspector, be changed more frequently than once in a period of thirty days.

(7) The provisions of this code relating to weekly holidays shall also apply to young workers and the application of these provisions shall not be suspended in respect of young workers section shall apply also to young workers, no exemption from the provisions of this section shall be granted in respect of any young worker.

(8) No young person shall be required or allowed to work in any establishment on any day on which he has already been working in another establishment.

Wages structure: Children & young workers are generally paid less than adult according to law. The wages structure would follow as per as organization's rule but Aarong should keep in mind that adults workers always highly paid for having experience, knowledge and age. So compare to their basic wages, children /young worker will receive less than them.

Leave/ Holy day:

Annual Leave with wages for child labor -

One day for every fourteen days of work performed by him during the previous period of twelve months

Standard:

◆ **Annual Leave with wages for child labor - (Under “The Bangladesh Labor Code, 2006”)**

-for factory, one day for every fifteen days of work performed by him during the previous period of twelve months.

- for tea-garden, one day for every eighteen days of work performed by him during the previous period of twelve months.

-for shop, commercial and industrial establishment, one day for every fourteen days of work performed by him during the previous period of twelve months

[Sub-section (2) Sec 117]

Restriction:

- No young person shall work at any machine unless- he has been fully instructed as to the dangers arising in connect with the machine and the precautions to be observed
- No young person shall be allowed in any factory to clean, lubricate or adjust any part of machinery while that part is in motion, or to work between moving parts or between fixed and moving parts, of any machinery which is in motion.

Standard:

◆ Prohibition of employment of young person in certain job: - (Under “The Bangladesh Labor Code, 2006”)

No young person shall be allowed in any factory to clean, lubricate or adjust any part of machinery while that part is in motion, or to work between moving parts or between fixed and moving parts, of any machinery which is in motion.



◆ Employment of young person on dangerous machines:

- (Under “The Bangladesh Labor Code, 2006”)

(1) No young person shall work at any machine unless.

- (a) he has been fully instructed as to the dangers arising in connect with the machine and the precautions to be observed; and



(b) he has received sufficient training in work at the machine; or is under adequate supervision by a person who has through knowledge and experience of the machine.

(2) This section shall apply to such machines as may be notified by the Government to be of such a dangerous character that young persons ought not to work at them unless the foregoing requirements are complied with as per-sub section (1)

(3) No young person shall be employed to any dangerous work the list of which may be published by the Government from time to time, by Gazette notification.

Other standards

“Employment of young Person”

Under “The Bangladesh Labor Code, 2006”

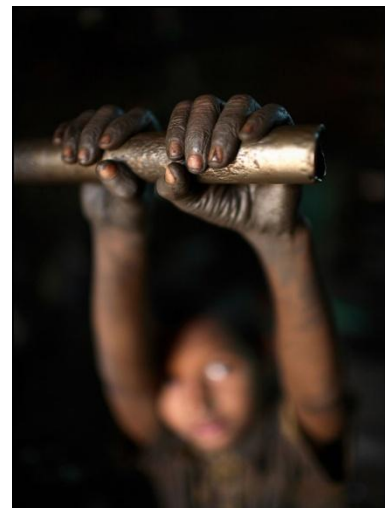
◆ Prohibition of certain contract with regard to children-

-Subject to the provisions of this Chapter no parents or guardian of a child can make contract of employment of a child giving permission to work with anyone.

Explanation- “Guardian in this chapter means legal guardian or any person having control over the child.”

◆ Certificates of fitness-

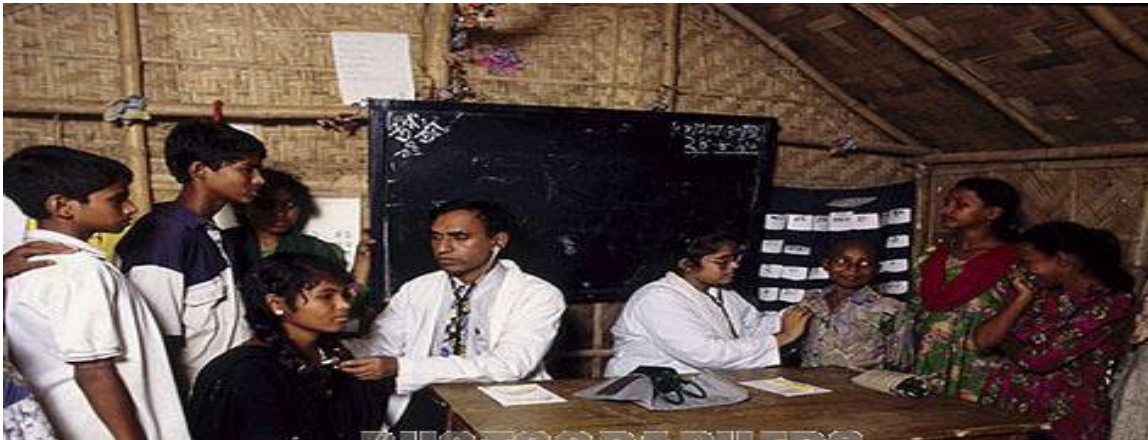
(1) A registered physician shall, on the application of any young person or his parent or guardian whether such young person is fit to work in a profession or establishment, or on the application of the employer of an establishment in which any person wishes to



work, examine such person and ascertain his fitness for work in such factory.

Provide that such an application shall be accompanied by a document stated the employer of an establishment that such person shall be employed therein if certified to be fit for work in an establishment.

- (2) A certificate of fitness granted under this section be valid only for the period of twelve months from the date thereof.
- (3) Any fee payable for a certificate under this section shall be paid by the employer and shall not be recoverable from the young person or his parents or guardian.



◆ Power to require medical examination-

(1) Where an Inspector is of opinion-

(a) that any person working in a factory without a certificate of fitness is a young person, or

(b) that a young person working in an establishment with a certificate of fitness is no longer fit to work in the capacity stated therein,

he may serve on the employer of the establishment a notice requiring that such young person shall not, if the inspector so directed, be allowed to work in any factory until he has been so examined and has been granted a certificate of fitness or a fresh certificate of fitness, or has been certified the registered physician examining him not to be a young person.

◆ **Prohibition of employment of young persons in under ground or under water-**

No young person shall be employed to work in underground or under water.



◆ **Notice of periods of work for children-**

(1) In every establishment in which young persons are employed, there shall be displayed in the manner laid down by Rules, a notice of periods of work for young persons, showing clearly the periods within which young persons may be required or allowed to work

(2) The periods shown in the notice under sub-section (1) shall be fixed beforehand in the manner laid down for adult workers and shall be such that young persons working on those periods would not be working in contravention of this code.

(3) The rules of notice in any establishment with regard to adult workers shall apply also to the notice under sub-section (1)

(4) The Government may by rules prescribe the form of the notice under sub-section (1) and the manner in which it shall be maintained.

◆ **Exception to employment of child worker in some circumstances-**

(1) Notwithstanding anything contained in this chapter, any child attaining the age twelve may be employed in light work which is not dangerous to his health and development or which will not prevent him from his education.

Provided that if the child is school going, his working hours are to determined in such way that his school going is not hampered.

All provisions of this chapter applicable to young persons shall also be applicable as far as possible to child workers.



