

Quarterly Newsletter



LABS
Life And Building Safety



Issue 11

July 2022



Dear All,

We hope this newsletter finds you safe and well.

The second quarter of 2022 was fruitful with multiple program achievements. The formal launch in Cambodia marked a key milestone for the program in May, 2022. Over 200 people attended the launch event, with representatives from key government ministries and agencies, civil sector organizations, brands, and other organizations. The factory onboarding activities were initiated in Cambodia, with the initial group of Assessments conducted in June. Also in June, **LABS program achieved the landmark of onboarding 300 factories globally.**

There was a slight increase in COVID-19 cases in India; fortunately, operations were not affected. We continue progressing with caution in our operations and wish to remind everyone to stay safe and take necessary precautions against COVID-19.



324

Factories onboarded

India: 110
Vietnam: 192
Cambodia: 22



303

Assessments conducted

India: 107
Vietnam: 179
Cambodia: 17



373

Safety training conducted

India: 109
Vietnam: 264



672,957

Workers reached

India: 140,728
Vietnam: 469,647
Cambodia: 62,582

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Operations Quarterly Update

INDIA

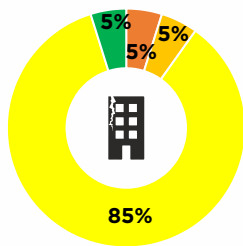


1. Assessments

This quarter, three assessments were conducted in India.

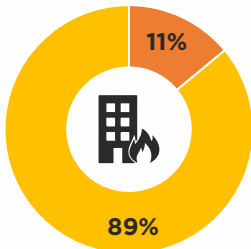
- 1 Richa Global Exports Pvt., Ltd. – Jigani
- 2 Nisha Designs – Peenya
- 3 Matrix Clothing Pvt., Ltd. – Unit 2

Key Findings, in particular, included:



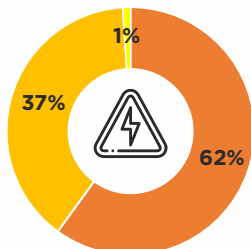
Structural Safety

- Exposed reinforcement in roof slabs
- Uneven floor-load distribution on suspended floors
- Dampness inside the main building
- Missing documentation, such as structural diagrams, geo-technical reports, floor-load plans, and soil-test reports



Fire Safety

- Rolling shutters on exit doors
- Fire-rated separation not provided for elevator shafts
- Fire-rated doors and fire-rated enclosures absent at staircases
- Handrails on both sides of the staircase missing



Electrical Safety

- Inadequate emergency lighting backup
- Lightning protection system not installed
- Heavy lint and dust inside switchboards and distribution boards (DBs)
- Protective earthing (PE) to DBs, MS roof truss, transformer fencing, and battery bank racks not provided
- Numerous hotspots with temperatures varying from 52°C to 98.6°C

2. Remediations

The following data represents 75 factories where 122 follow-up visits were conducted.



Fire Safety:

- 94% of the factories installed emergency lights
- 96% of the factories removed temporary obstacles on the evacuation pathways
- 92% of the factories installed illuminated exit signages
- 80% of the factories removed locking mechanisms from exit doors



Electrical Safety:

- 95% of the factories removed the lint and dust from electrical panels and DBs
- 95% of the factories reduced the high temperatures in electrical panels and DBs
- 92% of the factories provided PE connections for electrical components
- 100% of the factories remediated issues regarding the Supplies to Life Safety Systems



Structural Safety:

- 66% of the factories fixed the cracks in beams and columns
- 82% of the factories remediated the corrosion in non-engineered structures, such as MS Shed
- 74% of the factories eliminated the dampness in walls

3. Key Meetings

1. LABS National Stakeholder Committee Meeting - April 6, 2022

Key outcomes:

- Consensus to develop a one page document to highlight the importance and benefits of LABS bring for reaching out and engaging with NITI Aayog with support from the NSC members
- Suggestion to onboard the Vice Chairman - National Building Code, President - Indian Association of Structural Engineers and Director General - Central Public Works Department, Government of India, into the NSC to further strengthen the committee
- Committee deliberated on enabling higher remediation rate at factories and technical solutions for key fire safety issues such as fire rated door, and rolling shutters on the exits.
- Consensus to develop a business case on costs incurred by factory for getting the assessment and remediation activities completed as compared to the loss the factory would suffer in case of failure of safety management systems during an accident
- Suggestion to prepare a list of credible vendors that deal in fire rated doors, fire rated separations and enclosures

4. Safety Trainings

A total of 21 Safety Trainings were conducted during Q2, 2022.

Basic Level:

- Texport Industries Pvt., Ltd. – Unit 16

Level 1:

- Sri Arul Tex LLP
- Jega Garments LLP
- Nakulan Tex LLP
- SMS Exports B10
- Richa Global Exports Pvt., Ltd. – Jigani
- Celebrity Fashions Limited Narayanapuram
- Celebrity Fashions Limited MEPZ

Level 2:

- Matrix Clothing Pvt., Ltd. – Unit 4
- Matrix Clothing Pvt., Ltd. – Unit 1
- Gokaldas Exports – Venkateshwara Clothing Company (Unit 2)
- Pearl Global Industries Limited – BPK
- Centex Fabrics Export Unit
- Pearl Global Industries Limited – Bangalore
- Richa Fashion Pvt., Ltd.
- PRECISE SEAMLESS APPARELS PRIVATE LIMITED
- Tets N Rai International
- Fancy Fashions
- Chelsea Mills IMT Manesar
- Nahar Spinning Mills Limited
- Texport Industries Pvt., Ltd. – Unit 04

There were 440 participants in the Safety Training sessions with representatives from factory management, the OHS Committee, HR and maintenance departments, and workers from the production area.



VIETNAM



1. Assessments

Eighteen Assessments and three QA Assessments were conducted at the following factories in Vietnam during the quarter:

- | | | | |
|---|---|----|---|
| 1 | Eishin Co., Ltd. | 10 | Viet Pan Pacific Nam Dinh Co., Ltd. (2062687) |
| 2 | VIT Garment Co., Ltd. | 11 | UNITEDTEX Garment (Vietnam) Co., Ltd. (2063262) |
| 3 | Sprinta (Vietnam) Co., Ltd. | 12 | Song Hong Garment JSC – Factory 7, 8, 9, 10 |
| 4 | Jinquan Vietnam Travelling Goods Co., Ltd. | 13 | Emperor (VN) Co., Ltd. |
| 5 | Maxturn Apparel Company Limited | 14 | Eversun Footwear Co., Ltd. |
| 6 | Fortune Art Industry Co., Ltd. | 15 | Vietnam Harvest Garment Company Limited |
| 7 | Din Sen Vietnam Enterprise Co., Ltd. – Long An Branch | 16 | ARAVIET Company Limited (2063282) |
| 8 | Duc Thanh 2 Garment Import-Export Co., Ltd. | 17 | An Nhon Garment Joint Stock Company |
| 9 | Haianhtex Joint Stock Company | 18 | Ha Bac Export Garment JSC |

QA assessments

- | | | | |
|---|---|---|-------------------------------|
| 1 | Tainan Enterprises (Vietnam) Co., Ltd. | 3 | Haianhtex Joint Stock Company |
| 2 | Viet Pan Pacific Nam Dinh Co., Ltd. (2062687) | | |

Key findings included:

Structural Safety

- Allowable loading plans missing on the multi-story rack and mezzanine floor
- Roof bracings lacking in steel buildings
- Severe corrosion on steel columns
- Cracks on structural members, such as beams and slabs

Fire Safety

- Locking mechanisms on exit doors
- Temporary obstacles in escape paths
- Lack of fire-rated construction in high-risk areas
- Overhead signages non-existent on escape paths

Electrical Safety

- High temperature points inside panels
- Inadequate PE connections
- Improper protection coordination between cables and protection devices
- Single-line diagram drawing outdated

2. Remediations

The following data represents 143 factories where 290 follow-up visits were conducted.



Fire Safety:

- 100% of the factories removed obstacles on evacuation pathways
- 88% of the factories added extra emergency lighting
- 86% of the factories installed more fire alarms
- 73% of the factories installed additional fire detectors



Electrical Safety:

- 96% of the factories removed the lint and dust from electrical panels and DBs
- 96% of the factories corrected the high temperatures in electrical panels and DBs
- 100% of the factories remediated issues regarding the Supplies to Life Safety Systems
- 76% of the factories installed PE connections



Structural Safety:

- 74% of the factories repaired the missing/incomplete bracing in steel building
- 70% of the factories have fixed the visible distress in structural members, such as cracks
- 71% of the factories provided the Allowable Loading Plans throughout the factory building

3. Key Meetings

1. Vietnam National Steering Committee Meeting - April 26, 2022

Key outcomes:

- MOC, VITAS and LEFASO agreed to support in organizing a National Seminar about “Safety within the Apparel and Footwear industries” with their respective Brands and Factories partners
- Committee deliberated on enabling higher remediation rate at factories and technical solutions for key fire safety issues such as fire rated door, and rolling shutters on the exits
- Develop guidelines on establishing safety committees at factories as well as provide guidance on increasing female participation and promoting gender equality
- Consensus to onboard representatives from MOLISA - Ministry of Labor, Invalids and Social Affairs, Vietnam General Confederation of Labour, The Vietnam Chamber of Commerce and Industry (VCCI), the Center for Labor Relations Research, into the NSC to further strengthen the committee
- VITAS and LEFASO shared that the LABS’ ‘Technical guideline for Inspection and Assessment of Fire Safety Conditions of garment and footwear industrial factories’ helps their members to have a clear understanding about the international brand’s requirements

2. Engagement with Better Works Vietnam (BWV)

Key outcomes:

- On May 23, 2022 – LABS Global Lead and Country Manager conducted a meeting with Ms Nguyen Hong Ha, Program Manager for Better Work Vietnam (BWV), to give an overview of the LABS Program and discuss the collaboration between BWV and LABS. Both organizations agreed to start with a knowledge/information sharing session and maintain regular communication to inform progress.
- On June 27, 2022, LABS Vietnam conducted a meeting with 20 representatives from BWV, including their Program Manager, management team and auditors to further understand the issues in the field of life and building safety.

4. Safety Trainings

A total of 37 Safety Training sessions were conducted this quarter.

Basic Level:

- Jinquan Vietnam Travelling Goods Co., Ltd.
- Nahal Vina Co., Ltd.

Level 1:

- Minh Anh – Do Luong Garment Joint Stock Company (2054437)
- Regina Miracle International (Vietnam) Co., Ltd. (Factory A)
- VMC Royal Co., Ltd.
- Regina Miracle International (Vietnam) Co., Ltd. (Factory C)
- Hung Way Co., Ltd.
- GreenTech Headgear Co., Ltd.
- Precious Garment (Vietnam) Co., Ltd.
- VIT – Garment Co., Ltd.
- Soto Co., Ltd.
- Weitai Ha Long Garment Textile Company Limited
- Maxturn Apparel Company Limited (2061943)

Level 2:

- Son Ha Co., Ltd. – Thai Binh Branch
- TANDE 7
- NYAN KIDS DONG NAI CO., LTD. (2057695)
- G&G Fashion (Vietnam) Co., Ltd.
- Sees Vina Co., Ltd.
- Pro Kingtex Vietnam Co., Ltd.
- PT Daehan Global Yen Dung Joint Stock Company
- Bac Giang LNG Garment Corporation
- Ty Bach Co., Ltd.
- HANSAE TN Co., Ltd.
- Hana Kovi
- Yakjin Saigon Co., Ltd.
- SSV Export Garment Company
- Duc Thanh Import-Export Co., Ltd.
- Eco Way Knitwear Co., Ltd.
- Quang Viet (Tien Giang) Co., Ltd.
- Branch of Phong Phu International JSC – Phong Phu – Quang Tri Export Garment
- New Wide Garment (Vietnam) Co., Ltd.
- Sprinta (Vietnam) Co., Ltd.
- Sun Jade Vietnam Footwear Ltd.
- Vina Aron Co., Ltd.
- Nobland Vietnam Co., Ltd. 2
- Ivory Trieu Son – Thanh Hoa Co., Ltd.
- Esprinta (Vietnam) Co., Ltd.

There were 643 participants in the Safety Training sessions with representatives from factory management, the OHS Committee, HR and maintenance departments, and workers from the production area.



CAMBODIA



LABS Initiative launched in Cambodia on Phnom Penh on May 18, 2022. The Initiative will operate in all major hubs of Cambodia including Phnom Penh, Kandal, Kampong Cham, Kampong Chhnang, Kampong Speu, and Takeo and is expected to benefit approximately 206,000 workers in 2022.

Overall 207 people participated in the Public Launch. Key members included representatives from Ministry of Labour and Vocational Training; Ministry of Land Management, Urban Planning & Construction; Ministry of Industry, Science, Innovation & Technology; Better Factories Cambodia; Ministry of Mines & Energy; Cambodian Footwear Association; Consulate of the Kingdom of the Netherlands in Cambodia; Embassy of the Kingdom of the Netherlands in Thailand; Sweden Consulate Office; Cambodian Garment Training Institute; FABRIC Cambodia; GIZ; Manhattan Special Economic Zone; Ministry of Education, Youth & Sports; Ministry of Tourism; USAID; Ministry of Commerce; Ministry of Information; Embassy of India in Cambodia; Ministry of Environment; Embassy of United States; Delegation of the European Union; Electricite du Cambodge; and Cambodian Federation of Employers Business Association.

Brands including H&M, American Eagle, Canda, Marks & Spencer, Primark, ITX Trading, Mott Mac, Levi's, Carters, and Fruit of the Loom also attended the event.

Read more here: <https://labsinitiative.com/global-apparel-and-footwear-brands-join-the-life-and-building-safety-labs-initiative-in-cambodia/>



1. Assessments

Nine Assessments were conducted in Cambodia:

- | | | | |
|---|---|---|---------------------------------------|
| 1 | Dali Garment International (Cambodia) Limited | 5 | Yi Da Manufacturer Co., Ltd. |
| 2 | Grand Textiles (Cambodia) Co., Ltd. | 6 | Tae Young (Cambodia) Co., Ltd. |
| 3 | Naga Peace Corporation Limited | 7 | Y&W Garment Co., Ltd. |
| 4 | Sun Best Garment Co., Ltd. | 8 | Tak Fook (Cambodia) Garment Ltd. |
| | | 9 | New Wide (Cambodia) Garment Co., Ltd. |

Key findings included:

Structural Safety	Fire Safety	Electrical Safety
<ul style="list-style-type: none">- Allowable load plan on the multi-story rack and mezzanine floor lacking- Roof bracings in steel buildings missing- Severe corrosion on steel columns- Cracks on structural members, such as beams and slabs- Lack of documentation such as construction drawings and soil test reports	<ul style="list-style-type: none">- Locking mechanisms and rolling shutters on exit doors- Temporary obstacles on escape paths- Inadequate backup power for emergency lighting system and exit signs- Back-up lighting protection inoperable- Lack of fire-rated construction in high-risk areas- Overhead signages missing from the escape path	<ul style="list-style-type: none">- High temperature points inside electrical panels, DBs, and fire pumps; many hotspots between 62.6°C and 110.8°C- Inadequate PE connections- Heavy lint and dust inside electrical panels, switch boards, DBs- Lightning protection system missing- Inadequate cable protection between cables and protection devices- Single-line diagram drawings missing or outdated

2. Key Meetings

1. Meetings were held with following stakeholders for potential collaborations:

- Andrew Wallace, Director of Compliance for Cambodia Fairwind Enterprises
- Dr. Youth Sokpheara, Chief of ASEAN-OSHNET and Dr. Yi Kannitha, Deputy Director General, Dept of Occupational Safety & Health, Ministry of Labour and Vocational Training
- Sara Park, Programme Manager, Better Factories Cambodia
- Massimiliano Tropeano, Compliance & Sustainability Specialist, GIZ
- H.E. Chan Sopha, Director General, Institute of Standards Cambodia, Ministry of Industry, Science, Technology and Innovation
- H.E. Chhe Lidin, Director General, Dept of General Affairs, Ministry of Mines and Energy

Helpline Quarterly Updates

India

There were two non-LABS, non-zero tolerance cases:

1. One caller did not receive his Provident Fund and identity card care number although he joined over three months ago
2. One caller questioned the Provident Fund deduction

Helpline material:

- Helpline materials were sent to four factories.

Vietnam

There were two LABS cases:

1. Electrical leakage: The caller reported the ironing device had an electric leak and open steam valve. After investigation, the factory confirmed the springs in the device designed to control the steam release were malfunctioning and they fixed it. The caller confirmed the issue was fixed
2. Electrical issue. Anti-shock circuit breakers were broken. This issue is being investigated by the factory coordinator team

There were 18 non-LABS, non-zero tolerance cases:

- **Two calls related to overtime issues:** increased overtime working hours and incorrect overtime payment calculations
- One caller reported a broken sewing machine
- **Three calls regarding compensation and wages:** allowance payment, salary increment request, maternity payment policy
- **Three calls related to HR:** job assignment, recruitment, resignation
- **Six calls concerned working conditions:** a damaged drinking water-supply system, dirty restroom, hot workplace, lack of drinking water, dirty working environment
- **Three complaints:** manager's attitude, team leader's attitude, noisy fire-alarm test

Helpline material:

- Helpline materials were sent to five newly onboarded factories.

Cambodia

- LABS Helpline went live with two agents and one team leader. The Helpline telephone number is 1800 21 5227
- FFC and Helpline sessions were conducted for suppliers on Cambodia's launch day
- Helpline materials were prepared and translated in the Khmer language
- The Helpline team is being prepared for live calls by exercising mock calls and periodic knowledge checks.

Major Quarterly Incidents*

Vietnam

Six accidents in the apparel and textile industry were reported this quarter in Vietnam. Fortunately, no injuries were reported.

1. **April 6, 2022:** Fire at Vinahan Joint Stock Company (North Vietnam) caused a 200 sqm building to burn to the ground
2. **April 8, 2022:** Fire at Viet Pan Pacific International Garment JSC (North Vietnam) damaged a 700 sqm canteen and 800 sqm warehouse building
3. **May 25, 2022:** Fire at Woochang Vietnam Garment (Central Vietnam) resulted in property damage of approximately \$7 million USD
4. **May 29, 2022:** Fire at Appareltech Vinh Loc (North Vietnam) destroyed a 1,200 sqm bicycle-parking building
5. **June 5, 2022:** Fire at Chang Shin Vietnam factory (South Vietnam) burned down a 1,000 sqm building
6. **June 13, 2022:** Fire at SCAVI Hue Company (Central Vietnam) damaged a 12,000 sqm building



References: tienphong.vn; zingnews.vn; dantri.com.vn; vnexpress.net; tuoitre.vn

Cambodia

One accident was reported in the garment and footwear sector this quarter in Cambodia.

1. **May 24, 2022:** Fire at SHEICO Co., Ltd. (an apparel factory located in Manhattan Special Economic Zone in Bavet City, Svay Rieng) destroyed 43 motorbikes. The cause was an electrical shortage in the water pump. There were no injuries.



Reference: khmertimeskh.com

*The incidents are from apparel industry, and not from factories onboarded on LABS program.



LABS Secretariat
Arthur van Schendelstraat 500, 3511 MH Utrecht
P.O. Box 1241, 3500 BE Utrecht

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For any questions or comments,
please email at: info@labsinitiative.com

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