

Monitoring result for GUSTON AMAVA LTD on site

Guston Amava Ltd

Monitoring

Monitored Party	: GUSTON AMAVA LTD
amfori ID	: 104-000184-000
Site	: Guston Amava Ltd
Site amfori ID	: 104-000184-001
Address	: Lot No. A-19, Thilawa Special Economic Zone, Zone A, Kyauk Tan Township
	: Yangon
	: Yangon
	: Myanmar
Monitoring Activity	: amfori Social Audit - Manufacturing
Monitoring Type	: Full Monitoring
Submission Date	: 09/01/2022
Expiration Date	: 09/01/2024

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Overall rating



Section rating

PA1: Social Management System	B
PA 2: Workers Involvement and Protection	A
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination	A
PA 5: Fair Remuneration	A
PA 6: Decent Working Hours	A
PA 7: Occupational Health and Safety	A
PA 8: No Child Labour	A
PA 9: Special Protection for Young Workers	A

PA 10: No Precarious Employment	A
PA 11: No Bonded Labour	A
PA 12: Protection of the Environment	A
PA 13: Ethical Business Behaviour	A

General description

Assessment Time Frame & Scope: This was a regular full audit (Semi-announced) that started at 08:00 am on December 27, 2021 and ended at 05:30 pm on December 28, 2021. ALGI team of auditors; Mr. Shakil Ahmed- lead auditor (APSCA registration No.- RA 21700953) and Faisal Hossain- team auditor (APSCA registration No.- ASCA 21705139) were assigned for two days (02 auditors 02 days) to verify the compliance status of the factory against the amfori BSCI code of conduct (BSCI Version 2.0) as well as applicable local laws relating to the following areas:

'Social Management System and Cascade Effect' 'Workers Involvement and Protection', 'The rights of Freedom of Association and Collective Bargaining', 'No Discrimination' 'Fair Remuneration', 'Decent Working Hours', 'Occupational Health and Safety', 'No Child Labor', 'Special Protection for Young Workers', 'No Precarious Employment', 'No Bonded Labor', 'Protection of the Environment', 'Ethical Business Behaviour'.

The audit components included opening and ongoing discussions with management regarding factory practices, a review of documentation and records, a facility tour, confidential employee interviews, and a final closing meeting with management.

Factory Overview: The factory "GUSTON AMAVA LTD" is a Private Limited Company, as per business licenses and management interviews, the factory is located at Lot No. A-19, Thilawa Special Economic Zone, Zone A, Kyauk Tan Township, Yangon, Myanmar. The factory has started its operation on June 06, 2019 and it's a 100% export-oriented facility. The factory land area is about 15,030 square meters and the production floor area is approximately 14,186.45 square meters. The main product manufactured by the factory is Woven garments (Outwear, tracking suits, Jackets). Main production processes include cutting>sewing>quality>finishing>packing.

Site Description: The facility consists of 03 sheds; site descriptions are as follows

Shed 01 (fabricated):

Ground floor: Cutting section, warehouse, CAD, and medical room.

Mezzanine floor: Workers' dining.

1st floor: Sewing section, finishing section, office, and mechanic workshop.

2nd floor: Sample section and office.

Shed 02: Warehouse, boiler, generator, and fire hydrant room.

Shed 03: Security checkpoint and waiting room.

The Business Operating Licenses of the Facility: The updated reference no. of Factory Operation: TSEZ-FO-075, Investment Permit: TSEZ-IP-012, and Fire Safety Certificate: TSEZ-FS-058. The Certificate of Exporter/Importer Registration was found valid until October 14, 2024. The boiler license (TSEZ-BC-015-2) was found valid until August 15, 2022. The Electricity Certificate (TSEZ-EC-084-RN2) was found valid until June 19, 2022.

A total of 1,580 employees are currently working in the factory, which includes 1,319 production workers and 261 management & staff. Noted that the facility has hired 10 foreign migrants (Srilanka) workers for the management positions. As per company policy, wages are calculated monthly and are paid within 5 days of the following month, however, because of the COVID 19 pandemic situation, the facility has started to provide workers salaries 02 times a month (one portion of the monthly wages in advance after 15 working days and the rest of the wages provides after the completion of the month). The general shift runs from 07.30 am to 04.00 pm (Monday to Friday) with 30 minutes resting breaks in 03 batches, and Saturday the facility runs from 7.30 am to 11.30 am. The facility has rented security services from a third party (Alsok Myanmar Security Services Co., Ltd). The security section runs in two shifts; 7.00 am to 3.00 pm and 7.00 pm to 3.00 am. Though the facility has an electronic time-keeping system, due to the pandemic (COVID19) situation, the facility is maintaining workers' time records manually in a register, also they input the In time/Out time of workers in the software system. As per factory management, peak production months are January, February, May, June, July, August, and the rest of the months are off-peak production.

Opening Meeting: Mr. Fahim Mansoor, Factory Manager along with the other factory compliance personnel, and workers representative attended the opening meeting. ALGI audit team provided a brief description of the audit process, scope and provided ALGI Gift and Gratitude letter for review and signature.

Document & Record Review: 12 months' wage and timekeeping records were asked and found available from December 2020 to November 2021 as well as reviewed in detail for the months of November 2021 (current month), August 2021 (peak month), and June 2021 (peak month).

Health & Safety Tour: All areas and floors of this factory were toured including production and non-production areas. The H&S condition of this factory is satisfactory. The production floor was found clean and well-ventilated. Pure drinking water was provided for the workers. First aid boxes were provided on the floor with necessary first aid kits. All electrical panel boards were found clean, steam pipes & electrical wires were in proper insulation. The fire alarm system was found centralized, fire alarm bell, fire alarm switch, smoke detector was available with power back up in all workplaces including utility areas. The water pressure in fire hose reel was adequate. The facility has installed a sprinkler system on the premises.

Workers Interview: A total of 40 (30 female and 10 male) workers were interviewed from various sections of the factory including cutting, sewing, quality, finishing, packing, and admin section. 15 were interviewed individually & 25 were interviewed in five groups of 05 workers. The interviews were conducted in the dining area.

Closing Meeting: Mr. Fahim Mansoor, Factory Manager along with the factory compliance team, and a representative from the Workplace Coordinating Committee (WCC) attended the closing meeting. ALGI audit team communicated each finding in detail and allowed them to ask questions and provide any needed clarifications. They agreed on all the findings and signed the onsite finding report. The ALGI audit team handed over a copy of the draft findings to the factory and thanked them for their cooperation, and left the factory at 05.30 pm on December 28, 2021.

Remarks:

1. Agency labor contract, collective bargaining agreement, government waivers, inconsistency between time and production records, photos of the dormitory, and remediation of previous findings were not applicable in this audit.
2. The senior manager in charge has a good understanding of the situation concerning Covid-19 and has made all possible adjustments.
3. Anker Methodology was used to calculate the Basic Living Wage and the audit team was unable to compare as the auditee has not calculated the BLW.
4. Due to the unavailability of regular flights and a festival vacation fall within the traveling time in Myanmar, the audit was exceptionally scheduled for 2 days instead of 3 days. The auditor's assigned time was 09.00 hours for each day, and the total on-site effective man-days were 4.5.

Site Details

Site : Guston Amava Ltd
Site amfori ID : 104-000184-001

GICS Classification

Sector	: Consumer Discretionary	Industry	: Textiles, Apparel & Luxury Goods
Industry Group	: Consumer Durables & Apparel	Sub Industry	: Apparel, Accessories & Luxury Goods

GS1 Classifications

N.A.

Product Process Classifications

N.A.

Metrics

Key Metrics

Total workforce	1505 Workers
Legal minimum wage in local currency	144000 Monthly
Lowest wage paid for regular work at the site	174000 Monthly
Calculated living wage in local currency	416075 Monthly
Total sample	40 Workers

Other Metrics

Male workers	151 Workers
Female workers	1354 Workers
Permanent workers - Male	158 Workers
Permanent workers - Female	1422 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	6 Workers
Management - Female	25 Workers
Apprentices - Male	0 Workers
Apprentices - Female	0 Workers
Workers on probation - Male	0 Workers
Workers on probation - Female	0 Workers
Workers with night shift - Male	6 Workers
Workers with night shift - Female	0 Workers
Workers with disabilities - Male	0 Workers
Workers with disabilities - Female	0 Workers
Domestic migrant workers - Male	0 Workers
Domestic migrant workers - Female	0 Workers
Foreign migrant workers - Male	10 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	158 Workers
Workers hired directly - Female	1422 Workers
Workers hired indirectly - Male	0 Workers
Workers hired indirectly - Female	0 Workers
Unionised workers - Male	0 Workers
Unionised workers - Female	0 Workers
Workers under CBA - Male	0 Workers
Workers under CBA - Female	0 Workers
Pregnant workers	12 Workers
Workers on parental leave - Male	0 Workers
Workers on parental leave - Female	14 Workers
Sample - Male	10 Workers
Sample - Female	30 Workers

Findings

PA1: Social Management System

Though the facility has developed a management system and appointed a senior management representative to implement social requirements, the facility did not show full commitment towards the amfori BSCI CoC. Non-compliances were identified in the following performance areas: Social Management System, Workers Involvement and Protection, Fair Remuneration, Occupational Health and Safety and No Precarious Employment.

ဝက်ရီသည့်စီမံခန့်ခွဲမှုစနစ်တစ်ရပ်ကိုစီတူငဲ့ဒဲတြိုပူမှချေလီအပ်ပါကလျှောက်အစင်အထည့်စေချန်
 အကြိတ်နီစီမံခန့်ခွဲမှုလိပ်စာဖွယ်တင်ဥှိန်ခန့်အပ်စေလေည့်။ အသက်အနံ့သည့်amfori BSCI CoC အတွက်
 အပြည့်အဝကိတ်ဝတ်ရံပြဲဝေ။ မလိက်နာမှုလိက်အစဉ်ပြဲစွမ်းအင်ရည်နယ်ပယ်တွင်စေ့စပ်ခံသည့်-
 လူမှုစီမံခန့်ခွဲမှုစနစ်။ အလုပ်သမားအဖွဲ့ဝင်ပတ်သက်မှုနည်းအားလွယ်မပြု။ ပျာတလေစာမပြု။
 လုပ်ငန်းခွင်နာနီအချေန့်အစာစီမံခန့်ခွဲမှုအလုပ်အကိုင်အစ။

PA 2: Workers Involvement and Protection

Though the facility has developed a grievance handling system in the premises and maintains all types of grievance records, as per documents review and management interview, the facility did not maintain the resolution process and mitigation date for 90% of grievances. (As per amfori BSCI CoC)

၀က်ရံသည့် ပရိပုဏ်အတွင် မနာန ဝါဒက ကိုင်တွယ်မှု စနစ်ကို တီထွင်ဆောင်ရွက်၍ မနာန ဝါဒက မှတ်တမ်း အဖြစ် အစီအစဉ်
 ထိန်းသိမ်းဆောင်ရွက်သည့် စာရွက်စာတမ်းများ ပြန်လည်သုံးသပ်ခြင်းနှင့် စီမံခန့်ခွဲရေးကိုင်ရုံးကွပ်ကဲရေးမှန်မှန် အချက်အလက် 90%
 အတွက် ရှိသမျှ အချက်အလက် ဝင်ရောက် ပါဝင်မှုကို မှန်ကန်စွာ ထိန်းသိမ်းဆောင်ရွက်ပါ။ (BSCI CoC အရ)

PA 5: Fair Remuneration

Though the facility has communicated to the workers to calculate the living wages of this region, the facility did not set the living wage of this region for the workforce. Further, the facility was not aware of existing gaps between the actual remuneration and fair remuneration figure. (As per amfori BSCI CoC)

[illegible]

PA 7: Occupational Health and Safety

Though the facility has assessed the risk related to the production process, machines and most vulnerable workers, ergonomic risk related to the long-time standing and sitting workers is yet to be assessed. (As per amfori BSCI CoC)

ဝက်ရှည်လှေကားပုံစံ၊ လုပ်ငန်းဝင်ပျော့၊ စက်မှုနှင့်ထိန်းကိရိယာအသုံးပြုမှုနှင့်ပတ်သက်သည့်အန္တရာယ်ကိုအကဲဖြတ်စစ်ဆေးရန်၊ အပိုက်ကိရိယာမကောင်းစွာသုံးစွဲမှု၊ လုပ်ငန်းသည့်အသုံးပြုမှုနှင့်သက်ဆိုင်သည့်ergonomic riskကိုအကဲဖြတ်ခြင်းမရှိပေ။ (BSCI CoC အရ)

PA 10: No Precarious Employment

As per documents review and management interview, it was noted that Employee Contract (EC) with the labor department of 516 workers were found expired on October 2021. However, the facility has applied to the concerned authority on October 13, 2021. (As per the announcement 2018, the Ministry of Labour Department)

ထရက်စကပ်စ်၊ ဂြိုဟ်လည်ပတ်ခြင်းနှင့် စီမံခန့်ခွဲရေးစဉ်ဆက်လျှောက်ရေးအဖွဲ့၊ အလုပ်သမား ၅၀၆ ဦး၏ အလုပ်သမားနှင့် အလုပ်သမားများ (EC) သည့် ၂၀၂၀ ခုနှစ်အောက်တိုဘာတွင် သက်တမ်းကုန်ဆုံးခဲ့သော စီမံခန့်ခွဲရေးချုပ်ချယ်မှု။
 ဦးစီးလုပ်ငန်းစဉ်သည် သက်တမ်းကုန်ဆုံးအထိ ၂၀၂၁ ခုနှစ်အောက်တိုဘာ ၁၃ ရက်နေ့တွင် ပြီးစီးခဲ့သည်။ (၂၀၁၈ ခုနှစ်၊ အလုပ်သမားညွှန်ကြားမှုဦးစီးဌာန)