

EuropeAid

**Project Reference**

**BGD/75/21A**

**EC Partner**

**International Trade Centre (ITC)**

**Bangladesh Export Promotion Bureau**

**Facts and Figures**

- EC contribution € 1.8 million (92.32% of total)
- ITC contribution € 0.15 million (7.68% of total)
- Project period: 2006 to 2009
- Two workshops carried out for creating awareness about problem solving tools, good housekeeping practices (Japanese 5S) and quality control system (QCS)
- Direct assistance given to six manufacturing enterprises for implementing good housekeeping practices and quality control system
- Experience sharing workshop carried out for disseminating to more enterprises and stakeholders



**EUROPEAN COMMISSION**

## Support Export Diversification in Bangladesh

### Initiating Quality Improvement in the Light Engineering Sector (LES) in Bangladesh

“We have been greatly benefited from BQSP assistance. By implementing 5S we not only have a better working environment but we have increased our productivity by 30%. By introducing better controls during casting and machining we have been able to reduce our product returns from market from 5% to 1% and our sales volume has increased by 20%. We are also proud to say that we have been recently selected by a big manufacturer to be their supplier of hand pump components. We have no words to convey our appreciations for the valuable advice given by ITC and regular support provided by the local Trainer cum Counsellor who helped us in implementing 5S and QCS in a short period of time.

**Mr. Razul Karim, Proprietor, Reza Engineer's, Bogra.**



**Context: Bringing the LES to the level of quality management (QM) by firstly making the industry aware of systematic use of good housekeeping and quality control (QC) practices.**

The Bangladesh Quality Support Programme (BQSP) had two components, one implemented by UNIDO for strengthening the quality infrastructure and the other by ITC for export diversification. The ITC component in particular assisted Bangladesh in harmonising the efforts of all relevant stakeholders through the development of export strategies at sector level using value chain approach and focusing on supply chain management, quality and food safety management and packaging to achieve export diversification objectives by enhancing the competitiveness and quality of products.

**Objective**

The ITC interventions had the objective to contribute to implement some of the recommendations for quality improvement included in the document “A strategy for developing the light engineering sector in Bangladesh”:

- Lack of standards and quality of product.
- Develop quality gradually into world-class quality.
- Build capacities for manufacturers to meet export requirements in terms of quality and production volume through training involving quality control and quality assurance.

In the implementation plan of the above strategy document, *inter alia*, the following two activities have been suggested:

- Regularly organize group training courses on quality control and safety awareness.
- Develop quality management guidelines.

**Impact**

- Knowledge on Basic Quality Concepts was imparted to 40 delegates from small enterprises and other stakeholders and 15 potential Trainers-cum-Counsellors (TCC) from Bangladesh
- 15 participants from 6 participating enterprises along with 6 TCCs, selected for assisting the enterprises, received two-day training on quality concepts
- Selected 6 enterprises provided advisory support to implement 5S and QCS by International Consultant and TCC attached to each enterprise
- Five (5) TcCs are now available for conducting training on 5S and QCS to other key players in the sector
- The results achieved by the enterprises were disseminated in an experience sharing workshop attended by 51 delegates from LES both from Dhaka and Bogr (i.e. increase in productivity and sales volume and reduction in waste and product returns)

### Initiating Quality Improvement in the Light Engineering Sector in Bangladesh

***“ITC project has been well received by the industry in the LES which is in a very nascent stage in Bangladesh. All the assisted enterprises have found Japanese 5S as a very simple and good tool to practice and they demonstrated this by initiating implementation of 5S in a short period of time of six months. QCS practices were also understood well by them and the QCS Manual, now developed by four enterprises with project assistance, will guide them to continue practicing QCS. The TCCs have also taken keen interest in practicing these two concepts (5S & QCS) and they could get hands on experience in implementing them in small companies. These TCCs can continue assisting other companies in future. This is a unique example of capacity building.”***

*Mr. Arora, ITC International Consultant*

***“Our factory is now more organized and tidy, stores and warehouses are well arranged and productivity has also increased considerably. We are confident that the Quality Policy and Quality Manual now introduced will enable us in achieving better quality control which will contribute in boosting our exports which we have recently ventured into. We assure top continuous endeavour in conforming and improving our 5S and QCS practices for our greater benefit. Thanking once again to the International Trade Centre, Geneva, for its invaluable contribution.”***

*Mr. Fazle RM Hasan FCA, Managing Director, North Bengal Cycle Industries Ltd. Mirzapur*

***“We are happy to say that we have very much benefited from the ITC assistance, for example, we had the opportunity to attend training workshops which helped us review our understanding of quality and good housekeeping. We have modified our layout to make it safer. We have eliminated many unnecessary items from the factory which gave us more space to do value adding activities. Store activity is more organized now. We do problem solving in a more organized way following the workforce to become more efficient. We have also prepared a Quality Manual compiling our 5S and quality control activities. We will continue our journey towards improving our 5S and QCS practices and adopt this knowledge in other units of our group of companies.”***

*Mr. Shiblee Noman, Chief Engineer, Sigma Technologies Ltd, Dhaka*



Changes in fabrication shop of Modern Erection Ltd, Dhaka