



# ISCEA Prize

Recognition of Supply Chain Excellence

### **GLOBAL SUPPLY CHAIN CASE COMPETITION**

2023

Previously known as



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### Introduction

The RMG sector of Bangladesh's economy has been suffering from the country's energy crisis for many decades. The RMG industry is crucial to the country's economy and relies on reliable power to keep running and keep up with production demands. Manufacturing has been impeded, expenses have increased, and delivery times have lengthened due to electricity shortages, power outages, and inadequate infrastructure. These energy constraints hamper productivity and international

competitiveness. Due to the energy crisis, businesses are looking into renewable energy and efficient technologies. Conservation measures, introducing renewable energy sources, and improving existing distribution networks achieve power reliability.

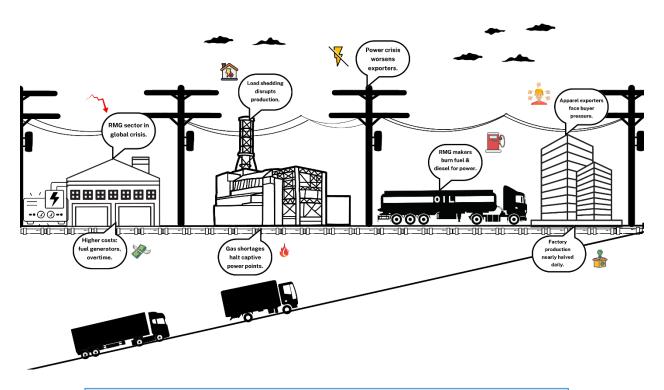
The government of Bangladesh, associated institutions, and international partners are all working to solve the RMG



industry's energy woes. Expanding power generation, transmission, and distribution infrastructure and introducing new policies are tackling energy problems in the industrial sector. For the RMG industry to maintain growth, sustainable development, carbon reduction, resilience, and competitiveness, the energy problem must be solved. Bangladesh's industry, government, and energy suppliers must collaborate to solve the energy issue and ensure the long-term success of the RMG sector.

### **Background and Challenges**

RMG warehouses are facing multiple challenges when it comes to managing electricity and gas usage. These challenges include a lack of knowledge about energy conservation and sustainable practices, resistance to change and adopting new technologies, short-sighted focus on profit that hinders long-term sustainability efforts, inadequate training and education on energy management, insufficient monitoring and measurement systems to track energy usage and identify areas for improvement, and failure to consider the environmental impact of operations.



When the industries failing to operate due to lack of energy supplies

A lack of leadership commitment to energy efficiency, misaligned incentives that do not reward sustainable practices, productivity over sustainability, limited collaboration with external stakeholders like energy providers or environmental agencies, insufficient investment in research and development for innovative energy solutions, lack of awareness about energy efficiency best practices, and a culture of compliance. These challenges highlight the need for comprehensive plans and collaboration to manage electricity and gas issues in RMG warehouses effectively.

### **Objectives and common goals**

When it comes to an opportunity to work in a collectivistic approach, the most important belief of us is to sustain with marginal benefits and a more realistic approach. As we are initiating to build a collaborative culture among the RMG industries of Bangladesh by working with the changes of various supply chain stakeholders. Every supply chain stakeholder's mindset is to work with energy efficiency and to be concerned about it by

### "Take energy efficiency practices in RMG Industries to its next level"

To bring up collaborative approach for energy efficiency sending the message to the supply chain stakeholder's communication channels.

### \*\*Extending the awareness and knowledge level.

Facilitate workshops and training sessions for factory owners, managers, workers, and suppliers to promote education on sustainable practices and green energy technologies.

### \*\*Structured engagement and collaboration supporting the realistic situation and approach.

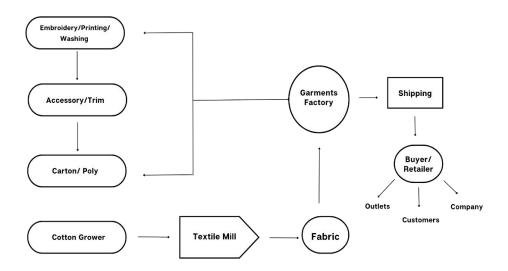
One effective way to promote better collaboration and foster open communication between corporations, government organizations, and environmental advocacy groups is to organize various events like seminars, conferences, and sustainability forums. These events can serve as a platform for discussing critical energy issues and exploring possible solutions that can benefit all stakeholders involved. By encouraging more dialogue that is transparent and cooperation, we can work towards a more sustainably. Connect manufacturers with renewable energy sources for green power agreements and incentivize sustainability with rewards for eco-friendly RMG industries.

#### \*\*Monitoring progress and measurement to control energy usage.

To ensure that the RMG supply chain movements are sustainable and align with the goals, it is crucial to establish clear goals and action plans. It is also important to monitor the effects of green energy collaboration and sustainable practices on energy consumption, carbon emissions, cost savings, and worker well-being. Celebrating successes and sharing results can encourage the adoption of green energy and promote sustainable supply chain efforts.

### Framework to energy efficiency maintain between all supply chain stakeholders

- Empowering Energy Management: Track and Achieve Goals: Monitoring energy usage in the supply chain and setting efficiency improvement goals is crucial. Sharing data can encourage individuals to take personal responsibility for conserving energy.
- ➤ Unite for Green Energy: Driving Sustainable Collaboration- Work with vendors and power companies to cut costs and encourage the adoption of renewable energy sources. Engage in negotiations to lower electricity expenses in times of emergencies.
- ➤ Total Supply Chain Visibility: Maximizing Efficiency- Utilize tools to gain a deeper understanding of the entire supply chain. Determine ways to decrease energy consumption and minimize waste.



Existing supply chain visibility of RMG industries productivity where wastages can be identifiable and changeable.

- ➤ Upgrade for Success: Optimal Performance with Superior Equipment- Upgrading to modern appliances and lighting can be a wise choice as it can help you save both money and energy. It is worth considering the potential benefits of switching to systems that are more efficient.
- ➤ Teach and Involve Every Supply chain stakeholder: Spread the message to employees regarding the significance of conserving energy. Work together to establish energy efficiency as a regular habit.

Here we are providing five ideas to build energy efficiency and to work with a collaborative and function able approach where channel partners, supply chain stakeholders, and RMG industries may have a win-win situation to one common goal of sustainable energy efficiency.

### These are the ideas to execute our goal

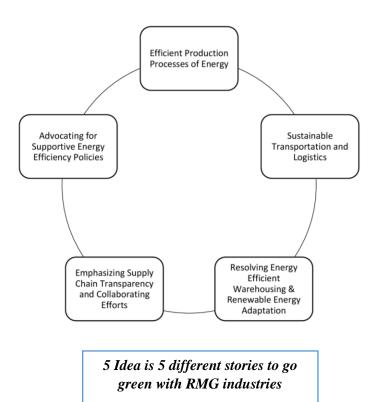
Advantages of collaborative approach is to reduce costs and work with the policy and culture becomes much easier than before. Even the big advantage of maintaining this approach can come up with wastages of energy and its movements with collaborative lean approach.

### \*\*Idea 1: Efficient production processes of energy

To build efficient production processes of energy, here are the components that every RMG industries has to follow from the beginning by setting policy to create and build energy functions in this sector.

Here is the entire action plan to execute production process more efficiently.

Conduct Energy Audits: First identify all basic production facilities of every RMG industry and then initiate energy audits at production facilities to identify areas with the highest energy consumption and potential efficiency improvements.



**Implement Lean Manufacturing**: We will collaborate with every manufacturing stakeholder of the production team to adopt lean manufacturing principles, which can optimize energy usage and reduce waste. If possible, other components for a sustainable environment can be included so that lean manufacturing can come up with better implementation in RMG industries.

**Upgrade production machinery**: In RMG sectors of Bangladesh, old machinery is available for production but it reduces energy efficiency in the long run. As we are coming up with a better approach, our goal is to have a sustainable production system, machinery and its usage in the long run within 2-3 years step by step.

### \*\*Idea 2: Sustainable Transportation and Logistics

It is hard to maintain the route and load of supplies when it comes to RMG industries supply and logistics of Bangladesh. We will offer our own hybrid transportation system and third-party logistics and transportation support in every port that will help every supply chain industry to provide an inbound and outbound supply chain for the long run. All RMG sectors and industries may not want to adapt with the new process but our plan is to provide incentives to the RMG industries directors and the stakeholders who are going to work with energy efficiency where usage of fuel and gas can be controlled all over the RMG sectors.

The advancement that we can show to all RMG industries to accept the process collectively is using vehicles in better condition to perform with sufficient energy and energy efficiency. We are going to control the transportation condition by the support of the government policies and government support to ensure transportation system and collective certification for integrated RMG industries based on sustainable transportation and logistics movements to RMG sectors.

\*\*Idea 3: Renewable energy efficient warehousing and renewable energy adaption

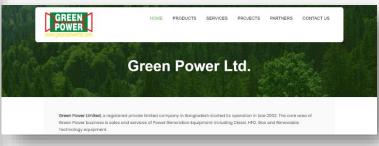
Determine the supply used by several RMG sectors.

Inbound vehicle for supplies (Own logistics support) RMG Industries will oversee third-party logistics for the warehouse's vehicle distribution channel, assuring quality and quantity.

Deliver to the retailers with the same vehicles.

Changing lighting in warehouses and using sustainable lighting in all RMG sectors warehouses will be our minor goal, but it is important to maintain packaging production is sustainable way where we can save energy; our supply chain warehousing will focus on sustainable packaging policy where energy efficiency can come to a controlling tactics to maintain green warehousing and retail operations.



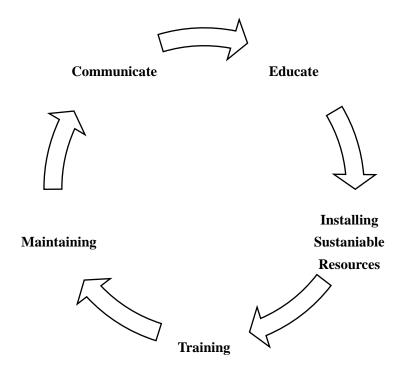


We are considering some major components for collaboration with Green Power LTD and other solar energy suppliers like that.

### \*\*Idea 4: Emphasizing supply chain transparency and collaborative efforts:

We are going to identify different stakeholders from different background of supply chain to communicate with dealings with the activities depends on stakeholders' footprints on RMG industry; we will make a decision jointly where we can provide support by maintaining transparency.

- 1) Create collective decisions and collaboration for long run changes based on energy efficiency.
- 2) Solar panel using and cost benefit analysis platform to go on a partnership in collectivistic RMG industries' approach.
- 3) Common ground of training and information sharing will be set on time and maintaining the proper process of installing solar panels or collaboration with green power suppliers.
- 4) Increasing go green competitiveness in between stakeholders in one singular ground.



Activity cycle to adapt with the new changes for energy efficiency and sustainability

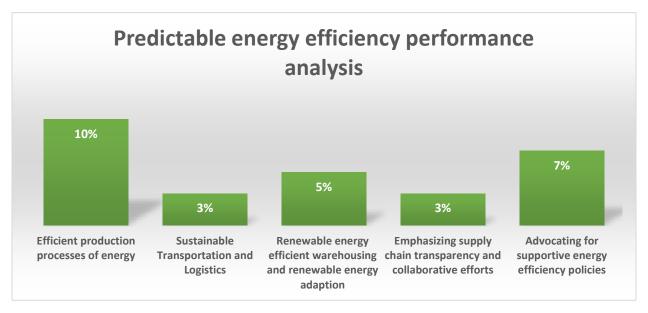
### \*\*Idea 5: Advocating for supportive energy efficiency policies

To justifying energy efficiency policies, I need to collaborate with Big RMG industries of Bangladesh and come to a plan managed by top-level management for coming up with a decision making for government collaboration and internal external policies of the industry.

#### In this policy

- **1.** Monitoring benchmarking of energy efficiency in a non-biased tactics.
- 2. All activities related to supply chain has to be monitored properly and strictly.
- **3.** Incentives of the industrial activities of the stakeholders should be increased collectively to motivate everyone to work with partners more passionately.

## Implementation and Results (always controlling and monitoring KPI)



Here we will monitor the performance of energy efficiency so that we can come up with outcome in every fiscal year and come up with upgraded better approaches. For collective decision-making organizations and supply chain stakeholders will understand the conditions in a collective approach, which will positively change the cost and strategy of production and distribution altogether. Machineries problems and industries collaborative positioning acceptance between every industry will grow more and help to initiate for energy efficiency in the long run.

### **Conclusion**

It is not just the ideas to implement, a schedule-based approach and industrial policies and government approaches can change big things. In Bangladesh, it is hard to change the positioning of the industries but it is easy to resolve with daily tech-based approaches. Top-level managements, directors and stakeholders need to come in one place to compromise for long run. People need to change and visibility so early so that every organization and RMG industries can come with this collective approach so quickly.

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