CHILD RIGHTS ACTION HUB **BANGLADESH**

THE CENTRE
FOR CHILD RIGHTS AND BUSINESS

WHITE PAPER

Beyond First Tier – The Imperative for International Brands to Engage with Lower Tier Suppliers on Human Rights Due Diligence

Imprint

Authored, designed and published by:

The Centre for Child Rights and Business,
Unit 808, 8/F, Tung Che Commercial Centre, 246 Des Voeux Road West, Sai Ying Pun, Hong Kong

Publishing year:

2026

Cover photo: Participants of a Youth Club activity strike a pose. The activity is held regularly as part of the Child Rights Action Hub Bangladesh, helping to raise awareness on the negative impact of child labour among children, parents and community members.

© The Centre for Child Rights and Business, 2025

Table of content

Executive summary 1

Chapter 1: Introduction 2

1.1. Our approach to map complex supply chains 3

Chapter 2: The breakdown of HRDD – How child labour risks are amplified in the lower tiers 4

2.1. The heightened child labour risks in the lower tiers of Bangladesh's textile sector 4

2.2. The erosion of responsible sourcing fundamentals in the lower tier: Six systemic gaps 5

2.2.1. Inadequate child labour policies and procedures 5

2.2.2. Contractual agreements: Formality of contracts diminishes down the supply chain 6

2.2.3. International buyers are not cascading their HRDD policies and monitoring processes down the supply chains 6

2.2.4. Reliance on approved supplier lists in lower tiers: Assumed compliance masks risks in lower tiers 7

2.2.5. Lack of workplace support on child rights risks and child labour prevention in lower tiers 9

2.2.6. Lack of fundamental understanding of child rights or child labour 9

2.3. The result: A lower tier RMG sector that grapples with systemic labour risks 10

2.3.1. Workers face excess overtime during peak times 10

2.3.2. Limited professional development opportunities keep workers trapped in low-skill and low pay positions 12

2.3.3. Persistent child labour risks 13

Chapter 3: Child Rights Action Hub: Tackling challenges in lower tiers, top-down and bottom-up 14

Chapter 4: Appendix 17

4.1. Sample 17

4.2. Appendix 2: Detailed supply chain mapping of supply chain 1 19

4.3. Appendix 3: Detailed supply chain mapping of supply chain 2 19

4.4. Appendix 4: Detailed supply chain mapping of supply chain 3 20

Executive summary

This white paper identifies a common yet critical systemic risk in many manufacturing supply chains: the erosion of human rights due diligence (HRDD) beyond first-tier suppliers, which amplifies and conceals child labour risks in high-risk sourcing countries. Focusing on the Bangladesh Ready-Made Garment (RMG) sector, we show that despite a decade of reform driven by international standards and buyer pressure, child labour risks persist in lower-tier suppliers due to a structural lack of visibility, accountability and industry support.

This study draws on extensive supply chain mapping across three multi-tier supply chains (each involving 6,000-10,000 workers) conducted by The Centre for Child Rights and Business (The Centre). The findings demonstrate that while HRDD frameworks are formally embedded at Tier 1, they quickly degrade into paper-based compliance and transactional practices further down the supply chain. As a result, child labour protections become fragmented and ineffective, contributing to a "decent work deficit" for young workers and reinforcing their entrapment in low-skilled, low-paid, and often hazardous jobs.

This breakdown is driven by the erosion of responsible sourcing fundamentals in lower tiers, characterised by six systemic gaps:

- Child labour policies that are misaligned with legal standards and lack child-centred remediation processes
- The progressive informality of contractual agreements, especially in Tier 2 and Tier 3
- A sharp decline in monitoring, visibility and HRDD-based oversight beyond Tier 1
- An over-reliance on "approved" or "nominated" supplier status as a substitute for ongoing due diligence
- A critical lack of workplace support, training and awareness that prevents workers and managers from identifying and preventing risks
- The absence of structured training on child rights and legal standards leads to a fundamental misunderstanding of child labour

These gaps are compounded by a volatile economic climate, where cost pressures cascade downwards to the most vulnerable stakeholders. The research confirms that top-down compliance is insufficient: without equipping lower-tier suppliers and communities with practical knowledge, resources and incentives, the capacity to identify, prevent and remediate child labour remains severely constrained.

This paper argues that the path to ethical resilience and securing future global market access (such as EU GSP+) requires combining top-down accountability with bottom-up engagement. This means brands and local exporters must move beyond passive compliance to actively invest in lower-tier capacity building, support collaborative initiatives like the Child Rights Action Hub, and embed lower-tier visibility into core due diligence. By taking these steps, the sector can transform systemic vulnerability into sustainable leadership – an outcome that is both an ethical imperative and a strategic necessity for its future.

Chapter 1: Introduction

Today's supply chains are often complex, spanning multiple tiers and countries, yet mapping risks in the lower tiers remains a significant challenge, with human rights due diligence often faltering at these levels. This not only poses risks to international buyers but also negatively impacts the economy of sourcing countries and their local workforces. In countries with acute child labour risks, implementing robust human rights due diligence (HRDD) has never been more critical.

Bangladesh's ready-made garment (RMG) industry is the backbone of Bangladesh's export economy, accounting for approximately 81% of total merchandise exports.[1] While historically fuelled by low-cost labour, preferential trade access and supportive policies, the sector now faces significant headwinds. As businesses enter FY25/26, they are contending with persistent high inflation from the past years[2] and an unstable economic climate, exacerbated by a 2.6% contraction in garment exports in the first half of 2026.[3] These pressures intensify competition and squeeze margins. Such conditions can inadvertently amplify human rights risks, as financial pressures cascade to the most vulnerable workers.

Bangladesh remains a country with significant child labour challenges, with an estimated **1.78 million child labourers**

Bangladesh remains a country with significant child labour challenges, with an estimated 1.78 million child labourers, including 793,653 in the industrial sector, comprised of RMG factories (Bangladesh National Child Labour Survey 2022).[4] As Bangladesh seeks to gain access to the Generalised Scheme of Preferences Plus (GSP+) in preparation for losing its duty-free access under the Everything But Arms (EBA) initiative in 2029, HRDD in the supply chain cannot rely on a cascade approach.

This paper addresses a critical blind spot in the sector's human rights efforts: the lower tiers (Tiers 2, 3 and below) of these supply chains. It is in these lower levels that visibility fades, oversight diminishes and the foundations of responsible sourcing erode. Through extensive primary research—including supply chain mapping, interviews and worker needs assessments—this analysis reveals how the breakdown of HRDD processes beyond Tier 1 conceals systemic child labour risks in lower tiers and denies young workers decent work opportunities. The paper argues that addressing these entrenched gaps is essential not only for protecting vulnerable children and workers, but also for building the transparent and resilient supply chains needed for Bangladesh to access global markets.

1 BGMEA. "Export Performance." Bangladesh Garment Manufacturers and Exporters Association, https://www.bgmea.com.bd/page/Export_Performance. Accessed 26 Jan. 2026.

2 Trading Economics. "Bangladesh Inflation Rate (CPI)." TradingEconomics.com, https://tradingeconomics.com/bangladesh/inflation-cpi. Accessed 26 Jan. 2026.

3 "Bangladesh's RMG Exports Decline across 26 Countries." Dhaka Tribune, 8 Jan. 2026, https://www.dhakatribune.com/business/400603/bangladesh%E2%80%99s-rmg-exports-decline-across-26. Accessed 26 Jan. 2026.

4 Bangladesh Bureau of Statistics. National Child Labour Survey 2022. Government of the People's Republic of Bangladesh, https://file-mymensingh.portal.gov.bd/uploads/0c1550bb-e092-4d3b-b30c-5690cdb35b1c/64e/334/075/64e3340756466105836437.pdf. Accessed 26 Jan. 2026.

1.1. Our approach to map complex supply chains

To map the influence of international buyers within complex, multi-tier RMG supply chains, we conducted in-depth interviews with 55 informants across eight Tier 1 to Tier 3 factories. The research supports long-term prevention and remediation strategies for children and their communities, with a specific focus on challenges faced by lower-tier suppliers and workers. It examines how HRDD shapes – or fails to shape – practices at the domestic supplier level.

We also carried out a workforce needs assessment to identify gaps in recruitment practices and working conditions across lower-tier suppliers.

Sampling and data collection:
To trace actors across supply chains, we used convenience and chain-referral sampling, starting with Tier 1 suppliers and cascading through Tier 2 and Tier 3 in line with supply chain linkages.

Between 2024 and 2025, we conducted in-depth interviews across eight factories: three Tier 1, four Tier 2 and one Tier 3. This enabled the identification of actors across three multi-tier supply chains, including:

8
factories covered in this study

- Tier 1 factories: 3
- Tier 2 factories: 4
- Tier 3 factories: 1

55
stakeholders interviewed

- Management staff: 8
- Workers: 47

88
supply chain actors identified

- International buyers: 14
- Tier 1 suppliers: 16
- Tier 2 suppliers: 17
- Tier 3 suppliers: 13
- Non-production suppliers: 24

3
multi-tiered supply chains and their workforce mapped

- Cut-and-sew: >6,500 staff
- Knitting and dyeing: >10,000 staff
- Knitting mill >11,000 staff

Needs assessment surveys:
To contextualise identified gaps and support triangulation, we conducted needs assessment surveys in Tier 2 and Tier 3 factories. The target respondents were factory management, including HR, welfare and compliance personnel who had attended The Centre's child labour prevention and remediation training sessions.

Between 2024 and 2025, data were collected from 231 respondents.

Chapter 2: The breakdown of HRDD – How child labour risks are amplified in the lower tiers

2.1. The heightened child labour risks in the lower tiers of Bangladesh's ready-made garment (RMG) sector

The core finding of this research is that governance for human rights—particularly child labour prevention—systematically breaks down beyond Tier 1 suppliers. Between 2024 and 2025 alone, The Centre identified 91 child labourers in lower-tier RMG suppliers. Child labour risks were found not only in informal workshops, but also in formal lower-tier factories, indicating a critical systemic failure: established HRDD and child labour prevention frameworks frequently disintegrate beyond Tier 1, leaving even registered factories without effective oversight or support.

Between 2024 and 2025 alone, The Centre identified **91 child labourers in lower-tier RMG suppliers**

The study also finds that weak HRDD across supply chains places young workers at heightened risk. In a context of widespread poverty and where only around two-thirds of children remain in education beyond lower secondary level,[5] many working-age children (minimum working age is 14 years old) seek paid employment. The Centre has long observed that Tier 1 factories systematically exclude workers under 18; as a result, young people are pushed towards lower-tier factories and informal workshops, where employment is more accessible but protections are minimal. They often work in low-paid, hazardous conditions and become trapped in these low-cost positions.

Given the significant progress made in safety standards and workers' rights within Bangladesh's garment sector, the persistence of child labour is striking. This white paper shows that the problem stems from the erosion of responsible sourcing fundamentals in lower tiers, characterised by six systemic gaps.

Photo: Parents of children in the Action Hub's child labour remediation programme take part in games during a Youth Club activity to raise awareness on the risks of child labour.

© The Centre for Child Rights and Business, 2025

5 "Bangladesh (BGD) – Demographics, Health & Infant Mortality." UNICEF DATA, https://data.unicef.org/country/bgd/. Accessed 23 Jan. 2026. (data.unicef.org).harmonised indicators); The Centre Calculations

2.2. The erosion of responsible sourcing fundamentals in the lower tier: Six systemic gaps

The six systemic gaps

1
Inadequate child labour policies and procedures

2
Contractual agreements: Formality of contracts diminishes down the supply chain

3
International buyers are not cascading their HRDD policies and monitoring processes down the supply chains

4
Reliance on approved supplier list in lower tiers: Assumed compliance masks risks in lower tiers

5
Lack of workplace support on child rights risks and child labour prevention in lower tiers

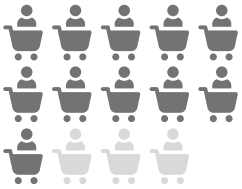
6
Lack of fundamental understanding of child rights or child labour

2.2.1. Inadequate child labour policies and procedures

A lack of robust HRDD is evident in Bangladesh's RMG factories. While child labour risks are formally acknowledged, prevailing policies often fail to address root causes and, in some cases, exacerbate vulnerabilities. The systemic weaknesses observed across buyer and supplier practices are outlined below.

Limited engagement on child labour protection

International buyers primarily address child labour through contractual clauses in Supplier Codes of Conduct (CoCs).



79% of buyers in the study use CoCs

Less than 50% of Tier 1 suppliers share their child labour policies downstream

In a high-risk context, reliance on paper-based policies without active training or operational support is insufficient.

'No hiring below 18-year-olds' policy

Analysis of common child labour clauses reveals a frequent reliance on a blanket "no workers under 18" standard. This framing has shaped factory-level understanding in problematic ways. In our survey of Tier 2 and Tier 3 management, 68% believed the legal minimum working age to be 18, while 73% defined a "child" as someone aged 13 or under.

This contradiction has unintended consequences for young legal workers (aged 14-17), who fall outside the definition of "child" yet are excluded from formal employment. Informants cited restrictions on working hours, limits on permissible tasks and a lack of financial incentives as disincentives to hiring this age group. As a result, young workers are often pushed into less visible employment in lower tiers, where working conditions are harder to monitor.

Absence of a remediation process in child labour clauses

Most critically, existing child labour clauses typically lack any defined process for remediation. In the 91 child labour cases found between 2024 and 2025, most often, suppliers receive no guidance or support to ensure a transparent, child-centric response. This absence encourages concealment or dismissal rather than resolution, directly contradicting the principles of human rights due diligence. Without safe and effective remediation pathways, child labour policies do little to protect children in practice.

2.2.2. Contractual agreements: Formality of contracts diminishes down the supply chain

In our findings, the formal structure of the supply chain dissolves beyond Tier 1, creating gaps in traceability and leverage.

- Tier 2: Relationships are largely governed by purchase orders (POs) from Tier 1.
- Tier 3 & Below: Informality dominates. 30% of Tier 3 relationships (four of 13) were based on verbal or casual agreements (phone/WhatsApp/email). No monitoring occurred.

Most informants of lower tiers (Tier 2 and 3) expressed that there are no long-standing contracts with their domestic buyers; they operate based on purchase orders. This supply chain mapping exercise reveals that lower-tier factories are not always small, informal businesses or workshops. As shown in Figure 2 (Appendix 2), the supply chain of the knitting supplier shows that Tier 3 suppliers can be big factories, but the relationship can still operate on verbal agreements or purchase orders.

This renders buyer–supplier relationships largely transactional, with little commitment to support or monitor HRDD. Informality becomes more pronounced at Tier 3 and below, where four out of 13 relationships in our review were based on verbal agreements. This provides no contractual leverage for brands to enforce standards, making HRDD difficult to implement through traditional cascading models.

> *Without contract and follow ups, it is difficult to rely on downstream suppliers to carry the responsibilities.*
>
> **– A industry representative**

2.2.3. International buyers are not cascading their HRDD policies and monitoring processes down the supply chains

Based on our interviews, HRDD expectations and monitoring by international buyers are not being effectively communicated beyond Tier 1 suppliers. This creates significant gaps in understanding and implementation – particularly in relation to child labour – further down the supply chain. Mapping the flow of HRDD governance across tiers reveals clear structural differences:

Tier 1 suppliers: Communication is limited to basic compliance

Even where suppliers are subject to frequent buyer audits (up to four to six on-site visits per year), engagement remains focused on compliance assessments rather than building a shared understanding of HRDD. While international buyers exert pressure through audits, none of the interviewed Tier 1 suppliers had formal HRDD policies or procedures in place. Engagement is largely limited to sharing child labour provisions through Codes of Conduct (CoCs) (see detailed supply chain maps in Appendices 2 to 4).

Our mapping further shows that buyer engagement declines significantly when a supplier supports only a minor product line, such as knitwear for a general retailer. This is illustrated in Appendix 4, which presents a knitting and dyeing supplier nominated by seven buyers. Despite its scale – an ecosystem involving over 10,000 workers – direct buyer engagement and monitoring are minimal. Oversight relies almost exclusively on third-party audits, reflecting a hands-off approach to social compliance in non-core supply chains.

Cascading to Tier 2: Inconsistent and 'tick-the-box' approach

At Tier 2, HRDD policies and monitoring are largely absent. On-site visits are rare, with only three of the 17 suppliers having received one, and none having undergone a social audit. Engagement from Tier 1 suppliers is primarily limited to sharing child labour policies via their CoCs. Without consistent oversight or actionable guidance, this approach leaves clear gaps in the management of human rights risks.

Tier 3 suppliers: A near-total disconnect

The breakdown is most severe at Tier 3, where most Tier 2 suppliers do not share any child labour policies or processes with their sub-suppliers. Engagement is purely transactional, with no social audits, on-site visits or evident concern for child labour risks.

Overall, the evidence points to a systemic failure to cascade HRDD standards throughout the supply chain. None of the interviewed Tier 1 suppliers had received HRDD training from their international buyers. Engagement is driven primarily by reputational and contractual pressures, rather than by efforts to support suppliers as part of a meaningful due diligence mechanism. By Tier 3, even basic policy communication is minimal or absent, undermining core HRDD functions: risk identification, prevention, mitigation and remediation.

2.2.4. Reliance on approved supplier lists in lower tiers: Assumed compliance masks risks in lower tiers

The lack of HRDD engagement with lower-tier suppliers is shaped by two defining characteristics of this supply chain ecosystem: long-standing relationships and an over-reliance on formal "approved supplier" statuses. Together, these create a culture of assumed compliance that replaces active due diligence.

Long-standing relationships foster complacency

Across the mapped supply chains, relationships average 10 years between buyers and Tier 1 suppliers, 10 years between Tier 1 and Tier 2, and five years between Tier 2 and Tier 3. While enduring relationships between international buyers and Tier 1 suppliers do not impede formal HRDD (which is maintained via audits), they have a different effect locally. Between Tier 1 suppliers and their lower-tier partners, historical familiarity often replaces formal oversight with assumed compliance, leading to a lack of formal monitoring and governance.

Over-reliance on "Nominated" or "Approved" supplier status[6]

This dynamic is compounded by systemic over-reliance on formal supplier statuses as proxies for genuine due diligence. In our study, all 17 Tier 2 suppliers held such statuses (eight nominated, nine approved), which Tier 1 suppliers cited as a key reason for confidence that child labour was not present.

This reliance introduces significant blind spots. “Nominated” or "approved" status often substitutes for direct due diligence, with Tier 1 suppliers conducting limited independent verification or ongoing monitoring. As shown in our case study, nominated suppliers may have undergone some monitoring by the brand when first onboarded, leading Tier 1 suppliers to view HRDD at these factories as the brand’s responsibility rather than their own. Given that these suppliers are nominated, they do not consider it their responsibility to monitor or raise human rights due diligence.

The oversight is further entrenched for approved suppliers. Approval is often granted based solely on submitted documentation, with neither the brand nor the Tier 1 supplier necessarily visiting the site. Once approved, ongoing monitoring is rare, with trust placed primarily in the reliability of paperwork.

This complacency – reliance on inherited assurance rather than proactive oversight – creates significant systemic risks and undermines effective HRDD in lower tiers.

6 A **nominated supplier** is selected and on-boarded directly by the brand, following the brand’s own process. The brand then instructs its Tier 1 factories to source materials from that supplier. As an **approved supplier**, the Tier 1 factory should submit relevant documents to the brand to request approval. These documents can include the factory profile and audit reports.

Case story

Examining visibility gaps in multi-tier oversight

See Appendix 2 for a visual representation

Tier 1 perspective: Reliance on upstream validation

A Tier 1 knitting supplier referred us to one of its long-standing accessory providers (a Tier 2 supplier), with whom it has been working for 15 years. The Tier 1 supplier's compliance team visited the site once for a rapid social audit but has not conducted any further on-site reviews.

Their assurance appears to derive primarily from the factory's formal status as a "nominated supplier" of an international buyer, as they never conducted their own ongoing monitoring.

Tier 2 position: The role of formal status in the supply chain

The accessory factory's "nominated" status plays a key role in shaping its business relationships. Following its initial designation by an international buyer, it was recommended to several local buyers, reinforcing its position as a "nominated supplier".

This status reduces the perceived need for the Tier 1 buyers to undertake additional, direct verification, illustrating how formal approvals can shape oversight approaches.

Tier 3 reality: Diluted visibility at the subcontractor level

Further downstream, the accessory factory has been sourcing yarn dyeing from a textile composite factory (Tier 3) for over ten years. However, it has never reviewed the Tier 3 factory's child labour policies.

Two contextual factors likely contribute to this. First, this textile factory primarily serves other international brands as a Tier 1 supplier, which may have created an assumption of compliance. Second, the subcontracted work represents only a small share of the accessory factory's production, potentially limiting both leverage and perceived responsibility to engage on HRDD.

This case highlights how visibility and accountability can weaken or diminish across supply chain tiers. While "nominated" status can establish initial credibility, it is rarely supplemented by consistent, direct oversight from intermediate buyers. In practice, this can lead to uneven scrutiny, with transactional or small-scale subcontracting relationships receiving the least attention.

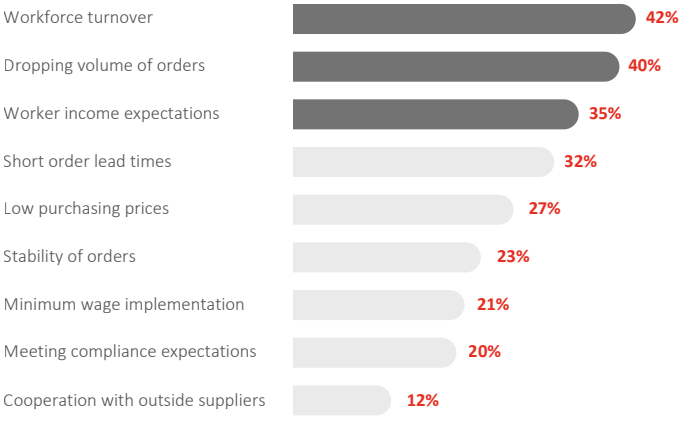
As one Tier 1 factory manager stated:

> *Even if we do not visit the supplier's premises, we are confident that our suppliers are not using child labour because they are nominated by the brand.*

2.2.5. Lack of workplace support on child rights risks and child labour prevention in lower tiers

Engagement with lower-tier suppliers by international buyers and Tier 1 suppliers is evidently limited, despite being much needed. Lower-tier suppliers operate with constrained resources and face acute operational pressures. As reflected in our survey of 231 managers and mid-level workers across Tier 2 and 3 factories, "meeting compliance expectations" is the least of their challenges. Factories are predominantly focused on combating acute issues like "workforce turnover" and "dropping order volumes". In this context, it is unsurprising that these suppliers lack the capacity to independently develop and implement awareness programmes or robust procedures for child labour prevention. This systemic absence of workplace-level support manifests in several ways, each exacerbating the child rights risks and child labour.

Top three key challenges in factory operations *(n=231)*



Source: Child Rights Action Hub Bangladesh training data 2024/25 for Tier 2 and Tier 3

2.2.6. Lack of fundamental understanding of child rights or child labour

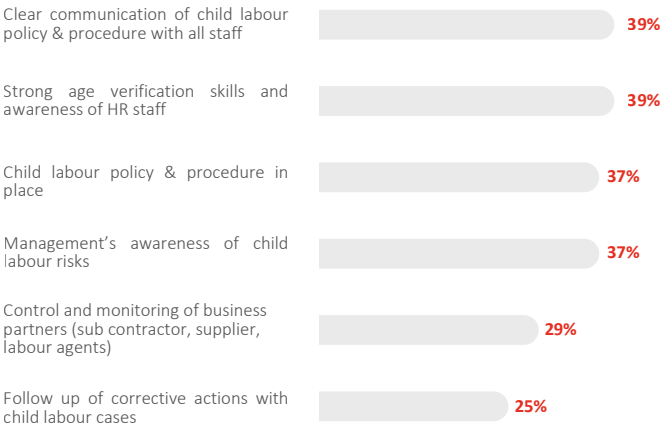
There is an absence of structured training on child rights, legal standards and prevention procedures for both management and workers in Tier 2 and 3 suppliers. In our surveys of factory mid-level managers and officers, 85% reported having no training on child rights and child labour.

Only **15%** of factory mid-level managers and officers have representatives trained in child rights and child labour

(n=231)

This knowledge gap undermines effective prevention. Workers and supervisors – those best placed to identify risks – often cannot recognise indicators of child labour or understand appropriate remediation pathways. In the absence of training, several core elements of effective child labour protection are missing:

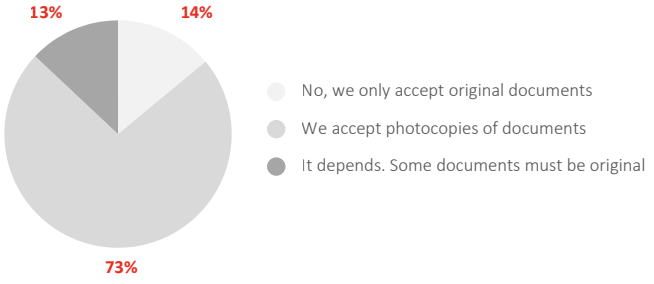
Missing elements when assessing child labour risks *(n=51)*



Source: Child Rights Action Hub Bangladesh training data 2024/25 for Tier 2 and Tier 3

Nearly two in five workers reported that clear communication on child labour policies and procedures was missing in their workplace, including a strong age verification process – a fundamental safeguard against child labour. Without clear communications and capacity building on child labour protection procedures, misunderstandings are widespread. Among interviewed mid-level managers and officers, **75% believed it is acceptable to verify age through medical examinations during recruitment**, and 73% reported that their factories accept photocopies of identification documents. These findings show a critical lack of understanding regarding appropriate documentation for robust age verification, the limitations of medical assessments for determining age, and candidates' rights to privacy.

Acceptance of photocopies of original documents during the recruitment process *(n=231)*



Source: Child Rights Action Hub Bangladesh training data 2024/25 for Tier 2 and Tier 3

2.3. The result: A lower tier RMG sector that grapples with systemic labour risks

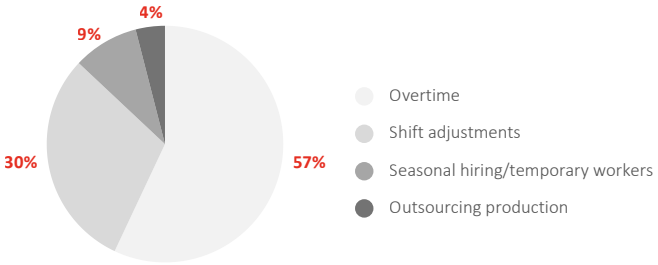
Photo: Workers on the way to work in a factory in Bangladesh.

© The Centre for Child Rights and Business, 2023

2.3.1. Workers face excess overtime during peak times

Our research highlights that lower-tier suppliers often operate on an unstable, order-to-order basis, even within long-standing buyer relationships. This instability, characterised by sudden order drops and short lead times, creates chronic finanical vulnerability and a pronounced power imbalance between buyers and suppliers.

How lower tier factories cope with order surges *(n=113)*



Source: Child Rights Action Hub Bangladesh training data 2024/25 for Tier 2 and Tier 3

This pressure translates directly into labour practices. In our survey of Tier 2 and Tier 3 factories, 57% reported relying on overtime as a primary coping mechanism during order surges. Excessive overtime heightens child rights risks in two ways: it exposes young workers to harmful working hours and indirectly affects children by limiting parents' time and capacity for care.[7, 8]

7 Prolonged working hours in Bangladesh's garment sector intensify occupational stress, leading to chronic fatigue, headaches, musculoskeletal pain, and heightened mental pressure among workers. Sustained exposure to long hours without adequate rest amplifies health risks—particularly for women—manifesting in both physical illness and psychological distress within already unsafe and overcrowded factory environments; Deli Yuan, Md Abu Issa Gazi, Md Alinoor Rahman, Bablu Kumar Dhar, and Md Atikur Rahaman. "Occupational Stress and Health Risk of Employees Working in the Garments Sector of Bangladesh: An Empirical Study." Frontiers in Public Health, vol. 10, 16 Aug. 2022, article 938248, https://www.frontiersin.org/journals/public-health/articles/10.3389/fpubh.2022.938248/full. Accessed 20 Jan. 2026.

8 Also reported evidence that garment workers in Bangladesh routinely work excessive hours—often 12–16 hours per day—driven by low wages and buyer-driven production pressures. These long working hours are associated with fatigue, stress-related illnesses, increased workplace accidents, mental-health distress, and heightened economic vulnerability, particularly among women workers; Swedwatch. Paying the Price for Fashion: Securing a Living Wage for Bangladesh's Garment Workers. Swedwatch, Nov. 2024, https://swedwatch.org/wp-content/uploads/2024/11/briefsecuring-living-wagesnov-201124.pdf. Accessed 26 Jan. 2026.

I sometimes feel like stopping this job and taking a rest because of the long working hours.

– A 24-year-old mother of one working in a Tier 2 embroidery factory

Sometimes I feel pain in my shoulder from the heavy weight. I then usually go to the pharmacy and buy paracetamol. I don't have enough money to go to the doctor.

– A loading worker for a chemical supplier to Tier 1 and Tier 2 factories in Dhaka, working 8 a.m. to 5 p.m. and often overtime until 2-3 a.m.

Case story

Tier 2 supplier navigates pricing and lead time pressures

An interview with a Tier 2 accessories supplier highlights common commercial pressures in lower tiers. Although the factory sets prices based on costs and market analysis, it usually accepts buyer-imposed price changes to maintain the business relationships. The supplier noted that negotiations have become more difficult in recent years, with external factors such as tariffs further squeezing already narrow margins.

Lead times pose a parallel challenge. While standard orders allow around 14-working-days, the factory is often asked to meet urgent requests – for example, producing woven labels within two days. Managing these unpredictable demands requires maintaining flexible capacity, which complicates labour planning and can lead to variable overtime demands. This variability, in turn, contributes to fluctuations in worker earnings.

Pricing discussions with buyers have become more difficult in recent years. Brands now hold most of the decision-making power. We often have to accept the prices they propose to keep the business. Tariff costs, have added further pressure and made negotiations more complex than before.

– A manager of a garment accessory factory

If Tier 1 is struggling financially, how can support for Tier 2 or 3 be compliant?

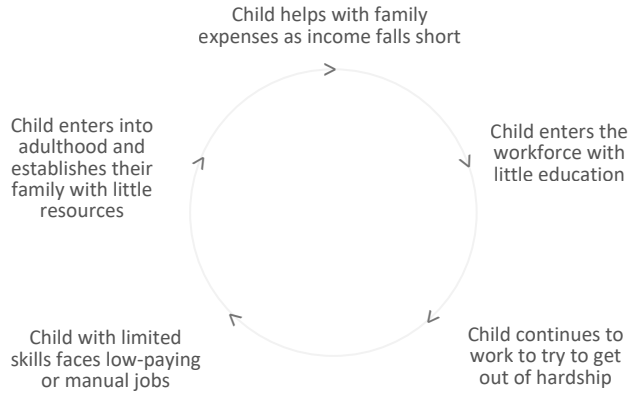
– An industry association representative

2.3.2. Limited professional development opportunities keep workers trapped in low-skill and low-pay positions

The Centre's interviews, along with a separate study[9] conducted in 2024 on Bangladesh's textile recycling—often occurring in the garment industry's lower tiers—highlight that when lower-tier workers enter factories during their teenage years, they often remain in low-skilled, low-paid roles for years with little opportunity for progression. Factory managers consistently cited workforce turnover and limited resources as key barriers to investing in skills development.

This lack of opportunities for young people to advance in their jobs reinforces poverty and instability at the household level, increasing risks of school dropout and perpetuating intergenerational cycles of poverty and child labour, as shown in the illustration below. Few factories offer structured training or career pathways, leaving workers with little incentive or support to improve their prospects.

The poverty cycle of a child labourer in lower tiers



> *No special programmes like skills development are available, and no one has inquired about a programme before. If they work hard, they can be promoted to the supervisor level.*
>
> **– A factory manger of a knit garment manufacturing unit**

> *Workers here lack skills and efficiency. Many seem to be rejected from garment factories or are simply uninterested in hard work, opting for the 8-hour shifts in spinning factories. They see this job as a way to cover basic needs rather than a path for growth.*
>
> **– A factory manager of a spinning mill**

> *I never received any training or education from anybody. If there were no financial challenges, I'd be in school now.*
>
> **– A 16-year-old young worker who dropped out of school at age 11 and now works 12-hour shifts and earns a monthly wage of BDT 7000 (USD 59)**

9 The Centre for Child Rights and Business. *Child Rights and Informal Textile Waste Recycling in Bangladesh*. Dec. 2024, http://childrightsbusiness.org/public/uploads/files/20241210/Full%20Report_Child%20Rights%20and%20Textile%20Waste%20Recycling%20in%20Bangladesh%202024.pdf. Accessed 20 Jan. 2026.

2.3.3. Persistent child labour risks

The cycle from poverty to school dropout to child labour remains entrenched in lower tiers. Case evidence shows children entering hazardous or excessive work at early ages, often driven by family financial crises and weak monitoring.

Case story

A childhood put on hold: 13-year-old helper in a lower-tier factory

Left behind when her mother migrated to Dhaka for work, Shapla* joined her at age 10 and left school two years later when her mother became pregnant and could no longer work. She now works as a helper in a lower-tier embroidery factory, putting in 12-hour days for BDT 7,000 (approximately USD 57) a month, with overtime paid far below the legal rate.

Her mother explains: *"My daughter is unable to do anything after work. Sometimes, I encourage her to study the Quran and help me, but she gets tired and needs to rest. I know she is not fit to work in the factory, but due to our family's financial crisis, I am forced to send her there."*

Despite the exhaustion, the child still holds on to a simple hope: *"If I could, I'd reduce my work hours. And one day, I want to return to school and complete my Secondary School Certificate (SSC)."*

**Pseudonym*

Case story

Hazardous work at age 15 in the lower tiers

Rima*, a 15-year-old girl, was identified working in a lower-tier printing section as a layman. She was directly recruited by factory management. Her tasks exposed her to hazardous conditions typical of printing operations, including long hours around chemicals, heat and heavy machinery.

She worked 12-13 hours per day (8 a.m. to 8/9 p.m.), often including Fridays, with only a one-hour lunch break. Despite her long hours, she only earned BDT 7,000 (approximately USD 57) per month, well below the legal minimum wage. She was driven to work by her family's financial crisis.

**Pseudonym*

Our research shows that while Bangladesh's RMG sector operates in a high-risk context beyond the direct control of individual factories, the lack of systematic HRDD in lower tiers acts as a risk multiplier: deepening family poverty, increasing reliance on child labour, and, combined with limited visibility and monitoring, allowing child labour to persist despite significant efforts at Tier 1.

Chapter 3: Child Rights Action Hub: Tackling challenges in lower tiers, top-down and bottom-up

To respond to the challenges laid out in this white paper, the Bangladesh Child Rights Action aims to strengthen both top-down and bottom-up approaches. It seeks to increase accountability among buyers and Tier 1 suppliers for their lower-tier business partners, while also investing in community resources and empowering lower-tier partners directly.

With the support of eight international brands, the Action Hub addresses systemic risks through the following interventions:

Enabling Tier 1 factories to operationalise human rights due diligence for child labour prevention and remediation across their operations and supply chains

7 *factories have joined the Child Rights Change Maker programme, through which they have:*

- Developed 7 individual factory action plans based on opportunity assessments, identifying the most effective ways to proactively tackle child labour in their own operations and supply chains.
- Built the capacity of 194 parent workers across 6 factories to help prevent their teenage children from entering child labour.
- Offered access to decent work for out-of-school youth of working age within their own factories, helping move young workers out of hazardous work in lower tiers. As a result, 51 young workers gained access to decent work.
- 3 factories have committed to institutionalising regular worker surveys to better understand workers' needs and systematically track potential child labour risks.

46 *management staff from 28 Tier 1 and their nominated Tier 2 factories were trained on HRDD. As a result, they:*

- Demonstrated greater awareness of responsible purchasing practices, linking fair wages for workers and long-term supplier-buyer relationships to labour risk prevention.
- Reported improved transparency with buyers, including clearer communication of risks and action plans.

46 *management staff from 26 Tier 1 and their nominated Tier 2 attended Access to Decent Work for Youth (AD-Y) training to address the root causes of child labour by enabling safe, legal employment pathways for out-of-school youth and strengthening factory systems.*

25 *Tier 1 factories, along with 5 brands and 2 business associations, nominated 157 lower-tier factories to participate in the Child Labour Prevention and Remediation (CLPR) training, significantly expanding programme reach across the supply chain.*

Strengthening lower-tier factories' ability to prevent, identify and manage child labour risks across recruitment, operations and supply chains

248 *key personnel from **157** lower-tier factories received child labour prevention and remediation training from the Action Hub to improve detection, safeguards and response.*

- The **aggregate results of the post-training survey** indicate that these trainings were their first exposure to these topics, and they have improved their understanding of the minimum working age, age verification and steps to prevent and remediate child labour.
- Observed results also include improved capacity among participants that enable them to develop and implement **individual action plans** focused on strengthened age verification, recruitment controls, zero-fee recruitment, contract transparency, safe onboarding and enhanced health and safety protections for vulnerable and young workers. Currently, the project remains ongoing, and a formal impact assessment to evaluate progress on the action plan has not yet been carried out.

Building a community-based child labour response through child rights focal points[10]

35 *focal points spread across **3** child labour hotspots in the Greater Dhaka area have been trained to identify and address child labour in lower tiers. Many are actively reporting cases and participating in regular monitoring, evaluation and troubleshooting meetings.*

91 *children identified in child labour situations have been enrolled in a tailor-made remediation programme since the establishment of the Action Hub, with cases reported by civil society organisations, child rights focal points and brands.*

10 Child Rights Focal Points (CRFPs) play a frontline role in identifying and reporting child labour risks and cases to the Child Rights Action Hub, supporting remediation efforts (including engagement with children, families, and schools and case monitoring), raising awareness in local communities on education and child protection issues, and supporting families in crisis or linking them to existing child welfare programmes.

Recommendations for buyers: Strengthening lower-tier engagement

To improve visibility and leverage in lower tiers, buyers can consider the following actions:

- **Invest in localised capacity building:** Allocate resources for targeted training programmes for lower-tier management and workers, focusing on practical prevention, identification and remediation procedures.
- **Incentivise transparency:** Work with direct suppliers to create incentives for mapping and disclosing their sub-suppliers, fostering a shared responsibility for extended due diligence
- **Integrate bottom-up feedback:** Develop channels to safely incorporate insights and grievances from lower-tier workers and managers into the buyer's overall risk assessment and monitoring processes
- **Extend collaborative partnerships:** Support or join multi-stakeholder initiatives, like the Child Rights Action Hub, that pool resources and expertise to address systemic challenges collectively

For Bangladesh, navigating a volatile global economy while seeking to secure trade advantages like EU GSP+ status makes robust HRDD a critical strategic priority. The evolving regulatory landscape, including trends towards streamlined corporate reporting, does not diminish the foundational business case for strong supply chain governance.

As underscored by the OECD Guidelines and UN Guiding Principles, diligent human rights management remains a cornerstone of sustainable operations. Proactive investment in lower-tier visibility and capacity, such as through the Child Rights Action Hub, is not merely a compliance activity. It is an essential strategy for building the transparent, resilient and ethical supply chains required for long-term market access and sector leadership. The path forward lies in moving beyond audit-based assurance to create a system of shared responsibility and verified protection throughout every tier of production.

Photo: An event to mark the one-year anniversary of the Child Rights Action Hub Bangladesh brought together brands, suppliers, industry associations and members of government to discuss future actions on child labour prevention and remediation in the RMG sector.

© The Centre for Child Rights and Business, 2025

Chapter 4: Appendix

4.1. Appendix 1: Sample

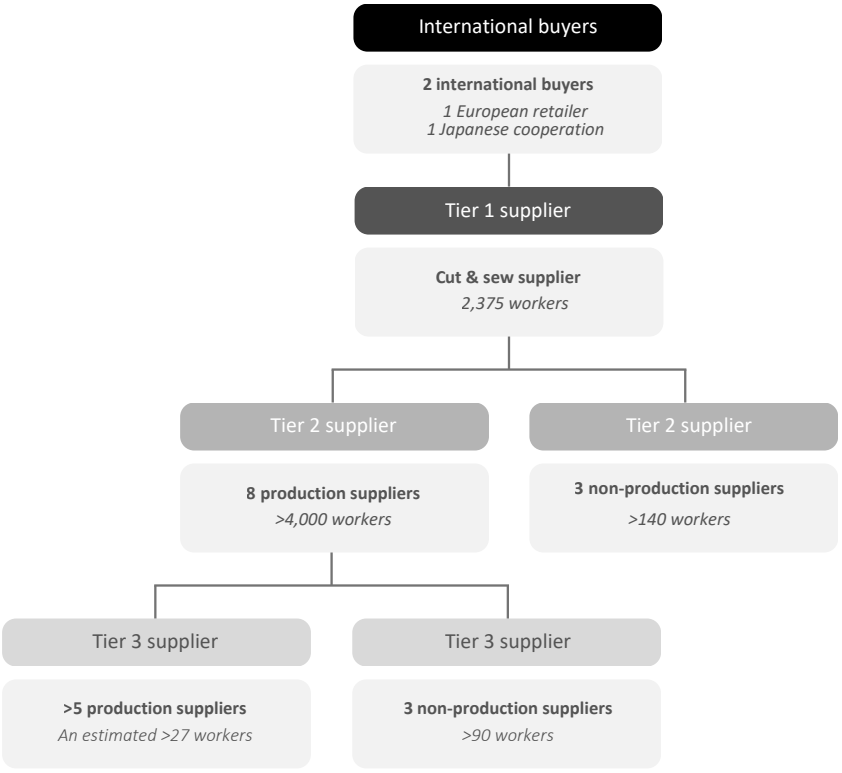


Figure 1: Supply chain 1: A cut-and-sew supply chain. Within this ecosystem, there are over 6,500 workers involved

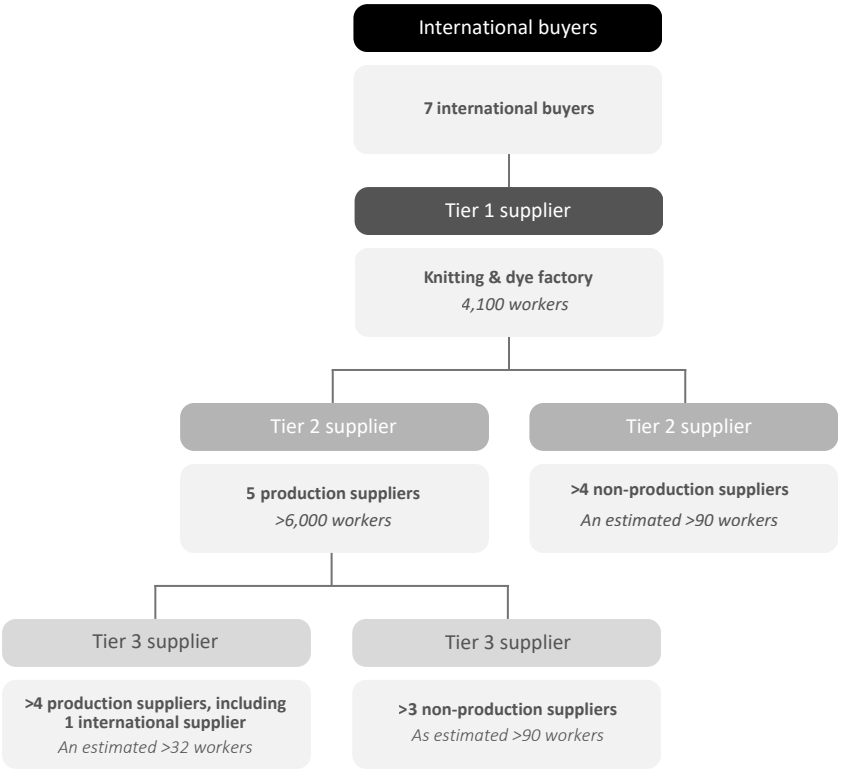
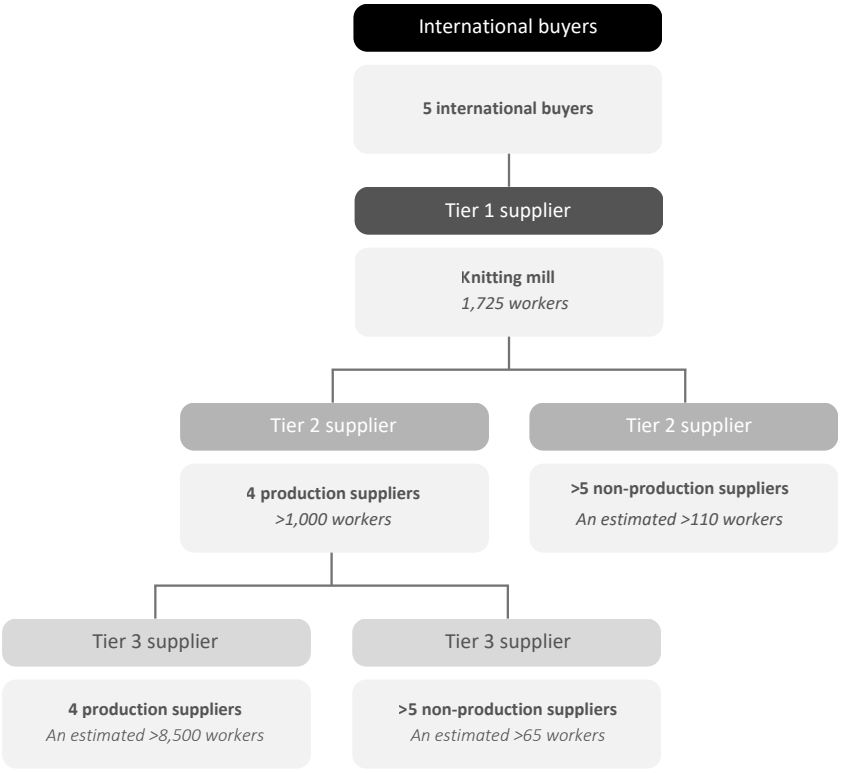


Figure 2: Supply chain 2: A knitting & dyeing factory with over 10,000 workers within its ecosystem

Figure 3: Supply chain 3: A knitting mill with over 11,000 workers within its ecosystem



4.2. Appendix 2: Detailed supply chain mapping of supply chain 1

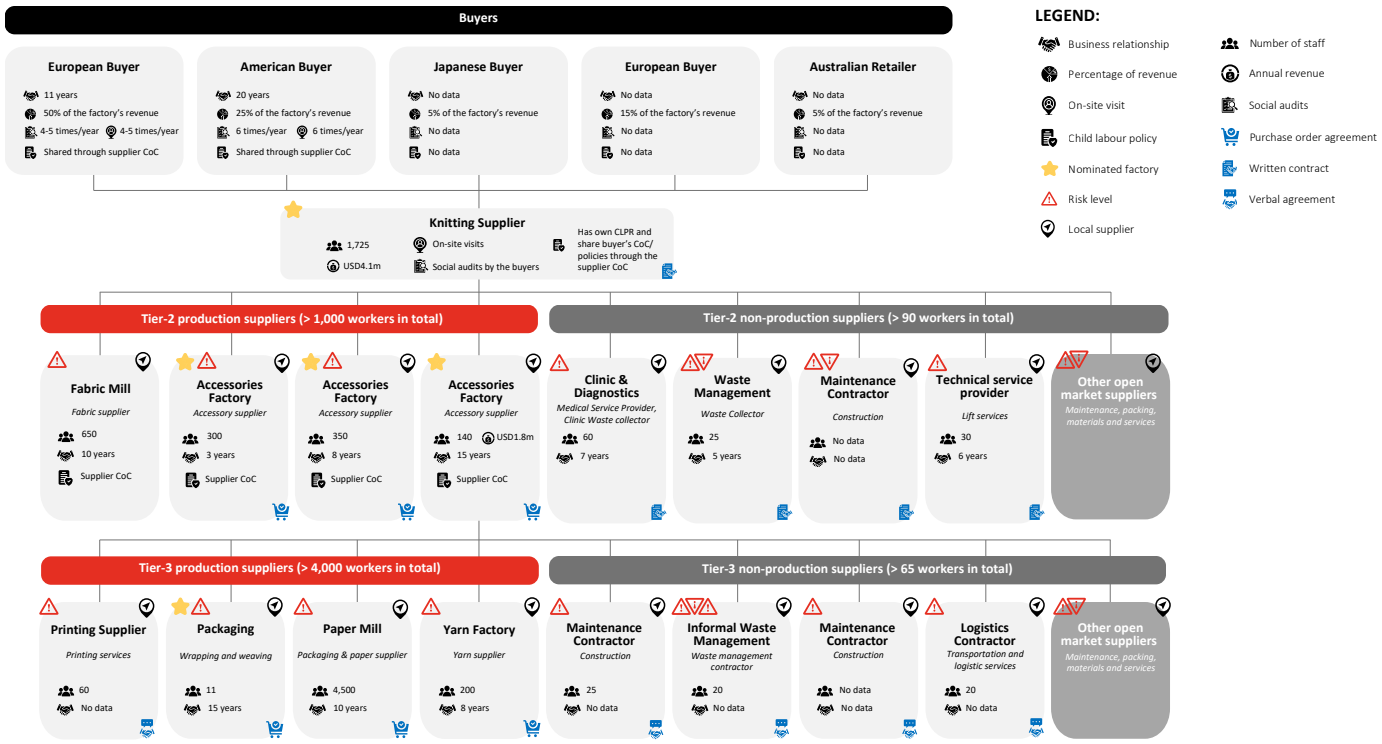


Figure 4: Detailed supply chain mapping of supply chain 1

4.3. Appendix 3: Detailed supply chain mapping of supply chain 2

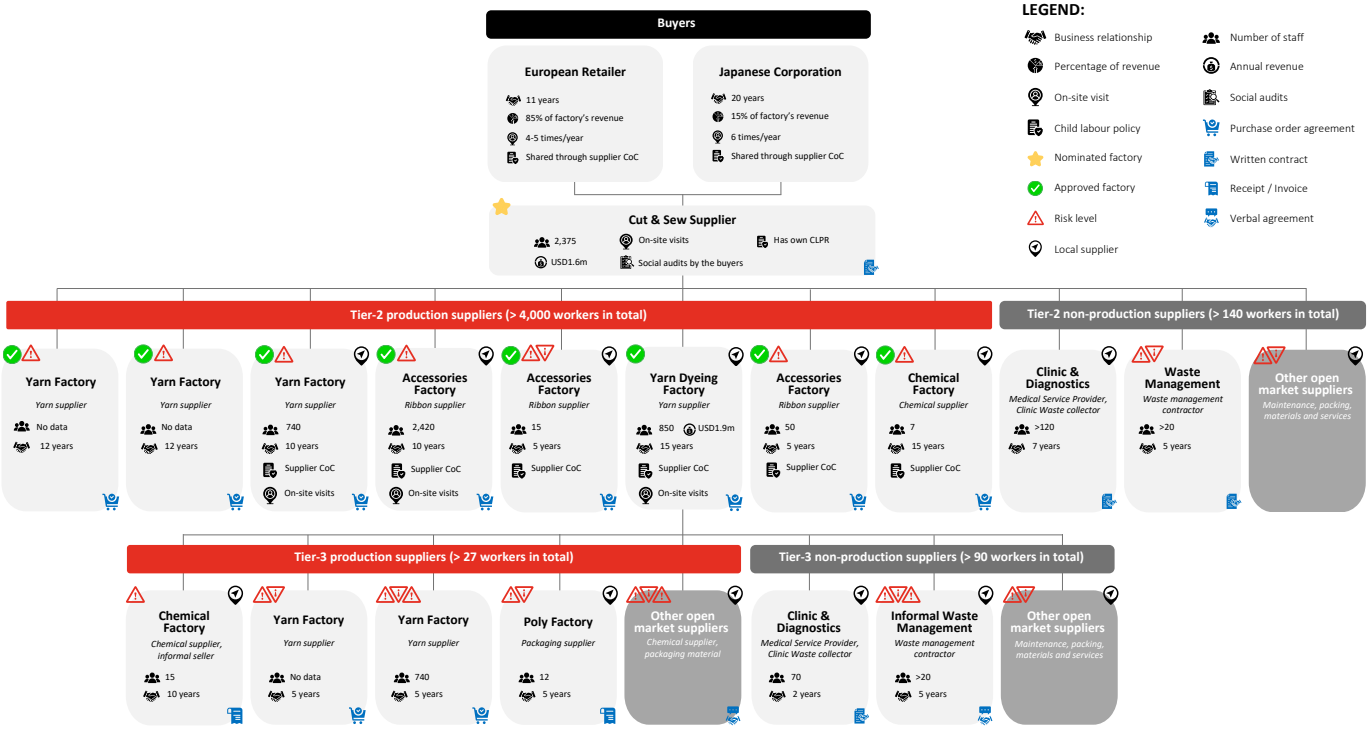


Figure 5: Detailed supply chain mapping of supply chain 2

4.4. Appendix 4: Detailed supply chain mapping of supply chain 3

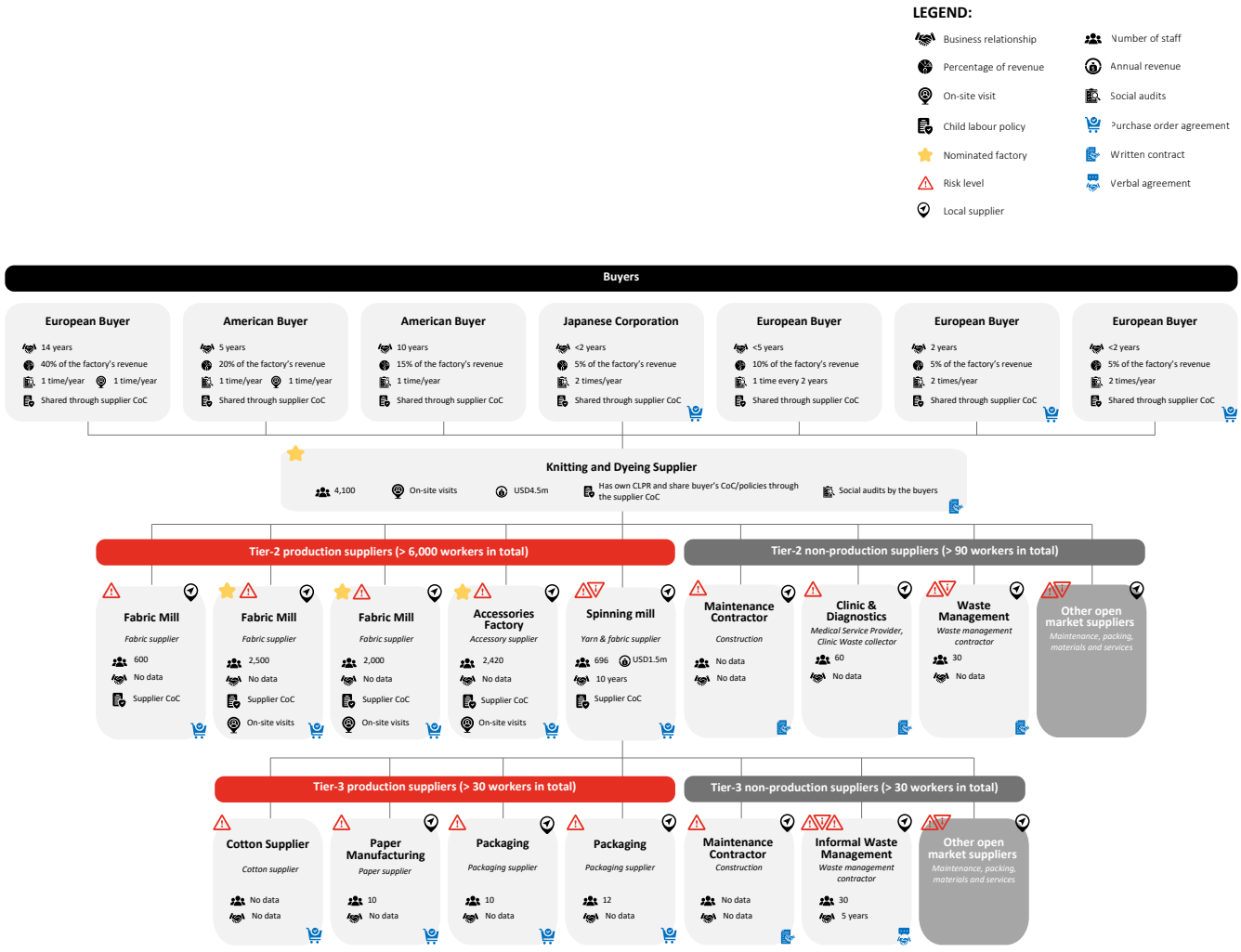


Figure 6: Detailed supply chain mapping of supply chain 3

© 2026 The Centre for Child Rights and Business. All rights reserved.

This publication, titled Beyond First Tier – The Imperative for International Brands to Engage with Lower Tier Suppliers on Human Rights Due Diligence,' is copyright but the text may be used freely for the purposes of advocacy, campaigning, education and research, provided that the source is acknowledged in full.

For more information, please contact The Centre at the address below:

THE CENTRE FOR CHILD RIGHTS AND BUSINESS

Unit 808, 8/F, Tung Che Commercial Centre,
246 Des Voeux Road West, Sai Ying Pun, Hong Kong

info@childrights-business.org

childrights-business.org

Date of publication: February 10, 2026