Time to improve water transport system

Official of a ship classification society says Bangladesh can become a connectivity hub

SUMAN SAHA

CLASSNK, a global ship classification society, targets Bangladesh as the country plans to buy 21 new ships by 2021 to upgrade its ageing fleet.

"We see Bangladesh as a good market," Shosuke Kakubari, executive vice president of the society, told to The Daily Star at an interview at Sonargaon Hotel in Dhaka recently.

Currently, ten out of the 13 ships of Bangladesh Shipping Corporation are older than 25 years.

The government already signed a deal in June with China National Machinery Import and Export Corporation to buy six new ships at around Tk 1,400 crore.

ClassNK, based in Japan, also organised a technical seminar on ship building in Dhaka last month to present its capacity to government officials, shipbuilders and financial companies.

The official said Bangladesh should now focus on improving its sea transport system.

"A country has to improve its logistics and transport system when it heads towards more industrialisation. The shipping sector can play a significant role in improving the transport system," he said.

Bangladesh should also focus on modernising its inland water transport system to get rid of huge tailbacks on roads, said Kakubari at his maiden visit to Dhaka.

He said the country has immense potential as it is located between the middle-eastern and South Asian countries.

The classification society is a non-governmental organisation that establishes and maintains technical standards for the construction and operation of ships and offshore structures.

The society also validates that construction is in line with the global standards and carries out regular surveys to ensure compliance.

Shosuke Kakubari

As a classification society, Nippon Kaiji Kyokai, known as ClassNK, develops rules to protect the interests of vessels, crew members and the marine environment.

As of September 2012, its register accounted for 8,080 vessels, totalling 208 million gross tons or around 20 percent of the world's commercial fleet with 9.45 years average age of the ships, said Kakubari.

"This makes us the world's largest classification society in terms of gross tonnage," he added.

The society registered more than 1,000 ships to their class over the last four years. "Higher transfer of class and building of new ships are the key reasons behind this robust growth," said Kakubari.

The official said orders for shipbuilding have declined over the last several years due to the global financial crisis.

But he said the situation may improve in the next two years.

In order to ensure safety of the ships on its register, ClassNK provides a full range of survey, auditing and consulting services.

Its services also include classification and statutory surveys, material and equipment approvals, auditing and registration of ship safety management systems.

The society also provides certification of quality, environmental and occupational health and safety management systems in accordance with international standards.

ClassNK has a worldwide network of more than 120 exclusive surveyor offices in ports and maritime cities.

The company opened its surveyor office in Bangladesh in 1976. It has now 11 employees, including four surveyors, in the Dhaka office.

Japanese ships are not new for the country as Bangladesh acquired four ships -- Banglar Kakoli, Banglar Kallol, Banglar Mamata, Banglar Maya -- from Japan between December 1979 and September 1980.

The official said ClassNK will regularly organise seminars on the shipbuilding industry in Bangladesh.

A total of five ship classification societies -- Germanischer Lloyd, RINA, Bureau Veritas, American Bureau of Shipping and ClassNK -- have offices in Bangladesh.

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Wake-up call for big clothing brands

Until western consumers make safety standards an issue for big apparel retailers, factory fires will continue to take lives

SCOTT NOVA
The Guardian

THE fire that killed 112 workers in a factory producing for Walmart, Sears, Disney and other apparel corporations was the deadliest in the history of Bangladesh, but it was one in a long series of such fires and it will not be the last. The economic logic of the apparel industry, driven by the insatiable hunger of western apparel companies for cheap clothes, guarantees that many more workers will die.

In the last two years, fires in Bangladesh and Pakistan have taken the lives of nearly 500 apparel workers, at plants producing for Gap, H&M, JC Penney, Target, Abercrombie & Fitch, the German retailer KiK and many others.

These deaths are preventable. In the wake of the infamous Triangle Shirtwaist fire, which killed 146 workers in Manhattan in 1911, a labour reform movement transformed the sweatshop-dominated US apparel industry into one defined by safe workplaces, middle-class wages and strong unions. The industry has known for more than 100 years how to operate an apparel factory safely, yet today these lessons are routinely ignored.

The key to understanding why apparel workers' lives are treated so cavalierly today is to ask why corporations are flocking to countries like Bangladesh in the first place. Bangladesh is now the world's second-largest apparel producer. It did not attain that status by achieving high levels of productivity, or a strong transportation infrastructure; it got there by being the rock-bottom cheapest place to make clothing.

This derives from three factors: the industry's lowest wages (a minimum apparel wage of 18 cents an hour), ruthless suppression of unions, and a breathtaking disregard for worker safety. The industry in Bangladesh has been handsomely rewarded for its costcutting achievements, with an ever-rising flood of business from western brands, moderated only by the global recession. And local factory owners understand that if they do not continue to offer the lowest possible prices, those brands will be quick to leave.

Leading apparel companies have accomplished a form of time travel: they have recreated 1911 working conditions in 2012. Unconstrained by regulation, apparel producers in 1911 New York did not waste money on niceties like workplace safety. Neither do their counterparts today in South Asia. By outsourcing their production, US corporations have escaped the regulatory strictures won by unions and labour rights advocates after the Triangle fire and have turned back the clock on a century of workplace reform.

As news emerged of the horror at the Tazreen Fashions factory in Bangladesh, the brands and retailers producing at the facility predictably sought to distance themselves. Unable to deny their relationship to the factory -- because of photographs taken by courageous local activists that proved their garments were found inside the building -- Walmart and Sears resorted to the claim that their clothes were being made there without their knowledge. They put the blame on local contractors who purportedly subcontracted their orders to Tazreen against the companies' wishes.

Walmart, a company whose foundational corporate principle is cost reduction through micromanagement of the supply chain, was reduced to asserting that it has so little control of its supply chain that it doesn't know which factories in Bangladesh are making its clothes. The brands and retailers also insisted that the unsafe conditions that killed the workers at Tazreen Fashion existed despite their ostensibly robust efforts to ensure safe and responsible labour practices by their suppliers. Walmart touts its "work across the apparel industry to improve fire safety education and training in Bangladesh."

Indeed, virtually every major apparel company claims to be policing its suppliers' labour practices through aggressive inspections. Yet every one of the factories where fires killed workers in Bangladesh and Pakistan in the last two years had been subject to numerous such inspections. The factory where 289 workers were killed in Pakistan this September had received, just weeks before the fire, a clean bill of health under an inspection system called SA-8000.

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The burnt-out factory of Tazreen Fashions is pictured, where a fatal fire took the lives of 112 workers on November 24.

Confusion on internet future after UN treaty split

AFP, *Washington*

THE freewheeling, unregulated internet seemed to survive a push for new rules at a UN treaty meeting, but the collapse of talks leaves unanswered questions about the Web's future.

A total of 89 countries endorsed the global treaty on telecom regulations at the UN's International Telecommunication Union gathering in Dubai on Friday, but the United States and dozens of others refused to sign, saying it opened the door to regulating the Internet.

ITU chief Hamadoun Toure insisted that the treaty had nothing to do with the internet, despite what he called "a non-binding resolution which aims at fostering the development and growth of the Internet."

"This conference was not about the internet control or internet governance, and indeed there are no provisions on the internet," the ITU secretary-general told participants at the signing ceremony.

But James Lewis, who follows internet governance at the Washington-based Centre for Strategic and International Studies, said backers of the treaty distorted the facts.

"They were lying," he said. "It was totally about the Internet."

Lewis told AFP the ITU lost credibility because "they swore up and down there wouldn't be a vote, that a decision would be by consensus, and then they took a vote."

The outcome underscored a deep divide between the US and its allies, which seek to keep the Internet open and unregulated, and authoritarian regimes that want to impose controls over online use and content.

Russia, China and Saudi Arabia have been among countries seeking such changes.

Still, Lewis said the World Conference on International Telecommunication, organised by the ITU in Dubai, failed to wrest control of the internet addressing system from the global nonprofit group called ICANN, the Internet Corporation for Assigned Names and Numbers.

It remains unclear, said Lewis, whether the treaty can even become effective without a majority of the 193 ITU members endorsing it.

"The ITU has to suspend consensus rules to say this treaty is to take effect, and then it becomes an issue for the lawyers," he said, adding that the matter could end up before the UN Security Council.

US officials, who led opposition to new Internet rules, said the document adopted in Dubai will have little immediate impact.

Countries can exercise control of online activity within their borders, but Washington and others objected to a treaty that would legitimise new internet controls under UN auspices.

The head of the US delegation, Terry Kramer, walked out of the hall as the signing started after protesting that the treaty was "seeking to insert governmental control over Internet governance."

That position drew praise from lawmakers and activists back home.

House Cybersecurity Caucus co-chairs Jim Langevin and Michael McCaul said the treaty, if implemented, "would result in a significant setback for anyone who believes free expression is a universal right."

Google, another critic of the conference, said that many governments taking part in Dubai proved they wanted increased censorship.

"What is clear from the ITU meeting in Dubai is that many governments want to increase regulation and censorship of the internet," a Google spokesperson said in a statement.

"We stand with the countries who refuse to sign this treaty and also with the millions of voices who have joined us to support a free and open Web."

Kieren McCarthy, general manager of the Global Internet Business Coalition, called the outcome in Dubai "a humiliating failure" for the UN agency.

"The collapse will come as a severe embarrassment to the ITU," McCarthy said in a blog post. "Efforts to bring its core telecom regulations into the Internet era had exposed the organization to modern realities that it was incapable of dealing with."

Milton Mueller, an internet governance specialist at Syracuse University, said it's not clear if the new language is a threat to a free Internet.

"While I didn't like the resolution nor did most Internet rights advocates, I doubt if its passage would in itself be able to do much harm," he said.

But Mueller said the diplomatic efforts were complicated by concerns in some countries -- mainly with "bad" human rights records -- who object to US sanctions that can cut off access to certain internet services such as those from Google.

"Weird and ironic, in that it is the pro-human rights nations that are using denial of access to Internet services as a form of policy leverage, and the anti-human rights nations that are claiming a universal right of internet access," Mueller said.

India to speed up sale of stakes in state firms

REUTERS, *New Delhi*

INDIA will speed up the sale of stakes in state companies to revive the stock market and will push ahead with reforms aimed at spurring an investment recovery in the flagging economy, Prime Minister Manmohan Singh said on Saturday.

Selling equity in large public industries is a central plank of the government's plan to bring down a wide fiscal deficit, a major weakness in Asia's third largest economy.

This week, the sale of 10 percent in state miner NMDC raised $1.1 billion and the government is aiming for 300 billion rupees from such partial privatisations by March.

"We will speed up the disinvestment process, which will also revive our equity markets," Singh told a gathering of industry representatives in New Delhi.

However, he did not give details of a new timetable for the sales, which is due to include energy exploration major Oil India.

Singh's government has recently taken measures to allow in foreign supermarkets and tackle budget-busting fuel subsidies.

"The steps we have taken are only the beginning of a process to revive economy and take it back to its growth rate of 8 to 9 percent," Singh said.

Economic growth slowed to 5.4 percent in the first half of this fiscal year and is on track to grow at its slowest rate in a decade.

Slowing exports and foreign investment have widened the current account deficit.

Global ratings agencies have repeatedly warned India that it faces a credit downgrade if it does not tackle a high debt burden and the fiscal deficit, which is the largest among major emerging economies.

Last year, the deficit was 5.8 percent of gross domestic product, which Singh said was "clearly unsustainable". He reiterated the official target of reducing it to 5.3 percent this year.

"The government is serious about moving in this direction," Singh said.

Raghuram Rajan, the government's chief economic adviser, said that reining in the deficit was essential to attract more investment.