



# BUSINESS

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## No political side to GSP

### US official speaks on trade policy

STAR BUSINESS REPORT

The generalised system of preferences for Bangladesh exports to the US market has no political aspect, an official of the US Department of Labour said yesterday.

"It is a legal process, a statutory process -- and not a political process by any means. It is a process that primarily involves trade policy agencies," said Eric Biel, acting associate deputy undersecretary of the Bureau of International Labour Affairs (ILAB).

ILAB is an operating unit of the US Department of Labour which manages the department's international responsibilities.

Biel, along with the body's economist Michael O'Donovan, is currently in Dhaka on a fact-finding mission ahead of the hearing on Bangladesh's GSP eligibility at US Trade Representative on March 28.

The team has already met senior officials of ministries, including commerce and labour, apparel industry and trade union leaders as well as civil society organisations.

"We had some very good substantial detailed conversations with information provided by the government and others here about the steps and measures that they are taking to address some of the concerns that have been raised over the last several months."

"We are not here to make any decision."

"We are getting more information, which in itself is a good thing. It will enable us to move forward with the decision on GSP," Biel said.

He added that he had a number of fruitful meetings with stakeholders of the apparel and shrimp industries.

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Eric Biel

## Exporters worry as Swiss stores remove shoes over toxic fears

SUMAN SAHA

Leather goods and footwear exporters have expressed concern as two Swiss retailers recently removed various models of Bangladeshi shoes from their stores after tests found a hazardous chemical in the footwear items.

The manufacturers said Bangladesh exports leather goods and footwear maintaining all global standards and going through rigorous tests of international agencies.

The exporters have to pass a number of tests -- from the pre-manufacturing to post-manufacturing stages -- of various global testing agencies, said Syed Nasim Manzur, president of Leathergoods & Footwear Manufacturers & Exporters Association of Bangladesh.

Besides, leathers are processed in compliance with the European community regulations on chemicals and their safe use, for ensuring the protection of human health and the environment, he said.

Manzur made the comment when his attention was drawn to a report published by ATS, the national press agency of Switzerland, which brought out the act of removing the shoes on Thursday.

The two Swiss shoe retailers -- Bata and Vögele -- removed the shoes made in Bangladesh after tests found the presence of chromium 6 in 14 pairs of the shoes, the news agency reported.

In shoes, the chemical can provoke allergies and chronic dermatitis, the report said quoting experts.

Bata and Vögele buy leather goods and footwear directly from a number of Bangladeshi companies, said Minhaz Ahmed Chowdhury, production manager of Bata Shoe Company (Bangladesh) Ltd.

"But, we [Bata Shoe Bangladesh] do not export any leather goods to the European countries," he said. "So, we are fully confident that those shoes were not made by us."

Manzur, also the managing director of Apex Adelchi Footwear Ltd, said he is unaware of the factories or the exact origin of the shoes.

The exporters' association is yet to communicate with the Swiss retailers to know which Bangladeshi factories made the shoes.

Chromium 6 is a toxic chemical byproduct of chromium, widely used to tan leather, Manzur said in an email reply.

Chromium 6 (Cr6) is not a substance that is present in the shoe but may be found in the leather used for the upper making or the shoe lining, he said.

There are very strict EU standards about the presence and acceptable level of Cr6. The acceptable levels of Cr6 in the EU markets are 3mg per kg, he said.

"However, from past experience, we know that depending on the accuracy of the test and the test methods used, the results can vary," Manzur said.

"It does happen during the shoe making process due to high temperatures involved, and the level of chromium 6 can change," he said.

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From left, Acting CEO and Chief Human Resources Officer of Robi Matiuil Islam Nowshad, Chief Financial Officer Mahtab Uddin Ahmed and Chief Marketing Officer Pradeep Shrivastava attend a press briefing at Sonargaon Hotel in Dhaka yesterday where the company presented its fourth quarter financial report.

## Robi returns to black with Tk 91 cr profit

STAR BUSINESS REPORT

Mobile phone operator Robi made a net profit of Tk 91 crore in 2012, shaking off the whopping losses of Tk 82.7 crore incurred in the previous year.

The recovery was possible as the operator paid less SIM tax in the year due to lower subscription growth and appreciation of the taka against the dollar.

Selling inactive SIM (subscriber's identity module) cards and implementing a 10-second pulse, in line with

regulatory directives, took a toll on the subscription growth, officials said.

The operator presented its fourth quarter report of 2012 in a press briefing at Sonargaon Hotel in Dhaka yesterday.

Robi added 2.4 lakh new subscribers during Q4, the number being only 1.1 percent higher than the previous quarter.

The overall financial achievement was negative last year, Robi's Chief Financial Officer Mahtab Uddin Ahmed said.

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## Stocks return from loss

Stocks returned to the black yesterday, breaking a six-day losing streak. DSEX, the general index of the Dhaka Stock Exchange, rose 1.44 percent to 4,068.40 points. -- Star Business

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