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**Telcos want tech neutrality**

ABDULLAH MAMUN

Mobile operators have urged the telecom regulator to bring in technology neutrality for spectrum use this year so that they can use all the frequency bands to deliver services.

Currently, operators use the 900 MHz and 1,800 MHz frequencies to provide voice services; they are not allowed to use these bands for data or 3G.

Operators provide data services (3G) using the 2,100 MHz band, which they purchased last year with \$525 million at an auction.

If the operators' demands are met, they will be able to use the 900 MHz and 1,800 MHz bands to deliver both voice and data, which will save them from spending additional amounts of money on purchasing more spectrums to deliver the same services.

According to analysts, if the regulator agrees to the demand, the operators will offload 3G or 4G on these two frequency bands, and will not have to buy more spectrums for services.

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# Safety in garment factories not as bad as thought

## BIDS surveys apparel units in Dhaka and Narayanganj

REJAUL KARIM BYRON

A significant proportion of garment factories abide by workplace safety standards but there are still some critical safety concerns that need urgent attention, a recent survey found.

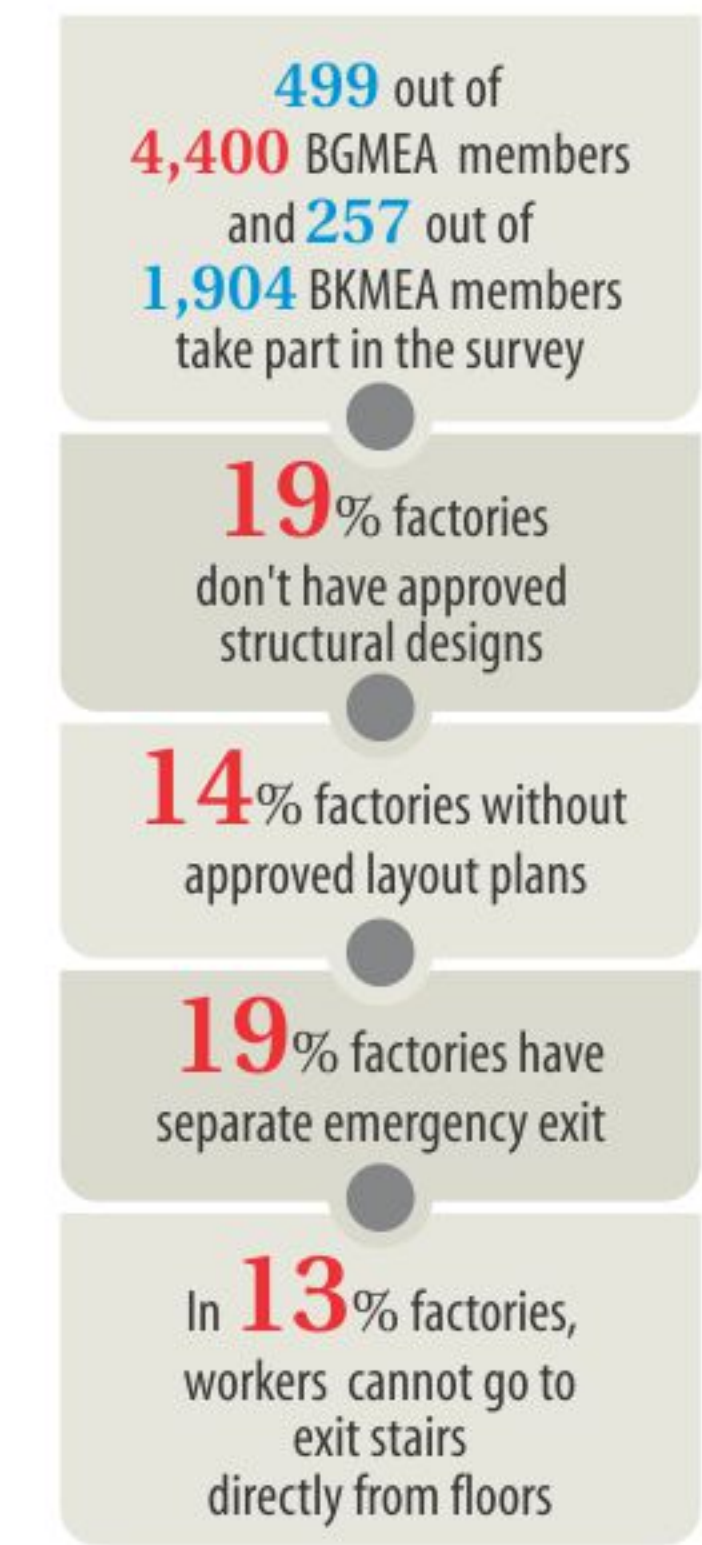
Following the recent spate of accidents in the sector, the ministry of labour and employment commissioned the Bangladesh Institute of Development Studies to conduct a comprehensive assessment of the current state of the garment sector with respect to industrial relations, workplace safety and compliance.

The study found that about 80.8 percent of the buildings had approved structural designs and 85.9 percent approved factory layouts.

It has been found that 92 percent of the factories have updated fire safety licences. Almost all the factories do have valid fire extinguishers and maintain records of fire-fighting demonstration.

Around 93 percent and 99 percent of the factories respectively had the necessary number of hose reels for fire fighting and alarm system for fire or other disasters. Additionally, 87.9 percent of the factories had water reservoir in the roof to fight fire.

Faulty electric lines often cause



fire. Moreover, location of electric generator, main switch board, cut-out systems and so on are also important for avoiding fire from electric lines and generators.

It has been observed that electric generator is located outside of the factory in case of 55 percent of the factories.

However, only about 19 percent of factories have a separate emer-

gency exit, while others maintain that they have more than one stairs and some of these build-in stairs perform as emergency exit.

But, this may not be a tenable position because in case of fire in lower floors of the building, it will be difficult for workers to come out if there is no separate emergency stair. Not having a separate emergency exit thus remains a cause of concern.

Also, 81 percent of the respondent factories had warehouses located inside the building, mostly in the ground floor or first floor, which is risky for workplace safety.

Moreover, although it is mandatory for factories not to have any electric connection inside the warehouse to avert fire initiation, 33 percent of the factories still had it.

About 40 percent of factories had electric substation inside the factory, which is also risky for fire outbreak.

The survey methodology involved sending a two-page questionnaire to the 6,304 member factories of the Bangladesh Garment Manufacturers and Exporters Association and Bangladesh Knitwear Manufacturers and Exporters Association between the first week of June 2013 and end of July 2013.

Despite repeated reminders from the BGMEA and BKMEA authorities, response to the census

was low: only 499 out of 4,400 BGMEA members and 257 of 1,904 BKMEA members responded.

Based on the information collected through the mailed questionnaire, a representative sample of 100 factories was drawn following stratified random sampling procedure for detailed survey.

Because of time and resource constraint, the sample survey was limited to the Dhaka, Gazipur and Narayanganj districts that account for 80 percent of the BGMEA member factories and nearly 94 percent of the BKMEA member factories.

Structured questionnaires were sent to the management of the sample factories and to five randomly selected workers of each sample factory to get their perception on the pertinent issues.

Additionally, one focus group discussion with managers and workers was done separately to understand their knowledge gap towards compliance issues.

The research organisation handed in the detailed report to the labour ministry last week, and the ministry is due to sit with the platforms of international retailers -- Alliance for Bangladesh Worker Safety and Accord on Fire and Building Safety in Bangladesh -- to discuss the findings, according to an official

# NBR sees higher earnings from wealth surcharge

SOHEL PARVEZ

The revenue administrator registers increased collection of surcharge on wealth due to higher compliance by rich people who own more than Tk 2 crore in net wealth.

The earnings of the National Board of Revenue from surcharge are likely to rise 48 percent year-on-year to Tk 150 crore in the outgoing fiscal year. The amount was Tk 131 crore during the July-April period, taxmen said.

"The amounts reflect a very good response and increased compliance by wealthy taxpayers," an NBR official said yesterday.

This is the third year since the government introduced the surcharge on payable tax of people having more than Tk 2 crore in net wealth. The tax was levied as an alternative to wealth tax in a bid to establish equity in the society, taxmen said.

Initially, in fiscal 2011-12, the government imposed 10 percent surcharge and the tax collector logged Tk 65 crore from this source.

In the current fiscal year, the surcharge was imposed in two slabs -- 10 percent on payable tax of persons holding more than Tk 2 crore in net wealth and 15 percent for more than Tk 10 crore.

The introduction of the two slabs is one of the reasons behind the spiral in collection from this area, the NBR official said, asking not to be named.

Besides, the rich people who were initially unaware of the new measure later started filing returns with surcharge, the official said.

"The rate of compliance has increased and it will rise further in the coming years," he said.

The NBR has not compiled the data on how many wealthy persons have paid surcharge in the current fiscal year.

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SURCHARGE RECEIPTS FROM RICH PEOPLE	
YEAR	SURCHARGE (in crore Tk)
2011-12	65
2012-13	101
2013-14 (July-April)	131

SOURCE: NBR

# Bangladesh must exploit green energy potential

## Analyst speaks on green growth

STAR BUSINESS REPORT

Bangladesh has strong potential to exploit wind power and meet growing demand for green electricity, analysts said yesterday.

The 700km-long coastline in the coastal region of Bangladesh provides good prospects to develop offshore wind energy, said Anette Galskjot, commercial counsellor of Danida Business Partnerships of Denmark in Bangladesh.

The hilly regions in Chittagong and Sylhet may be attractive sites to develop onshore wind energy, she said. "More studies are needed to realise the potential of wind energy."

Anette spoke at a discussion between Nordic and Bangladeshi companies, organised by the Danish and Swedish embassies at The Westin Dhaka.

A total of 20 Danish companies, one Swedish company and an investment fund attended the session under the three-day Nordic trade delegation on green growth.

The companies came from different sectors such as: energy efficiency, renewable energy, engineering, water and waste management, fuel cell manufactures, and consultancy on bio-energy.

The companies engaged in one-on-one meetings to discuss potential business opportunities and possible partnerships to promote green growth and clean technology in Bangladesh.

Global entrepreneurs have shown tremendous interest in the green development of Bangladesh, she said.

The energy gap causes frequent power cuts that is a bottleneck to economy growth, Anette added.

She suggested Bangladesh explore new power options such as nuclear power, coal, wind, solar and biogas.

Renewable energy is the best option for green economic growth as the government aims to generate 5 percent power from renewable energy by 2015, she said.

Solar energy is the most evolved renewable energy in Bangladesh, she added.

With 250-300 sunny days a year, it is estimated that Bangladesh receives 10,000 megawatts of solar radiation daily, which exceeds the daily electricity demand in the country, Anette said.

Around 2.8 million solar home systems have been installed in Bangladesh with a power generation capacity of 11.5MW, she said.

The infrastructure of Bangladesh is suited to biogas and the climate is suitable to accommodate energy efficient heat, said Anette.

The rapid urbanisation of Bangladesh has led to a much polluted capital with growing waste problems, she said, adding that a large part of the waste is organic, which would be suitable for biogas production.

Dhaka is among the 5 most polluted cities in the world; so, the country needs to reduce pollution and people believe the solution lies in clean technologies, she said.

Denmark has 2,200 clean tech companies with an annual turnover of \$43.9 billion, while Sweden has 3,500 clean tech companies with an annual turnover of \$14 billion.

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# 26 new products to receive BB's green finance

STAR BUSINESS REPORT

Bangladesh Bank has included 26 new products under its revolving refinancing scheme for solar energy, biogas and effluent treatment plants to give loans at low interest.

The banking regulator incorporated renewable energy, energy-efficient technology, waste management, alternative energy and non-fire block brick in the scheme.

The loan limit for the products range from Tk 1.5 lakh to Tk 30 crore, the central bank said in a notice yesterday.

The inclusion of the new products came as part of the BB's efforts to expand renewable energy and environment-friendly technology.

Currently, 18 products are getting the low-cost loans under the scheme.

Large solar photovoltaic plants and wind energy projects will get loans at single digit interest, according to the notice.

Assemblers of LED lights and auto-sensor power switches can borrow up to Tk 3 crore and Tk 2 crore respectively at 9 percent interest.

Manufacturers of compressed block-bricks and concrete block-bricks will be able to borrow up to Tk 4 crore and Tk 10 crore.

The central bank set up a Tk 200 crore revolving fund in 2009 for banks and financial institutions to give loans at low interest in solar energy, biogas and effluent treatment sectors.

The central bank provides funds to banks and financial institutions at 5 percent interest, so they can provide loans on soft terms.

Banks will keep the interest rate below 10 per-

# Exporters make a name with sports jerseys



BANGLAR CHOKH

REFAYET ULLAH MIRDHA

Bangladesh has become a lucrative destination for sports jerseys for its price competitiveness, exporters said.

The sector for jerseys and specialised sports garments, a knitwear sub-category, has abundant work orders as demand for jerseys is on the rise with mega sports events taking place all year round, they said.

It is a growing trend for the youth in the West to wear sports jerseys casually as well.

Bangladesh sells a single jersey for \$5 to \$6, while the same costs much higher in China, the largest apparel supplier worldwide, according to industry insiders.

Bangladeshi manufacturers export jerseys to brands like Nike, Puma, Adidas, G-Star, H&M and M&S, said Mohammad Hatem, vice-president of Bangladesh Knitwear Manufacturers and Exporters Association.

At least 20 factories in Bangladesh have exported jerseys for the 2014 FIFA World Cup Brazil, said Hatem.

"Many factories export sports garment items all year round."

Bangladesh earns more than \$1 billion through the exports of jerseys and sports garments a year, Hatem added.

"I have already shipped 5.6 million pieces of jerseys to Brazil as the World Cup is about to begin next month," said Shahdad Hossain Shameem, managing director of Stylex, a leading garments maker.

Bangladesh does not supply football players' jerseys; the country mainly exports T-shirts and jerseys for spectators and supporters of different teams during big sports events globally, he added.

"I shipped more than two million pieces of jerseys, mainly for spectators, during the last European Championship Cup."

The prospect of sports garment business is bright, as many retailers are still placing work orders in Bangladesh, Shameem said. At the same time, manufacturers also need to maintain standards of the products strictly, he added.

David Hasanat, managing director of Viyellatex Group, said: "Sports garment items have become a part of

fashion now."

Viyellatex also sent a few million pieces of jerseys to countries like Brazil and Argentina on the eve of World Cup, he said, adding that Bangladesh has a good share in the global sports garment business.

Momin Mondol, managing director of Mondol Group, another leading garments group, said he has supplied accessories for more than six million pieces of jerseys for the Brazil World Cup.

"I did not make jerseys, but I supplied accessories (like buttons and thread) through my retailers," Mondol said. "I sent a good number of jerseys in the past for sports events like the World Cup in South Africa."

DBL Group and Epyllion Group supplied eight million pieces of jerseys during the last FIFA World Cup, officials said.

Bangladesh exported knitwear worth \$9.8 billion and woven garments worth \$10.16 billion during July-April this fiscal year -- respectively 16.96 percent and 13.91 percent higher than those in the same period last fiscal year, according to Export Promotion Bureau.

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CONGRATULATIONS

We are pleased to thank and congratulate those eligible institutional investors who participated in the long awaited bidding process of price discovery for IPO under Book Building bidding of shares of United Power Generation and Distribution Co. Ltd (**A concern of United Group**) starting from May 18, 2014 and continued till May 20, 2014 (round the clock) conducted by Dhaka Stock Exchange Ltd.

We are grateful to Bangladesh Security Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Issue Manager, and other concerned parties & individuals to make this bidding process a success.