

# Slovenia: a promising market for Bangladesh

Envoy of the central European nation stresses networking between businesses to boost trade

REFAYET ULLAH MIRDHA

**E**VEN a small country could be a very promising market for Bangladesh if it has deep diplomatic relations with that country.

Slovenia, a central European nation, is such a country with a population of about two million and more than \$25,000 per capita income.

Bangladesh's trade with Slovenia is growing at a faster rate in recent years due to the higher demand for Bangladeshi garments, footwear and pharmaceuticals.

"We want to increase trade with Bangladesh, as its economy is growing fast," said Jozef Drogenik, who serves as the Slovenian ambassador for India and Bangladesh, in an interview with The Daily Star recently.

He said Bangladesh's exports to Slovenia have been rising as Bangladesh businesses enjoy duty-free benefit under the EU's 'everything but arms' scheme.

Bangladesh exported goods worth \$36.04 million in fiscal 2014-15 to Slovenia compared with \$29.05 million in the previous year, according to data from Bangladesh's commerce ministry.

On the other hand, Bangladesh imported goods worth \$1.60 million in fiscal 2014-15 from Slovenia, compared to \$1 million in the previous year.

However, imports from Slovenia have been showing an upward trend since July last year.



Jozef Drogenik

In July-February of the current fiscal year, imports from Slovenia stood at \$14.40 million, while exports were worth \$28.74 million in July-March.

With the rising volume of bilateral trade, Slovenia on Thursday opened its consulate office in Dhaka to deepen diplomatic and trade relations further between the two countries. Drogenik came to Dhaka from New Delhi to open the consulate office.

Currently, Bangladeshi citizens wishing to travel to Slovenia have to collect visas from the Swedish

embassy in Dhaka. "We need to promote business further between the two countries," he said, stressing the need for more networking among the businesspeople of the two countries.

As part of the efforts, the diplomat said, a team of Bangladeshi businesses will visit Slovenia, preferably in early September, to attend a trade fair. Commerce Minister Tofail Ahmed is likely to lead the business delegation.

The Federation of Bangladesh Chambers of Commerce and

Industry will facilitate the visit, Drogenik said, adding that a business delegation from Slovenia will also come to Bangladesh this year.

On the potential areas of trade, the ambassador said Bangladesh has already been a famous name in garment business in Slovenia. Apart from the apparel items, Bangladesh can export pharmaceuticals, footwear, leather goods, jute and jute goods and ceramics.

Bangladesh can import machinery, water treatment and management equipment, solar panels, IT services and software, and equipment for setting up biogas plants.

Drogenik said Slovenia is famous for software for the management of public hospitals. The diplomat also said Slovenian companies supplied such software to public hospitals in London.

On Slovenian investment in Bangladesh, he said foreign direct investment from his country might come in future, but not so soon, as businesses in Slovenia are still recovering from the recent global recession.

Slovenia was one of the countries, which were hit hard by the recession. Businessmen in Slovenia took too much credit from the banking system. However, Slovenian businesses are making some investment in India, the envoy said.

He also said opening a full-fledged embassy of Slovenia in Bangladesh might not be possible now.

# Google faces first EU fine in 2016 with no deal on cards

REUTERS, Brussels

**G**OOGLE is likely to face its first European Union antitrust sanction this year, with little prospect of it settling a test case with the bloc's regulator over its shopping service, people familiar with the matter said.

There are few incentives left for either party to reach a deal in a six-year dispute

the company, other people said. Underpinning Vestager's tough approach, and the Commission's case, are scores of complaints from companies, big and small, on both sides of the Atlantic. Alphabet shares were flat at 1824 GMT. For Google, which has denied any wrongdoing, the stakes are high. Some rivals are convinced that any fine is effectively a cost of doing business



REUTERS

Google may face its first European Union antitrust sanction this year.

that could set a precedent for Google searches for hotels, flights and other services and tests regulators' ability to ensure diversity on the Web.

Alphabet Inc's Google, which was hit by a second EU antitrust charge this month for using its dominant Android mobile operating system to squeeze out rivals, shows little sign of backing down after years of wrangling with European authorities. Several people familiar with the matter said they believe that after three failed compromise attempts since 2010, Google has no plan to try to settle allegations that its Web search results favour its own shopping service, unless the EU watchdog changes its stance.

Such a change of heart appears unlikely, with European Competition Commissioner Margrethe Vestager -- a Dane whose team is leading the Google investigation -- showing little interest in reaching a settlement where there is no finding of wrongdoing or a fine against

and it has more to gain in profit from its existing business model than conceding to complaints. The European Commission declined to comment.

"From a pure profitability perspective, it is better off dragging out the competition case, continuing its practices for as long as possible, and ultimately paying a fine that will be smaller than the profits it generates by continuing the conduct," Thomas Vinje, a lawyer who advises several of Google's competitors, told Reuters.

However, some sources said they see last week's low-key pact with arch-rival Microsoft to withdraw all regulatory complaints against each other as a signal that Google might in time choose to strike a deal with Brussels.

By doing so it would avoid a repeat of Microsoft's damaging fight with the European Commission and by settling at least its dispute with the EU over Internet shopping might also head off possible actions by other regulators.

# South Asia clothing industry can employ millions more women: WB



REUTERS/FILE

Employees work in a factory of Babylon Garments in Dhaka.

REUTERS, Mumbai

**S**OUTH Asia's clothing and textiles industry can create millions of jobs for the region's working-age women, boosting economic growth and helping improve children's health and education, a World Bank report said.

The industry is already the most female-intensive in much of the region, women making up 71 percent of its workforce in Sri Lanka, 35 percent in India and 34 percent in Bangladesh. In Pakistan, its share of women workers is second to agriculture.

"South Asia needs to create jobs in labour-intensive industries where it enjoys a comparative advantage - such as apparel - to employ its burgeoning youth and attract more women into the workforce," the report released on Thursday said.

"South Asian households with women working, especially in the textile and apparel sector in India and Pakistan, tend to have fewer young children on average," it said.

Higher wages in China, the world's largest clothing exporter, are driving global brands to seek cheaper alternatives in countries including Bangladesh, India, Pakistan and Sri Lanka.

South Asia is best placed to lure these businesses with its lower wages and expanding young population, even though recent industrial disasters have raised questions about safety and the conditions of workers in these countries.

The industry employs about 4.7 million workers in the formal sector, and several million more informally, making up about 40 percent of the region's manufacturing

employment. Its ability to lure unskilled and semi-skilled women is particularly important, as South Asia has one of the lowest female labour force participation rates in the world of about 32 percent, compared with East Asia's 62 percent, the report said.

Countries with greater female labour force participation generally see later marriages, fewer children, better nutrition and school enrolment, and higher gross domestic product, according to the World Bank.

"The apparel sector offers a promising and realistic entry point for women into the formal labour force, thanks to a high wage premium compared to agriculture," the report said.

"As apparel exports increase, the rising demand for female labour pulls women from agriculture and other informal sectors."

Average wages in the industry range from about \$0.51 per hour in Bangladesh to about \$1.06 in India, compared with \$2.60 in China, according to 2012 data compiled by the World Bank.

As output increases to meet higher demand, a 1 percent increase in the expected wage raises the likelihood of women joining the labour force by between 16 percent in Pakistan and 89 percent in Sri Lanka, the World Bank estimates.

Despite the large number of women the industry employs, however, female workers lack a voice and representation in Bangladesh, the region's largest exporter by value. Regulatory capacity is also weak in Bangladesh, even though scrutiny has increased in the wake of the Rana Plaza disaster.

# Cheap labour hurting Nepal's mountaineering business

AFP, Kathmandu

**A**FTER 17 years of helping climbers reach the roof of the world, Argentinian Damian Benegas won't be returning to Everest this year, frozen out of the business by cheaper and some say dangerous operators.

"It's impossible to convince clients to pay us \$65,000 for an expedition when there are guys offering trips for \$28,000 or less," the respected guide told AFP from California.

As mountaineers ascend Everest this month during the spring climbing season, fewer Western companies will be leading the expeditions, with Nepal's sherpas increasingly running the lucrative business.

Western veterans accuse some of the new operators of endangering lives by recruiting untrained sherpas and by accepting clients with little mountaineering experience.

"The new lot, they hire these young boys who have never been on a mountain and their first trip is carrying loads to the South Col (around 7,900 metres)," warned Russell Brice, owner of top expedition company Himex.

"How is that fair? Who is looking after them?" the New Zealander told AFP.

An avalanche that ripped through Everest in 2014, killing 16 Nepalis, underscored the risks borne by sherpas who ascend icy slopes, weighed down by tents, ropes and food for clients.

After the first summit in 1953 by sherpa Tenzing Norgay and New Zealander Edmund Hillary, Everest was dominated for decades by Western expedition companies.

Western operators offered mostly foreign climbers a chance to fulfill their dream of scaling the 8,848-metre (29,029-foot) high peak for \$45,000 to \$79,000.

As the industry grew, sherpas, an ethnic group thought to be of Tibetan origin and known for their climbing skills, became indispensable as guides and porters.

But over the last five years, local



AFP

Pedestrians pass by a mountaineering equipment shop in Kathmandu.

climbing companies, many run by former guides and porters, have shaken up Nepal's mountaineering market, offering cheaper, no-frills expeditions.

Leading Western companies secured only 119 climbing permits this season -- which is resuming after a deadly avalanche hit base camp last year and which usually runs until end-May -- less than half the total number allocated.

Nepali firms don't hire foreign guides and therefore avoid paying the \$11,000 government fee for climbing permits, a cost that has traditionally been passed onto clients.

Many have also scaled back on luxuries like WiFi and expensive batteries to power clients' smartphones and laptops.

But according to some, operators are also lowering costs through using cheap labour -- by emptying remote Himalayan villages of young men who see a job on Everest as their way out of poverty.

Nepal's tourism department chief Sudarshan Prasad Dhakal

said the government was not aware of such concerns, while some locals say the Westerners have sour grapes after years of earning large sums on Everest.

Mingma Sherpa is one guide who uses inexperienced villagers on his expeditions to Everest, taking on up to 25 fresh faces every season.

Sherpa, owner of local company, Seven Summit Treks, rejects the safety claims, saying his youngsters start at the bottom and meticulously learn from their peers, rather than undertaking formal training courses.

"I am offering these young men a chance to learn... there is no safety issue because they are not going to guide clients, they are carrying loads," Sherpa said.

"They will learn on the job from other sherpas like I did... all this technical training about safety and danger is of no use to us," he told AFP.

Sherpa himself started carrying loads on trekking routes as a teenager before moving on to high-altitude work that saw him become the first Nepali to summit

all 14 of the world's peaks above 8,000 metres.

Sherpa is taking 45 clients to Everest this season and none are required to have high-altitude experience. Anyone "in good physical shape" can climb Everest because plenty of skilled sherpas are on hand to help, he said.

"The only difference between climbing a small mountain and Everest is the need for oxygen, which we provide. Anyone can do this," he said.

But Dawa Steven Sherpa, managing director of another local firm, Asian Trekking, among the oldest operators in the Himalayas, said he is increasingly worried.

"The combination of untrained sherpas and inexperienced climbers is a lethal cocktail but luckily there are better-equipped companies to rally around in case of accidents," he told AFP.

For Benegas, who has led many rescue efforts on Everest over the years, the situation is grim.

"This is their country, their mountain -- they have a right to do what they want but we need to be honest about the cost," he said.