

# German certification firm plans expansion in Bangladesh

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TUV Sud, a German testing and certification company, plans to expand operations in Bangladesh to exploit the rising business opportunities in the country, high-ups of the company said in an interview in Dhaka last week.

Reliable and trustworthy inspection, testing, and certification by a third party or agency are mandatory for export business and for the satisfaction of customers.

Sourcing companies or retailers sign agreements with third parties for testing, certification and inspection and the local manufacturing or supplying companies facilitate their activities.

Since the beginning of inspection and certification activities in 2008 in Bangladesh with just 30 clients, the company crossed the 1,500-client mark last year, said Ezhilan Neelan, country director of Tuv Sud Bangladesh.

"Bangladesh is one of our target areas for investments in the future and we have a lot of opportunities beyond testing facilities in Bangladesh. We are very committed to Bangladesh as our business is increasing here," Neelan added.

The initial focus for the company in Bangladesh was on testing and certifying mainly garment and textile items as garments comprise more than 80 percent of Bangladesh's export business, the official said.

"So, we targeted the garment sector first and now we are also testing and certifying leather and leather goods, food, cement and utensils," Neelan said.

The German company has a

wide variety of testing facilities like chemical, electrical, raw materials, safety and environmental in the labs in its two offices -- in Dhaka and Chittagong.

Tuv Sud is also working on developing human resource, especially to employ local experts in the testing and certification business.

Currently, there are 248 local people employed at Tuv Sud, and the Bangladesh chapter is run by local skilled people except one or two Germans or Indians, he said.

"So, we have developed a pool of local skilled workforce in Bangladesh with a vision of long term business in almost all exportable goods testing and certification in Bangladesh," Neelan said. The company has bigger operations in China and India, among Asian countries.

Among the South Asian nations, Tuv Sud operates in Bangladesh, India and Sri Lanka. "In Sri Lanka we have a smaller operation, as we are mainly focused in Bangladesh and India in the region."

Neelan declined to disclose the annual turnover that the company makes in Bangladesh, but he said their combined earnings from Bangladesh, Sri Lanka and India were \$50 million last year.

He also said his company has been expanding operations in environmental, power and energy segments for higher demand.

"We are now working on a project for wind mapping at Matarbari in Cox's Bazar as some power plants are being set up there," he said. Tuv Sud has been working only as a consultant in wind mapping, not as an invest-



Ezhilan Neelan, left, country director of Tuv Sud Bangladesh, and Bratin Roy, vice-president (industry services) of Tuv Sud South Asia, are seen during the interview.

tor, he said.

Wind mapping is conducted with software which in fact assesses the probable impact of pollution of environment and forecasts the spillover of fire, duration and length of flame in specific factories, buildings and areas.

Regarding the prospects of Bangladesh in global apparel business, Neelan said, after the devastating Rana Plaza building collapse in 2013, people are now more aware of safety and working environment.

Bangladesh has improved its safety and working environment a lot after the industrial accident and exports have been growing even after the disaster, he said.

The higher export growth of garment items even after the

industrial accident indicates that the international retailers and buyers are still coming with a lot of work orders as the safety and working environment has improved here, he said.

"Inspection and certification of automobile companies in Bangladesh are new areas of business. A lot of environmental assessment should be conducted in those new areas," said Bratin Roy, vice-president (industry services) of Tuv Sud South Asia.

Tuv Sud also conducts performance and social audits as per the requirements by the sourcing companies, Roy added.

The company has started mobile van service recently, he said. In mobile van service, Tuv Sud experts go to factories and

inspect and certify immediately, Roy said.

In traditional testing and certification system, the experts collect the samples and test in the labs, but in mobile van service, experts go, inspect and certify, he said.

Currently three or four major European companies are offering such certification services in Bangladesh, Roy said.

"In garment and textile segment the market share of Tuv Sud is more than 12 percent. We are relatively new in Bangladesh. We have big market share in other segments in Bangladesh," he said.

The company logged about \$2.2 billion in turnover from its 800 offices around the world in 2015, he said.

# Taiwan forecasts further economic woes dragged by global slowdown

AFP, Taipei

TAIWAN lowered its annual growth forecast Friday as the trade-reliant economy took a hit from global sluggishness and slowing investment in the private sector.

Gross domestic product is now estimated to grow 1.06 percent in 2016, 0.41 percentage points lower than the previous forecast made in February, the government said.

"The primary causes were weak demand from abroad and lower-than-expected investment in the private sector," the Directorate General of Budget, Accounting and Statistics said in a statement.

But the top government budgeting body adjusted its GDP growth slightly upward for the first quarter, saying GDP fell 0.68 percent in the three months to March. Last month it said the economy contracted 0.84 percent in the first quarter.

Despite the adjustment, the outlook for the domestic economy remains gloomy in the second half of the year.

The budgeting body forecast that "exports will not resume growth until the third quarter after declines for six consecutive quarters".

"World economies have been losing momentum as demand for consumer electronic products are in decline," it said.

"The results from mainland China's ongoing policies to develop its own supply chains" are also exacerbating the situation.

Traditionally an export-driven technology hub, Taiwan has benefited from companies such as Apple, with a number of leading Taiwanese firms including Foxconn and TSMC among the tech giant's suppliers for the iPhone.

But China has been pushing to grow its own tech industry, with the development of domestic smartphone brands and homegrown hardware.

Last year saw Taiwan's shipments fall by a tenth compared to the previous year.

Taiwan has now seen three consecutive quarters of shrinking GDP. Economists consider two quarters of negative growth to be a recession.

The island's poor economic performance under former president Ma Ying-jeou's administration played a major role in the Kuomintang party's defeat in the January presidential vote.

In her inaugural speech in May, Ma's successor President Tsai Ing-wen of the China-sceptic Democratic Progressive Party (DPP) pledged to shake up the island's economy.

She said the Taiwanese economy had been stuck in a rout, with local companies manufacturing products for global brands for years despite thin profit margins.

# Cheapest fuel in a decade drives US holiday weekend



Around 38 million Americans are expected to drive this weekend taking advantage of the low oil prices.

BBC NEWS

AMERICAN drivers take to the roads this holiday weekend enjoying the lowest fuel prices for a decade. On Friday, the average price of a US gallon of petrol (3.7 litres) was \$2.31 (£1.58) - 40 cents lower than the same time last year.

Although oil prices are beginning to rise, briefly going above \$50 a barrel on Thursday, fuel remains cheap.

As many as 38 million Americans are expected to drive over the Memorial Day long weekend.

Monday's holiday is considered the unofficial start to the summer season.

The number of drivers on the road is expected to be the highest since 2005.

A survey by the American Automobile Association (AAA) found 55% of drivers said they were more likely to take a trip due to the low fuel prices.

"The great American road trip is officially back thanks to low gas prices, and millions of people from coast to coast are ready to kick off summer with a Memorial Day getaway," said AAA's chief executive Marshall Doney.

On Friday, the price of West Texas Intermediate crude - the US oil benchmark - was \$49.24 a barrel.

The price of oil has risen over the past month as some global suppliers have cut their output and Canadian producers have been temporarily forced to halt production due to wildfires.

This has offset new oil production from Iran hitting the global market.

US oil production has fallen and some oil boomtowns in North Dakota and Texas have seen sharp declines in their local economies. The number of US oil rigs has fallen by 80% in the past two years.

Across the US, Mississippi has the lowest gas prices at \$2.08 a gallon, with Texas and South Carolina not much higher.

California has the highest prices for gasoline in the US at \$2.80, but even that figure was still \$1 lower than a year earlier.

US drivers will travel an average of 50 miles (80km) from their homes.

The AAA survey found Orlando and Myrtle Beach in Florida and Washington DC were top destination for travellers over the long weekend.

The number of US drivers has risen as the economy has improved.

Many Americans have looked at low fuel prices, along with falling unemployment, slowly rising wages and easy access to credit as reasons to buy a car.

Last year about 17.5 million vehicles were sold in the US.

# How easy is it to make a living as a model?

BUSINESS REPORTER, BBC News

RECENTLY the lid has been lifted a little on an industry that already has a reputation for being tough on vulnerable young women.

Not only was it announced that five of the UK's top modelling agencies are being investigated for fixing prices but one of those agencies, FM London, has gone into liquidation with dozens of models potentially affected.

That's unlikely to break the stride of the industry's most high-profile models, the Cara Delevingnes and Kate Mosses of this world.

But there are thousands of young women and men working in the industry with a much lower profile and income. And questions are being raised over how well these jobbing models are being treated by the agencies who are supposed to represent their best interests.

We asked three London-based models what it is like trying to make a living in the industry.

"Lauren" is 24 and has been modelling for five years. She doesn't want to give her real name as she fears her agency would offer her less work if she speaks out. She says pay rates have fallen in recent years.

All the first jobs I did were free. When you do a commercial job for a High Street brand or a big ad campaign they pay money, but editorials - everything you see in industry magazines - you don't get paid for those at all. It's an unwritten rule in the industry that you have to do them to get your profile up.

You've got quite a lot of girls who can't afford to live and are going to the agencies to ask for advances on money and are getting into debt. The bookers laugh at them for asking for handouts.

They try to discourage you from collecting your money and put you off asking for it.

When you get your money it comes with a statement and there are always unforeseen charges on the statement. It's never set out what they're charging you for and the more you've earned the more weird charges there are on your account.

Agencies pick and choose. If they don't like you that week then they won't put you forward for the job. I've been in the agency when they've actually said not to put certain girls in certain packages because the girls have been annoying them or they've been asking for money.

Some agencies are really good, they pay their girls every Friday, but in my agency we have to message our accountant every month to find out if any money has come in. Half the time they lie to us and say the money hasn't come in even if the client has told us they've



There are thousands of young women and men working in the modelling industry with a much lower profile and income.

already paid the invoice.

It's quite sad because when you join an agency you like to think it's like a family, but they're out to make a profit. You have to bear that in mind and not get sucked into the idea that they have your best interests at heart. They don't when it comes down to it.

"Pippa" started modelling when she was 14 and living abroad. She went back to it aged 18 and back living in the UK, to help pay for her degree. She says the first agency she worked for treated her very badly.

Modelling is a really horrific industry to work in if you don't have anything else going for you.

There's constant pressure over weight control: it's a form of control and grooming.

I was 5'11" and size 8-10 and they told me I had to lose 3cm off my hips.

They phoned me up every day and asked me what I had eaten that day. I'd go in for a chat and they'd measure me and say you need to lose this much more weight.

They said I had to get a personal trainer, which was £100 for four sessions, and made me dye my hair. They said I had to go to the hairdresser they picked and it was £400. After three months they said, you've just got to lose two more centimetres [off your hips] and you can be on our main board in Paris.

They'd send me out for test shoots to men's apartments on my own and it was really unsafe. One time the man was really weird and

kept trying to make me take my clothes off.

There was a casting for a lingerie company. My agent said, you have to do it. I said, I don't want to do that because if I'm on an ad spanking someone I won't get a professional job outside modelling. They pressured me. So I quit.

I was eight months with that agency and I didn't make any money.

"Pippa" says she worked for two further agencies where she wasn't happy, and earned around £10,000 a year. But she is now with an agency she is very happy with and is earning £800 a day and getting regular work.

Rebecca Pearson is happy to give her real name because her experiences have been mostly positive, although earlier in her career she also encountered late payment. She has been modelling for more than a decade.

It can be a harsh industry full of rejection. But I'm really glad I modelled. It gave me a lot of confidence. It bought me a flat and put me through university.

But I'm glad I started when I did.

There were so many more clients, there was so much more money in advertising. The fees you could get for a commercial were huge.

I don't think regular working models now are getting the opportunities I had at that stage. I did campaigns for most of the shops on the High Street but now it's celebrities who do the High Street campaigns and magazine covers that we used to get.