ASIAN MARKETS

TOKYO

2.34%

MUMBAI

0.91%



DHAKA TUESDAY JUNE 21, 2016

Exports to northeast India may fall for transhipment

Bangladeshi businesspeople say

COMMODITIES

REJAUL KARIM BYRON and MD FAZLUR RAHMAN, back from Akhaura

STOCKS

DSEX

Bangladesh's exports to Tripura through Akhaura land port might fall after the government granted transhipment facility to India and the recent improvements in infrastructure on the Indian side, local businesspeople said.

a number of products, said Monir Hossain Babul, general secretary of Akhaura Clearing & Forwarding Agents' Association. "Now, because of the transhipment facility they would no longer need to import the products from

India was reliant on imports from Bangladesh for

parts of India," Babul said. Opened in 2010, the Akhaura land port is mainly used for exports. The export items are stone, cement, waste cotton, fish, plastic and various household products. Stone is the most exported item.

Bangladesh. They will just bring them from the other

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CURRENCIES

BUY TK 77.80

SHANGHAI

0.12%

A view of Akhaura land port through which businesses of India's northeastern states import goods from Bangladesh.

Govt-guaranteed fund needed to speed up factory upgrades: H&M

STAR BUSINESS REPORT

A government-guaranteed fund is needed to finance remediation of garment factories as many small and medium units are yet to complete upgrades due to a shortage of lowcost funds, a leading international retailer said yesterday.

"Remediation or relocation of the units will not take place in Bangladesh if there is no guaranteed loan from the government," said Roger Hubert, chief representative of country are now remedying their units as Swedish retail giant H&M Group in Bangladesh.

As of today, there is no such fund or guarantee provided to the commercial banks, so they can issue low-cost loans to small and medium factories under a covered risk, he added.

At the launch of a report -- Remediation financing in Bangladesh's readymade garment sector -- at Westin Dhaka, he said 71 percent of remediation work has been completed in more than 250 factories that H&M

sources from.

The International Labour Organisation and International Finance Corporation jointly launched the report, while retailers, garment makers, exporters and diplomats were present.

The rest 29 percent of remediation work is in progress as the factory owners have opened letters of credit to import safety equipment, he added.

Owners of about 3,800 factories in the per the recommendations made by the engineers of Accord, Alliance and government sponsored inspections, to strengthen workplace safety. So far, more than 60 percent of the work is complete, according to data from the Department of Inspection for Factories and Establishments (DIFE).

The relocation of factories from Dhaka to nearby areas is not an easy task, but it is possible, said Hubert.

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790 apparel units shut down after inspections: Tofail

STAR BUSINESS REPORT

A total of 790 apparel factories, including 39 export-oriented ones, have been shut ammunition. down following inspections under the supervision of Accord, Alliance and a national initiative, Commerce Minister Tofail Ahmed told parliament yesterday.

The minister said these three agencies have completed their inspections of 3,746 apparel units on fire, power and factory buildings' preliminary security issues.

During their inspections, 39 factories have been shut down completely while 42 were closed partially, Ahmed said in a scripted answer.

Ahmed said Bangladesh now enjoys a duty-free benefit in 52 countries, including 28 European nations, for all but arms and

The minister said the US has allowed

duty-free access for 8,620 Bangladeshi

products, South Korea for 8,778 products, China 4,788 products, Thailand 6,999 products and Malaysia 297 products. The government has taken various

measures to expand the duty-free benefit for Bangladeshi products to more countries, he added.

He also said efforts are on to fulfil the criteria to attain duty- and quota-free facility from the USA.

I. SQ Birichina Limited: Lingerie manufacturing unit. Awarded LEED® Platinum certification in May 2016. Factory Location: SQ Station, Bhaluka, Mymensingh



II. SQ Colbianc Limited: Shirt manufacturing unit Awarded LEED® Platinum certification in May 2016. Factory Location: SQ Station, Bhaluka, Mymensingh

All Manufacturing Units SQ Group achieved highest level of distinction **LEED©** Certification by USGBC!

leading apparel manufacturing companies in Bangladesh, has been awarded LEED® Platinum Certifications for all its major manufacturing facilities, the highest level of distinction awarded by the U.S. Green Building Council (USGBC). The LEED rating system, developed by USGBC, is the foremost program for buildings, homes and communities that are designed, constructed, maintained and operated for improved environmental and human health performance.

Advertorial

By building green, SQ provides healthier environments in which to work as well advancing the science of sustainability by encouraging and developing green practices and technologies.

SQ's Green conversion comes with the following positive impacts:

- Energy Efficiency: With many efficient features, like energy efficient machinery; evaporative cooling units; ventilation fans; air compressor and LED lighting systems, the Group will save almost 34% energy, equivalent to 1.7 megawatt electricity, through this green conversion. They are also making use of co-generation technologies and solar power.
- water efficient flush and flow fixtures; reuse of treated water from treatment plant for toilet flushing, gardening and car washing purposes. The 100% water requirement of the vast to be water neutral as all the water that is how much we can accomplish." taken out of the underground aquifer are replenished by means of wells, strainer system and permeable water bodies.
- Carbon Footprint Reduction: With a vast green vegetation, as well as installation and monitoring of carbon efficient features, the Group is reducing at least 80,000 tons of Co2 per year compared to present emission of 1.5 million tons annually.
- Indoor Environmental Quality: evaporative coolers for better thermal comfort for the occupants, installation of increased ventilation system for occupants comfort and good air quality, use of low emitting materials: such as certified adhesives, sealants, paints and coatings, and best IAQ management practices during construction and renovation, have helped achieving optimum indoor environmental quality.
- Material and Resources: A structured process was implemented to achieve a targeted use of recycled contents about 25% of the construction materials, such as sand, bricks, glass, gypsum boards, steel rods, aluminum and metal roof. 90% of the construction material was also sourced locally in order to reduce carbon
- emission during transportation. Future Plan: SQ Group is currently undertaking few more projects related to LEED and and technologies. The Group believes that Location: Maona, Gazipur

01712 643796, 01711 387152, 01731 795848

01920 480123, 01717 510509, 01737 888101

these future projects will not only standardize the rest of factories of the Group, but will set a benchmark in the industry.

The Group has so far invested around USD 18 Million to construct as well as renovate all its facilities into LEED certified sustainable sites. According to the Group, the credit of these achievements goes to 16,000 associates of SQ family. The Group would also like to give special thanks to the team of consultants that made this possible: Architect Shihan Hassan (Architect and Team Leader), Engr. M Omar Faruq (M&E Consultants) Mr. Gunasekaran Raju, LEED AP Innowell Engineering International Pvt. Ltd. for his involvement with the projects located in SQ Station Water Efficiency: The Group is ensuring water and to Mr. Mahendra Jayalath of Energy Solve savings of 60% - 65% through installation of International Pvt. Ltd for SQ Celsius Maona project.

"SQ's LEED certificate demonstrates tremendous green building leadership," said Rick Fedrizzi, CEO and founding chair, USGBC. "The urgency landscape is being met through the treated of USGBC's mission has challenged the industry to water. In addition there is also a rain water move faster and reach further than ever before, harvesting system. The project is also designed and SQ Group serves as prime example of just

> "At SQ, we strive to operate our businesses in an responsible environmentally manner. Our consistent efforts to exceed environmental performance do not just end with the above USGBC recognitions. Rather, it gives us more responsibilities to go beyond, and set standards in global apparel manufacturing, said Warisul Abid, Chief People Officer of SQ Group."



III. SQ Celsius, Unit 2: Knitwear manufacturing unit. Awarded LEED® Platinum certification in April 2016. Factory Location: SQ Station, Bhaluka, Mymensingh



environmental sustainability through several IV. SQ Celsius Limited: Knitwear manufacturing unit. prototype eco friendly construction methods Awarded LEED® Gold certification in April 2016. Factory

Sole Distributor

Budget to put pressure on Iow-income people: TIB

STAR BUSINESS REPORT

The Transparency International Bangladesh has called for reconsidering the proposed budget, saying it has slyly passed on the tax burden to lower income groups and the general people in its bid to reach the revenue generation goal.

If the proposals are approved, it will expand socio-economic inequality and stoke instability, said the local chapter of the Berlin-based global anti-corruption movement in a statement on Sunday.

The proposed budget has imposed various direct and indirect taxes on lowincome groups, small savers, investors and pensioners, said Iftekharuzzaman, executive director of the TIB.

The budget has inequitably proposed to revenue policy and implement it. deepen the tax burden on service holders

who pay tax regularly and the common people who contribute to most of the VAT

Savings certificates are a major credible investment tool for the lower income groups, but the imposition of additional tax on it will prevent them from having an extra income, the TIB said.

Besides, the tax rebate scope, along with the increase in direct and indirect taxes, has been cut drastically for the low-income groups compared to the rich and the wealthy.

"In one way, this is discriminatory and on the other way, it can't be a sustainable way of raising revenue," Iftekharuzzaman said.

The government needs to move away from this type of inconsiderate and imprudent path and present a people-friendly

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BB expands low-cost fund for apparel exporters

STAR BUSINESS REPORT

The central bank has increased the limit of the low-cost Export Development Fund for apparel exporters to \$20 million from existing \$15 million.

"This has been one of our demands," said Siddigur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association.

BGMEA member factories can borrow from the fund against their letters of credit, firm export contracts or inland back to back LCs, according to a BB letter.

The interest rate on loans from the fund will be LIBOR plus 1 percent. "The enhancement of the fund's limit is a good initiative for us. The garment sector would immensely be benefitted by the central bank move."



