Local construction firms grow from strength to strength

STAFF CORRESPONDENT

Local contractors in Bangladesh are increasingly coming of age as they show strengths in terms of timely-delivery of projects as well as playing a major part in mega-tasks implemented by foreign firms, according to industry professionals.

"We are more self-sufficient than in the past. We are able to carry out critical tasks now," says Mainuddin Monem, deputy managing director of Abdul Monem Limited, the country's leading construction firm. He says Bangladesh is more advanced than many countries in the region in the construction sector.

Ghulam M Alomgir, founder and chairman of Max Group, another top construction firm, echoes the same. He says there is no need to depend on foreign firms to implement small- to medium-sized construction projects such as roads and bridges.

increasingly strong role in the economy amid continued urbanisation and an array of large infrastructure projects undertaken by the government. It is one of the 15 major sectors that contribute to the gross domestic product (GDP).

The construction sector is playing an

The sector posted 9.92 percent growth in 2017-18, up from 8.77 percent in the previous fiscal year, according to the state-run Bangladesh Bureau of Statistics (BBS). The sector's share to the GDP increased to 7.50 percent in the last fiscal year, which was 7.36 percent in 2016-17. The value of the economic activities in the sector was Tk 73,595 crore in the last fiscal year.

Some 3.43 million workers are now employed in the sector.

There are about 4,000 construction firms in the country, according to the Bangladesh Association of Construction Industry (BACI), a platform of contractors and engineers. Of them, 100 construction companies have the capacity to execute projects even in a foreign country, says BACI President Munir Uddin Ahmed.

But they are not currently looking for opportunities abroad as there are lots of opportunities at home amid an immense surge in demand for infrastructures such as bridges, roads, houses and factories, and this is unlikely to change in the near term.

Alomgir says, in line with the fast-growing economy of the last 15 years, the country's capacity has grown so much that apart from projects such as the Padma Multipurpose Bridge, Bangladesh's contractors are skilled enough to implement small-and medium-sized bridge projects. He says most of the projects being implemented by foreign contractors are being delayed to a great extent—sometime seven years are being taken in place of three. On the other hand, projects that are being executed by local companies are not subject to such long delays.

Max Group has completed the engineering, procurement and construction of combined cycle power plants, for the first time in Bangladesh.

Russian state-run firm Atomstroyexport, the contractor of Rooppur Nuclear Power Plant, has recently awarded the work of completing the critical civil and erection works of the main turbine hall building of the plant to Bangladeshi company Max Infrastructure Ltd, a concern of Max Group.

"This is a matter of pride for Bangladesh," Alomgir says. In this scenario, contractors say that the government should protect local contractors.

"Countries that grow strongly protect local contractors through domestic preference," says Alomgir.

"The country doesn't lose if it gives domestic preference because jobs are created, technologies

are brought in and profits remain in the country."

Monem says the government has given a thrust on infrastructure development under a very good master plan. A lot of work is being done. At the same time, a lot of work has to be done.

"Prospects for the construction sector are very bright."

The testimony of Monem Construction could be found in various infrastructure development projects such as the four-lane Dhaka-Chittagong highway, access road to Bangabandhu Bridge over the Jamuna river and Osmani International Airport in Sylhet.



It has constructed the approach road of the Padma Bridge and is currently involved in six major projects such as the Dhaka Metro Project and the Padma Approach Extension.

Monem says Bangladesh will have to increase its strength in terms of project design. The country should also engage non-resident Bangladeshis who have talents and expertise in the area.

There is a lot of investment in the construction sector and it will go up further if the government works strategically, he says.

Ahmed of the BACI says that in the past when foreign firms used to build large bridges and infrastructure projects in Bangladesh, they would bring equipment from outside of the country. But most of the equipment now being used in the projects being implemented by foreign firms are being supplied by local firms, he says.

Ahmed's company Star Delta Engineers Ltd worked in the export processing zones and is also working in the Metro Rail Project and the Padma Bridge Project.

Local firms are contributing significantly to the mega-projects now being implemented, says Kamruzzaman Kamal, director for marketing at Pran-RFL Group, which owns Property Development Ltd, one of the oldest construction firms in the country.

The physical work is largely being done by local firms, labour, engineers, and technology under the supervision of foreign firms, he says.

Property Development Ltd was involved in the Dhaka-Mawa road project and the Cox's Bazar to Bandarban road project.

"There will be huge activity in the construction sector for the next five years," says Kamal.



Construction site safety: progress made or more of the same?

SHAER REAZ

With a rapidly burgeoning urban landscape despite a slew of issues like lack of planning, congestion and astronomical land prices, Dhaka is a metropolis that seemingly finds ways to survive, somehow. The same can't be said for the people who are tasked with building it—according to Occupational Safety, Health, and Environment (OSHE), 1,196 construction workers lost their lives between 2005 and 2016, with 147 worker deaths in 2016 alone. With an average of 100 construction workers dying every year, questions have been raised of the cost of human lives in the expansion and construction of Dhaka city.

In a roundtable jointly organised by *The Daily Star* and Sheltech on "Ensuring construction safety in Bangladesh" on August 19' 2017, experts from the construction and building development sector, as well as civil engineers and labour leaders weighed in on how the issue of construction safety should be tackled.

Mikail Shipar, former secretary, labour ministry, pointed out how the focus on worker safety in construction and other sectors has always been overshadowed by the RMG industry.

"Since the Labour Act only covers the formal sector, it does not fully include the safety of construction workers. DIFE has their hands full with the garments sector, but it should look towards the construction industry as well. In the garments sector, due to the pressure from international buyers the company owners are now abiding by the same safety rules, which the ministry could not make them follow for years. Similar type of pressure is needed in the construction sector from the consumers. However, in the end, the main responsibility for ensuring safety of the workers lies on the owner," he said at the roundtable last year.

In the past year, not a lot has changed. The number of deaths went up to 179 in 2017, and with a lack of policy initiative from the government, it's highly likely that construction related worker deaths will continue to rise, as the trend shows.

There's a significant push from the private sector though. Developers like Sheltech, RANCON and BTI are pushing for change and taking ownership of their workers' safety.

"Sheltech has always placed a strong emphasis on codecompliant, safe and quality construction. We have two separate teams in this regard, one for checking construction quality and the other for ensuring 100 percent safety compliance on all sites. Providing a full range of personal protection equipment (PPE), regular and repeated safety trainings, feedback from workers and contractors and an incentive policy for maintaining safety, are the four key ways in which Sheltech has achieved such a high level of safety on our sites," says Samiya Seraj, director, Sheltech Ltd. Code compliance is mandated at a policy level abroad, but locally, construction site compliance is regarded loosely as a set of instructions that developers can choose to not follow on a whim. However, the larger, more established developers take the issue of compliance quite seriously and are trying their best to ensure worker safety at these sites.

"At construction phase, we put our best effort in improvising

its quality along with the working standards and environment.

Our team members are our biggest assets and in order to ensure their safety, strict Safety, Health and Environment policies have been implemented such as daily toolbox meetings, personal protection gear, incident reporting and specific work permits for different skills," says Md Shahdat, head of construction, Rangs Properties.

Automation and a move to reducing labour-dependency is another avenue that can be explored in the pursuit of safer

another avenue that can be explored in the pursuit of safer construction sites. While a majority of the construction sites in the city largely involve high levels of manual labour, companies like Rangs Properties are trying to introduce more automation.

"Automation reduces dependency on manual labour, resulting in efficient production

in terms of time, cost and quality. It will reduce the frequency of accidents that may occur at site due to direct involvement of labour as well," Shahdat says.

Proper health and safety training as well as detailed briefings are a necessary step before work begins.

"Before the start of work at each site, each group is briefed by our site engineers on the hazards associated with their particular task that day, and the PPE they must wear. These PPE's are then given to them from Sheltech before they start work. Surprise visits by our safety team ensures that the workers practice safe construction and are using the PPE properly. Any violations that are found during this time are input into our safety software to ensure these points are covered in the next day's safety training," says Samiya Seraj.

There's a need for comprehensive training and safety policy enforcement at a national level as opposed to just private initiatives. While companies like Sheltech are invested in construction safety and provide financial incentives to the contractors and teams with the safest practices, there are a multitude of small developers who try to cut costs by procuring sub-standard safety gear, employing lesser-trained contractors and ignoring safety guidelines.

While the issue of compliance remains, private sector parties see improvements. "The biggest improvement that I see this year is an increased awareness in society about construction safety. Clients are always interested in learning more about Sheltech's construction safety programme, and our long-time contractors are more accepting of the strict safety policies we put on site," says Samiya.

