ASIAN MARKETS

TOKYO

V 0.80%

MUMBAI

1.09%

আস্থাটাও বেশি এসআইবিএল সুপার সেভিংস একাউন্ট পঞ্চান্ন-উর্ধ্ব সিনিয়র সিটিজেনদের জন্য। ১৮-উর্ধ্ব মহিলারাও এই হিসাবটি খুলতে পারবেন 16491 🌐 www.siblbd.com

DHAKA FRIDAY OCTOBER 19, 2018, KARTIK 4, 1425 BS starbusiness@thedailystar.net

Most European buyers skip 'Made in Bangladesh' label

REFAYET ULLAH MIRDHA

STOCKS

CSCX

DSEX

Nearly 70 percent of the European clothing retailers skip out on using the 'Made in Bangladesh' line in the tags -- a puzzling practice that undermines the aptitude of the country's garment makers.

COMMODITIES

Bangladesh is the second largest apparel supplier in the world with a 6.5 percent share of the market. The poor image of the country, stemming

from sub-standard workplace safety and low payment to workers, have compelled the

European apparel companies to avoid the 'Made in Bangladesh' label, according to industry

Moreover, it is not mandatory in the European Union to state the country of origin of the garment; only the fabric composition and care instructions are needed in the labelling, said Faruque Hassan, vice president of Bangladesh Garment Manufacturers and Exporters Association.

The same retailers use the countries of origin for others though. It is only in case of Bangladesh that they forfeit transparency.



Hassan, however, ruled out the possibility of Bangladesh's garment products being rebranded as another country's in the absence of the 'Made in Bangladesh' line in the tags.

CURRENCIES

SHANGHAI

2.94%

STANDARD CHARTERED BANK

Both the buyers and manufacturers have strict tracking system now, Hassan said.

Labelling the country of origin or the country of export is mandatory under the Tariff Act of 1930 in the US, so all American retailers use the 'Made in Bangladesh' line in the tags. "Actually, we also did not pursue the

European buyers or the European governments to make it mandatory to write the line 'Made in Bangladesh' on the tags," Hassan said, adding that the garment manufacturers have taken a branding initiative to brighten their image. For example, Bangladesh can now proudly

safest in the world after inspection and remediation of the factory buildings by the Accord and Alliance. Moreover, Bangladesh has the highest number of green factory buildings in the world, he

said. Currently, 73 green garment factories are in operation in Bangladesh, with more than 300 awaiting certification by the US Green Building Council. The quality of products from Bangladesh has improved a lot over the years due to installation

of modern machinery, high-quality design and fashion education. "But it has not been branded accurately among the Western customers by the local gar-

ment manufacturers." Almost all the major clothing brands source

from Bangladesh due to its competitive pricing, according to Hassan.

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Pineapple, aloe vera make it to export list

SOHEL PARVEZ

Locally grown pineapples and aloe vera are established in 2014. exported abroad in processed form, ushering hopes that farmers would not suffer losses for production gluts, said three persons familiar with the matter.

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Two companies, Taiwan Food & Processing Industries Ltd and Pran, have been exporting sliced pineapples and processed aloe vera for the past couple of years.

particularly to Taiwan and China, following processing at its Bhaluka plant which was

The company mainly exports pineapple "tidbits" and processed aloe vera, said one of its officials seeking to remain unnamed for not being authorised to talk to the press.

The official said farmers in the producing regions now take better care of their pineapple farms and aloe vera after it started buying from them.





"We have been exporting pineapple juice for many years. And over the last three to four years, we have been exporting sliced pineapples," said Md Mizanur Rahman, chief operating officer (export) at Pran Group. "The global market for sliced pineapples

added the official of one of the biggest food processors. "We see very good prospects for aloe vera. We will export aloe vera juice to Europe," he

is quite big and there is scope to work on it,"

said, citing the signing of a contract last month with a Netherlands-based chain shop, Engel Foreign Food.

Meanwhile, Taiwan Food & Processing has been shipping pineapples abroad,

Pineapple cultivation has been rising in Bangladesh with 2.11 lakh tonnes being produced in fiscal 2016-17, up from 2 lakh tonnes the year before, according to the Bangladesh Bureau of Statistics.

Export earnings from preserved pineapple, however, slumped 69 percent to \$1.82 lakh in fiscal 2017-18 from \$6.08 lakh a year ago, according to Export Promotion Bureau.

The official of Taiwan Food & Processing said export of processed pineapple declined for a fall in the fruit's prices in the global market. He said supply of pineapple was adequate but the country lagged behind in aloe vera production.

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Banks, telcos tie up to widen agent banking

MUHAMMAD ZAHIDUL ISLAM

Two top mobile operators have entered into a partnership with some leading banks for expediting agent banking in the country under a revenue sharing model, thus giving a boost to financial inclusion.

According to the plan, retailers and distributors of Grameenphone and Robi which are currently serving users of the two operators will also provide service to customers on banking issues and work as the representative of the respective banks.

The arrangement will be running under a revenue sharing model where mobile operators and their agents will share the earnings from the banking service.

Already Robi has signed separate agreements with four top banks, including Bank Asia, the market leader in agent banking. The service is expected to be rolled out within a few days. Md Arfan Ali, president and managing director of Bank Asia Ltd, confirmed the partnership with the mobile operators.

He said the industry needs to collaborate with each other, among government agencies, mobile operators and financial service providers, to help boost the economy.

"To accelerate the financial inclusion, we are trying to bring in new products and this partnership is one of them," said Ali.

The partnership will bring the unbanked people under the banking network even in the remotest parts of the country and expand the banking network faster than ever, he said.

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One-stop service for businesses by Dec

SOHEL PARVEZ and JAGARAN CHAKMA

Entrepreneurs investing in the economic zones will get all types of trade and investment services from various government agencies within 45 working days of their application, according to the One-Stop Service Rules issued by the Prime Minister's Office on Tuesday.

The rules framed under the One-Stop Service Act 2018 make compulsory for 25 investment facilitating agencies and regulatory authorities to give registration, issue clearance, permits and other documents from one day to up to 45 days.

The services will be provided from the Bangladesh Economic Zones Central One Stop Service Authority, which will be set up this year.

Under the authority, there will be a regional one-stop service (OSS) centres to facilitate investment and trade.

The government agencies will have to deploy at least one official as

KEY POINTS

Investors to get Gas connection in seven days and

electricity in 14 days Police clearance report for visa

of foreign investors and workers in 45 days

Investment registration in seven days and clearance in 20 days

Land registration and issuance of registration documents in five days

Work permits in nine days, approval for repatriation of royalty in seven days

focal points at the OSS centre to process applications from entrepreneurs in a quick manner.

The Bangladesh Economic Zones Authority (Beza) said it will put in place the one-stop service centre by December.

"This is going to provide huge advan-

tage to investors," said Beza Executive Chairman Paban Chowdhury.

They will no longer need to go from one department to another to get investment-related paperwork done.

"Investors will not require meeting any official of my office physically."

The framing of the rules came amid repeated pleas from local and foreign investors to ease doing business in order to expedite private investment in the country.

In the last five years to fiscal 2017-18, private investment grew 1.5 percentage points to 23.26 percent of the gross domestic product.

Overall investment to GDP ratio stood at 31.23 percent last fiscal year, according to data from the Bangladesh Bureau of Statistics.

Faster service would encourage investments as entrepreneurs will get everything at one place, Chowdhury

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Aman Tex plans to go public

Aman Tex Limited, a concern of Aman Group, organised a roadshow in the capital's Radisson hotel yesterday as it plans to go public through book-building method to raise Tk 200 crore for its business expansion.

Of the proceeds, Tk 93.65 crore will be used to buy machinery, Tk 32.66 crore to construct buildings, Tk 66.66 crore to repay loans and Tk 7.03 crore to bear IPO expenses.

Net asset value per share of the company is Tk 36.64. Its net profit was Tk 34.89 crore while earnings per share Tk 4.34 in 2017-18.

Mir Akhter Hossain to raise Tk 125cr

Construction and engineering company Mir Akhter Hossain Ltd organised a roadshow in the capital's Sonargaon hotel on Wednesday to go public under the book building method and raise capital worth Tk 125 crore.

Of the proceeds, Tk 49 crore will be used to buy equipment, Tk 12 crore to build a building adjacent to its main building, Tk 10 crore for two plants, Tk 10.5 crore to build a warehouse and workshop, Tk 40 crore to repay bank loans and others for IPO expenses. IDLC Investments will be working as the issue manager.

Shanta Amanah Shariah Fund approved

The Bangladesh Securities and Exchange Commission has approved a draft prospectus of Shanta Amanah Shariah Fund, an open-end mutual fund, during a meeting at its office on Tuesday.

The initial size of the fund will be Tk 30 crore. The sponsor will contribute Tk 3 crore and the remaining Tk 27 crore will be collected through selling the mutual fund units. The offer price of the units of Shanta Amanah Shariah Fund will be Tk 10 each. Shanta Asset Management Limited is the sponsor and fund manager of Shanta Amanah Shariah Fund. The Investment Corporation of Bangladesh is working as the trustee and custodian of the fund.

Bank Asia to issue Tk 500cr bond

The board of directors of Bank Asia has approved issuing a seven-year bond of Tk 500 crore to raise regulatory capital (Tier 2) as per Basel III norms, subject to the approval of Bangladesh Bank and the Bangladesh Securities and Exchange Commission.

The floating rate non-convertible subordinated bond will be issued through private placement.



Rising disposable income boosts furniture industry

JAGARAN CHAKMA

The local furniture industry has achieved a significant growth in the last one decade thanks to the rising spending capacity of the consumers.

The industry insiders believe the demand for home and office furniture hit Tk 25,000 crore last year, whereas—according to a report of the European Union—the figure was only Tk 6,700 crore in 2012.

"We actually have no official data on the market size of the furniture industry. But the figure would surely be over Tk 25,000 crore," said KM Aktaruzzaman, president of Bangladesh Furniture Exporters Association.

Bangladesh earned \$63.18 million from the furniture sector in 2017-18, according to the Export Promotion Bureau.

The country exports furniture to Australia, Canada, India, Nepal, Bhutan and the Middle



capital. Furniture exports helped Bangladesh earn \$63.18 million in 2017-18.

East, said Aktaruzzaman, who is also the chairman of Akhtar Group.

The export volume will become double if the government cuts the import duty on raw materials, which now stands at 55 percent, he said.

The sector is growing fast with rising disposable income of the emerging middle-class, said Selim H Rahman, managing director of Hatil and chairman of Bangladesh Furniture Shilpa Malik Samity. The labour-intensive furniture

sector will expand in Bangladesh, as the country has low-cost labour, he said.

Developed countries are getting discouraged to produce furniture because of the high cost of labour, he said.

According to the EU study, 40 percent of the raw materials used by the industry in Bangladesh

come from domestic sources. READ MORE ON B4