

The Daily Star

FOUNDER EDITOR
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DHAKA TUESDAY APRIL 2, 2019, CHAITRA 19, 1425 BS

Curb graft instead of hiking gas prices

Court's statement reflects people's concerns

THE High Court has expressed the sentiments of the common citizens in declaring that even if half the corruption in Petrobangla and Titas was stemmed, raising the prices of gas would have been unnecessary. In response to a writ petition, the court has rightly said that gas prices should fluctuate, if it does, because of international prices, asking why we should be buying gas for USD 10 when our neighbour India does so for USD 4. We have raised similar questions multiple times—price hike of gas not driven by international prices cannot be justified. And contrary to claims, it is not system loss which is to blame.

So, the question comes back to—as observed by the court as well—what role has the ACC played in stemming this corruption? And what justification is there for demanding a 208 percent hike for gas consumed by power plants, 211 percent for fertiliser companies, 96 percent for captive power plants, 132 percent for industries, 41 percent for commercial entities, and 50 percent for CNG-run vehicles? Or for the 80 percent in monthly gas bills for both single-burner and double-burner cooking stoves? Citizens and businesses should not have to bear the brunt of added costs. We have written before that we should be looking into alternatives to imported LNG by strengthening local gas reserve exploration programmes. But even without that, the court's observation shows, gas crisis in different parts of the city is not due to inherently supply shortage, but irregularities.

We ask that Petrobangla and Titas heed the call of the people, as articulated by the court. Putting our houses in order should be the first priority. And the role of the ACC in independently pursuing the stemming of corruption is crucial.

The deathtraps on our roads

Unruly, unfit buses—can we ever get rid of them?

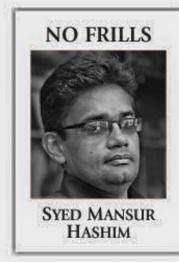
IT comes as no surprise that a probe report of a committee formed by the Bangladesh Road Transport Authority (BRTA) found 90 percent of Suprobbat Paribahan buses to be operating without the necessary legal papers such as route permits and drivers' licences. The report also found only 13 out of 29 buses of Jabal-e-Noor Paribahan possessing the required legal documents. Both the bus companies have come under severe scrutiny because of their role in the deaths of students that gained countrywide attention.

The fact of the matter is that there are numerous other bus companies like the two mentioned above which are being driven by drivers without licences, and which are plying the roads without having conducted fitness tests for the longest time. The deadly combination of unfit buses and reckless driving by untrained, and sometimes underage, drivers poses one of the biggest threats to road safety in the country. But it seems we have learnt nothing even though bus accidents and related fatalities make the news almost every day.

The only reason bus companies such as Suprobbat Paribahan and Jabal-e-Noor Paribahan are being scrutinised is because of the deaths of students that gained national attention. But what are the authorities going to do about the other bus companies which are just as negligent? Why is it that we don't care to think about safety issues until and unless someone gets killed? And soon after public outrage dies down, the authorities seem to forget about these issues, and things go back to business-as-usual. Let's not forget that even after some of these bus companies are suspended, they soon resurface simply by changing their names.

Political patronage of the transport sector has to come to an end. The BRTA, the ministry of road transport and bridges, and the police must work in coordination to enforce the law and ensure the most basic requirements of road safety—no vehicle plying the roads should be able to run without the necessary documents and those behind the wheel must possess a valid driver's licence.

A saga of non-compliance



NO FRILLS
SYED MANSUR HASHIM

LESS than two days after the devastating fire that gutted FR Tower in Banani, city residents woke up to find the DNCC kitchen market had been burnt to the ground. The fire service deserves praise for containing the fire in a few hours that resulted in no loss of life. This isn't the first time a fire has gutted the DNCC market. Indeed, a similar fire broke out in 2017 that resulted in losses to shop owners amounting to Tk 5 billion. It was hoped that fire safety recommendations would have been heeded, but as we are finding out, nothing of the sort took place.

It took the fire service department longer than a few hours to bring the fire under control and that is because of shortage of water. It took the combined efforts of the fire service, army, navy and air force personnel to bring the flames under control. The market did not have any provisions for a steady water supply to fight a fire and that, unfortunately, did not help matters at all. In the 2017 fire incident, 300 shops were gutted causing massive losses, but as we look back at some of the surveys that have been conducted over the years by various bodies, incidents like the DNCC market fire is simply the tip of the iceberg and there are some 1,300 city markets and malls that are at risk of fire.

The fire service conducted a two-month-long survey back in October 2017 and sent alarm bells ringing. It was found that there were 622 extremely risky and 678 risky shopping malls and markets in the capital city. They are deemed risky because none of them have taken the mandatory safety measures to combat a fire. As pointed out recently by the director (operation) of the fire service, "after the 2017 fire, we had made several recommendations to the [DNCC] market authorities regarding fire safety. However, none of those were implemented." The reluctance of the market authorities to invest in safety measures is not difficult to understand, especially in the face of little or no oversight by city authorities to enforce the various codes and laws that are in

place, which are supposedly "mandatory" that building and market owners must abide by.

So what does "extremely risky" constitute? These are buildings with no fire-safety provisions, and "risky" entails buildings that have some fire-safety measures installed. What we have in our city are hundreds of buildings that have been operating without fire-safety clearance certificates and licenses. Indeed, going by the survey conducted last October by the fire service department, these

being one fire extinguisher for every 550 metres of space. There have to be enough staircases for people to exit during an emergency. Every market is mandated to have a sufficient pool of water, a diesel pump, an electric pump, a jockey pump, emergency lighting, smoke and heat detectors, fire alarm system and sprinklers. In fact, every market is supposed to have a contingency plan in case of fire and a regime in place that will facilitate the orderly evacuation of people in a time of fire. Sadly, as experts have pointed

probes but recommendations fail to materialise while public attention moves on to some other tragedy. Since the authorities are now armed with the fire department survey of 2017, one can start a full audit of buildings and markets built over the last two decades. It is not merely about complying with the building code or the fire safety regulations; we also need to start thinking about changing people's mindset about how to make fire safety drills a regular event in our lives.



PHOTO: PALASH KHAN

establishments include private and government-owned malls, super markets and kitchen markets. When we have government-owned markets and malls not abiding by safety rules, who can blame the private operators?

The DNCC market fell under the "extremely risky" category. The rules are quite clear on what a market should have. The Bangladesh National Building Code, 2006 and Fire Prevention Act 2003 both state that a market must have ample fire extinguishers—the rule of thumb

out repeatedly, most markets have never bothered with these safety measures.

When we talk about ensuring safety compliance, it is not the job of a single agency to ensure laws are being obeyed. While the city corporations and RAJUK obviously have a role to play, the markets are all governed by owners' associations and they must be made liable for ensuring fire and electrical safety of their respective establishments. Whenever a tragedy occurs, there is a plethora of activities promising

One thing that has come through in recent fires is that people were ill-prepared to either tackle the fire on the premises or to exit buildings in an orderly fashion. Establishment owners have been found to use emergency exits and stairways as warehouses which impede movement during an emergency—all in all a general lack of awareness on what to do and what not to do in case of a public hazard emergency like fire.

Syed Mansur Hashim is Assistant Editor, *The Daily Star*.

Reducing carbon footprint in the RMG sector



MOSTAFIZ UDDIN

SUSTAINABILITY in the Bangladesh ready-made garment (RMG) industry is a subject that is never far from people's minds and occupies conversations with customers and industry partners. It is an area that requires significant investment, but also one that can generate a significant return for those investors who think innovatively.

Put simply, innovation-based financing rewards companies that achieve predetermined sustainability targets, particularly with regard to environmental issues. Favourable interest rates or repayment mechanisms are designed to encourage companies to adopt sustainable practices that often require them to "think out of the box" when seeking finance for such sustainable initiatives.

Newly emerging companies, such as the Sustainable Finance Lab, based in Utrecht, the Netherlands, aim to establish a "stable and robust financial sector that contributes to an economy that serves humanity without depleting the environment." This network questions traditional financing methods, encourages more radical thinking to enable discussion and investigation to achieve a more sustainable future, and is playing a critical role in bringing together convergent viewpoints.

This way of thinking is something that we should seriously consider embracing for the future development of the RMG sector in Bangladesh. As was reported in April 2018 by the United Nations Environment Programme: "Sustainable finance is now recognised as one of the megatrends shaping the future of global capital markets." The report specifically focussed on limiting the amount of carbon emissions that escape into the earth's atmosphere, which reached an all-time high in 2018, and the fact that limiting these emissions is crucial to keeping climate change within acceptable boundaries and mitigating the risks to countries like Bangladesh. The subject of carbon emissions is worth exploring as it serves as a good example of how innovative finance for

the RMG industry can work in practice. There are plenty of problems with carbon pricing—the Organisation for Economic Co-operation and Development (OECD) states that there is a 76.5 percent gap between actual current carbon prices and 30 euros a tonne, which the organisation calculates as the minimum required to reflect the damage imposed on the environment. At the current pace of decline, carbon prices will only meet real costs in 2095. Much faster action is needed to incentivise companies to innovate and compete to bring about a low-carbon economy and to stimulate households to adopt low-carbon lifestyles.

Feike Sijbesma, who chairs the World Bank and IMF's Carbon Pricing Leadership Coalition, says that "by putting a price on carbon, you put a real economic incentive for companies to develop new low-carbon technologies, reduce their own emissions, and develop new technologies."

It is this type of thinking that the Bangladesh RMG industry needs to embrace. The global garment industry is the second largest contributor to damage to the environment after the oil industry. Sadly, the damage to our environment is already done, but we cannot throw up our hands and keep doing business in the same way. What is needed now is a completely different approach to ensure that we collectively minimise the environmental impact that our industry causes in the future.

Establishing clear social impact and sustainability-based investment metrics is key to realising this goal. As an industry we need to look at every possible avenue in minimising our carbon footprint, combined with other initiatives that bring environmental and social benefits.

We need to be in discussion with all financial institutions, whether they be government- or NGO-related entities. It is not unrealistic for the RMG industry to secure favourable loan rates, subject to achieving predetermined sustainability targets. But these targets need to be ambitious. We need to aim high!

A good example of where innovative finance can encourage, not only RMG companies, but government agencies as well, to adopt carbon neutral strategies, can be found in a recent World Economic Forum report regarding Costa Rica. This small, Central American country aims to

become the world's first carbon neutral society by banning fossil fuels for electricity, heating, and transportation. It already generates 99 percent of its energy from renewable sources and, by 2021, will ban single-use plastics.

This approach has, admittedly, incurred substantial costs, as the adoption of solar, wind and hydro power, together with the conversion of transport to electric or hydrogen fuel cells, comes at a price. However, companies and government agencies in the country were encouraged to adopt a carbon-neutral approach through the availability of innovative financial partners, whereby favourable interest and repayment rates were set based on pre-determined carbon emissions targets.

I have already mentioned carbon emissions above, but how can innovative finance help to utilise the technology available to reduce these as well as our use of water, our reliance on low-cost labour and the improvement of overall efficiencies within the industry?

If we consider the three core pillars for achieving sustainability—economic, social and environmental—we have to consider what areas of the industry we need to improve and how innovative finance can help us in achieving our goals.

I would argue that each and every investment we consider should be evaluated by financial metrics, of course, but also by its ability to increase sustainability.

Economically, we, as a nation, need to prove to our direct customers and the world at large that we operate an unrivalled apparel industry. Aside from manufacturing world-class quality products, we need to show the world that we work to improve the environmental impact of all aspects of the production supply chain, from fibre through to finished product, and that Bangladeshi businesses consistently challenge conventional thinking and invest in technology that allows for a sustainable future. Can the fibres we use be recycled? Can we manufacture, package, and transport our goods in more sustainable ways? All of these and others are areas we can investigate and improve.

Socially, we have to prove that, apart from providing the best working conditions and fair terms for our employees, we are building an industry

that is sustainable for the future. Investment in technologies that reduce the reliance upon labour and at the same time improve efficiencies and working conditions will benefit our industry and, in the long run, our society as a whole.

Environmentally, there is a great deal that we, as an industry, can investigate and seek finance for. We are heavily reliant on the supply of gas and electricity from fossil fuels—resources that will, one day, run out. We should be actively looking at alternative power sources.

Bangladesh is blessed with inordinate amounts of sunshine, so solar power is a realistic resource for the industry to exploit, but one that is not readily adopted at present. Innovative financing could secure the technology required for us to expand our harvesting of solar energy, allowing the industry to shift its dependency on gas and regular electricity, and even offer new assembly, maintenance, and installation jobs to our people.

Similarly, we have access to a coastline and natural rainfall. It should be feasible that we could explore the possibilities of establishing off-shore wind farms or hydro-powered stations. Again, this approach requires upfront investment but if emissions targets can be agreed with financial third parties, we could secure the necessary finance at favourable rates.

Rainwater harvesting is another area that we should be investigating. Efficient collection and distribution of water would benefit the whole garment industry from fabric mills through to garment manufacturers. Innovative finance could be secured based on a targeted reduction in water consumption by the industry.

Socially and environmentally impactful finance with innovate partners is a relatively new concept but one that has been proven to work in practice.

Just as we are a nation with plentiful sunshine, coastlines, and rainfall, we are also blessed with plentiful innovators. We should put that valuable resource to the task of ensuring that we build a flourishing, sustainable RMG industry for the years to come.

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LETTERS TO THE EDITOR

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Can a driving licence guarantee road safety?

After the death of a university student in a recent road crash in Dhaka, the city corporations and DMP seemed very concerned and promised to take corrective steps. There is a major concern among the public about drivers not having driving licences or fitness certificates for their vehicles. But can having a driving licence really guarantee road safety?

I myself have a light vehicle driver licence and we all know that it is very easy to get a licence here: learn how to drive from an "ostad" (another rough driver), find a "broker", fix the fee, hand him all papers and finally attend the driving test on the scheduled day. Even this is not required sometimes.

Most commercial and non-commercial drivers take licence through a "broker". So having a BRTA-issued driving licence and fitness certificate do not necessarily guarantee that road safety will be ensured. The authorities should provide a comprehensive course prior to issuing licence which will ensure that everyone who gets a licence has complete and tested knowledge required for being a driver.

Shafayet Hossain, By e-mail