

# 2020s offer exciting new chapter for Bangladesh RMG

## Merry Christmas to all

Let love for humanity prevail

WHILE the Christians all over the world celebrate the day, let this day be a reminder of the teachings of love for humanity. Though it is a holy day for Christians, the values that define Christmas are universal in nature. The teachings of Jesus Christ are the ones shared by all religions: a love for humanity, compassion for those less fortunate, forgiveness and tolerance. Ironically, these values are projected by all major religions and yet the biggest conflicts in the world seem to be based on religion and the perceived difference. Today, we have millions of people being persecuted, displaced, and killed—all because of the intolerance of differences. Acts of terror all over the world have killed people of many different faiths and ethnicities. Many of these mindless massacres were committed in the name of religion. The politicisation, corruption and distortion of religions have aided in this terrible regression of basic human values, and we have turned our backs on the teachings of our prophets and the scriptures. This is a day of celebration and joy. We should strive to build a nation that removes the inequities that exist in our country where all religions may coexist in peace, harmony and with dignity. We wish all Christians a Merry Christmas. In times of violence and greed, let us hope that values of sacrifice, tolerance and peace will reign supreme.

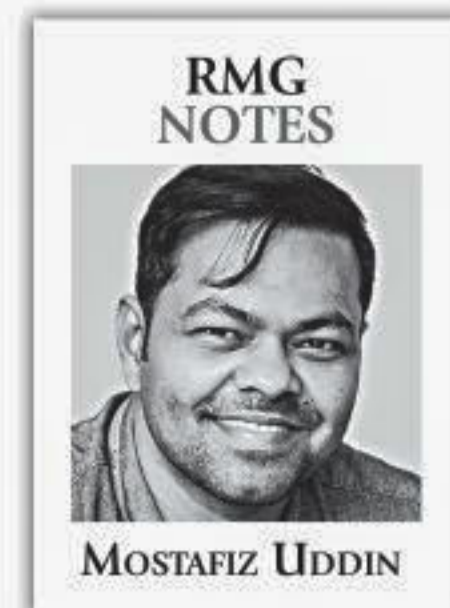
## Alarming deterioration of air quality

Immediate measures required

REGRETTABLY, bad air quality is one index where Dhaka is consistently topping the chart. Therefore, the recent revelation that in the last 13 months Dhaka saw only nine "Good"—clean air—days, comes as no surprise. People living in Dhaka—the world's second least liveable city, according to Economic Intelligence Unit (EIU)—in the last 13 months, experienced unhealthy air on 107 days, very unhealthy air on 82 days and hazardous air on five days. And the city's pollution has increased by about 20 percent in 2019.

Rampant operation of illegal brick kilns in the suburban areas around the city, along with the staggering number of unfit vehicles plying the city streets, are major contributors to the capital's rapidly deteriorating air quality. Add to them the construction work of various large infrastructure projects such as the metro rail and elevated expressway projects, which are making matters worse for city dwellers. The air pollution situation is so severe that even trees are getting affected by them. According to a report by a local daily, trees lining the main city streets are the most affected by the gases emitted by vehicles, with their rate of survival dropping by 30 percent. And thousands of human lives are lost due to health conditions caused by air pollution every year—figures from the US-based Health Effects Institute (HEI) suggest that 1,22,400 people die every year in Bangladesh due to the aerial killer.

In view of the current situation, the concerned authorities should take immediate steps to clean Dhaka's air. All the factors contributing to Dhaka's worsening air pollution, including use of unfit vehicles that emit noxious fumes, mismanagement of waste, unplanned public works, among others, must be addressed, and the authorities involved with the construction of the large infrastructure projects should take measures to reduce their pollution footprint. It is high time we rolled up our sleeves and got down to work to eliminate this menace.



MOSTAFIZ UDDIN

THE year 2019 was a year of highs and lows for Bangladesh's RMG sector. On balance, it was a year of positivity. However, it would be naïve to ignore the fact that things were not all plain sailing and that there is a great deal of work to be done as we enter the new decade.

At the start of the year, we saw positive growth in apparel exports, however, it declined as the year went on, with significant falls in woven and knit apparel exports to our global partners in the months of November and December. While this is a concern, one also has to factor in the unstable nature of the global economy at the present time which undoubtedly impacted global trading patterns during 2019.

The ongoing trade spat between the USA and China, for example, might be beneficial to Bangladesh in the long-term but in the short-term, this is causing volatility and unpredictability in the markets as well as global exchange rates. No business likes uncertainty.

Likewise, there has been significant instability in our main export market, the EU, as the issue of Brexit and a decision over the UK's participation in the EU trading bloc rumbled on throughout 2019. However, this issue looks like being resolved in January 2020.

One of the challenges faced by the Bangladesh RMG sector in 2019 was the number of staff being laid off. In October, figures from the BGMEA showed that around 30,000 workers had been laid off in the RMG sector since January amidst the closure of 59 factories. Factories are still closing and the industry is undergoing another period of rationalisation. Nobody likes to see businesses close but if this ultimately leads to a fitter, leaner, more globally competitive industry, then perhaps it is a price worth paying.

Various factors can be blamed here, although obvious reasons include low and declining prices from brands, a lack of orders and over-production in the industry.

We saw wages for garment workers increase at the turn of the year; however, this sizeable increase of the cost base of the industry was not matched by increases in sector productivity. The net result of such a dynamic was always going to be that some factories would struggle to make ends meet.

These issues are not going to go away overnight and are worth a closer look as we head into 2020. I have argued for some time that the Bangladesh RMG sector faces an over-capacity issue and is too narrowly focused on low-value, staple items. A period of serious industrial upgrading is required and I hope that this can begin during 2020.

sustainability, technical qualities or design attributes. We have to get out of the race to the bottom and take control of our own destiny.

We also need to use technology to better manage costs and overheads. Greater efficiency in terms of water and energy use is rising up the agenda in the Bangladesh RMG sector and, once again, the BGMEA has led the way on a number of initiatives in these areas. Long may that continue during 2020. Increased sustainability and increased efficiency are, in many respects, two sides of the same coin. Put another way, what's good for the environment often makes smart business sense and,

Safety will continue to be a major issue in 2020. In 2019, we saw the formation of RMG Sustainable Council (RSC) which will look after the safety monitoring issues after the departure of Accord and Alliance. This step shows that Bangladesh is determined to continue to lead the global apparel industry on factory compliance and safety issues.

I expect the growing popularity of online buying to continue in 2020, and this is an area where we—as suppliers—need to be prepared, as brick-and-mortar stores are replaced by delivery to huge warehouses, Amazon-style.

While it will be 2021 when Bangladesh sees its graduation to a developing country status from an LDC, we need to be preparing for this during 2020. This will pose serious challenges, particularly with regard to the potential loss of tariff-free trading benefits in the EU market.

Image building will be all-important to Bangladesh as we enter the 2020s. On this front, we surely must learn from the mistakes of the past. For too long, Bangladesh's RMG sector suffered from poor reputation and, in many ways, became a scapegoat for broader industry failings. Bangladesh was under the spotlight during the past decade unlike any other apparel sourcing hub.

It is time to turn over a new leaf in the new decade. We need mention of the phrase "Bangladesh RMG" to bring positive connotations. What might these be? Here are a few: world-class safety; innovation; digitisation; responsiveness; social and environmental compliance; value-added products; transparency and openness; circularity.

In short, Bangladesh needs to brand itself as the de-facto sourcing destination for brands which want high-quality apparel produced in safe, compliant factories to world-class production standards, adhering to high levels of environmental and social responsibility.

We should all drive the above message home as we head into 2020.

It's time to change the narrative on Bangladesh RMG for good.

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PHOTO: REUTERS

Where does this upgrading need to focus? It needs to focus on research and development to help bring about product and process innovation. Increasing productivity has to be the long-term objective of the RMG industry, for with higher productivity, we can achieve higher wages. But this will only happen if we innovate in order to enable us to produce higher value-added products.

Does this mean we should abandon low-value, staple items? Of course not. But we do need more parts of our industry to diversify into new, higher value-added products which have USPs (unique selling points/propositions) in areas such as

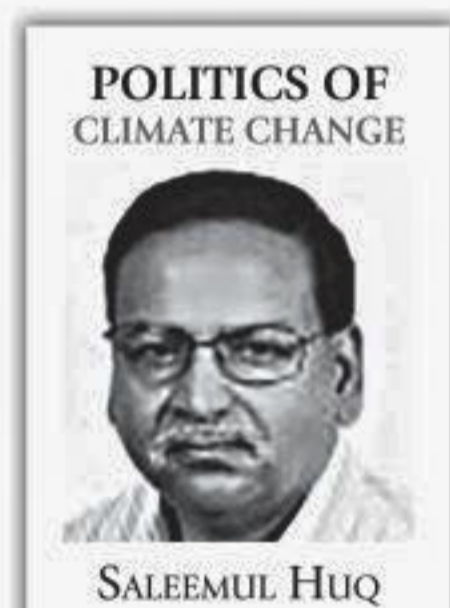
thankfully, more RMG factory owners are recognising this fact.

While 2019 was a mixed year, it also presented enough evidence that Bangladesh's RMG sector is waking up to the dawn of a new era, with a growing recognition that what has worked in the past won't necessarily work in the future.

So 2020 could be a year of real change. That's no bad thing. We enter the new decade in a position of relative strength and we are well-placed to capitalise on the opportunities that will surely present themselves as China's share of the global apparel market shrinks (as many pundits predict).

## CLIMATE CHANGE

# Highlights from 2019 and the path ahead



SALEEMUL HUQ

AS this is my last column for 2019, I am going to share some of its highlights and also my verdict on the year as well as some reflections on the next year and the next decade.

In terms of the climate change issue, there were a number of important turning points in 2019. The first, and by far the most significant, one was that the real impacts of human-induced climate change that had been predicted by scientists over three decades ago finally came to pass. The severe floods, hurricanes, wild fires, melting glaciers, arctic ice and such—which had been previously predicted to take place in another decade—all happened in 2019, well ahead of schedule. It is important to remember the caveat that human-induced climate change did not cause these events, but the fact that we are responsible for having raised the global atmospheric temperature by over 1 degree Celsius since the pre-industrial period means that the severity of such natural events has indeed been enhanced due to human-induced climate change. Also, almost all of the loss and damage associated with the climatic impacts are due to their abnormally high intensity.

This means that 2019 will, in hindsight, be recognised for being the tipping point when the world finally entered the era of loss and damage from human-induced climate change impacts.

The second most important event was the action of a 15-year-old girl in Stockholm, Sweden, named Greta Thunberg, who decided to skip school every Friday and sit, all by herself, in front of the Swedish Parliament with a homemade sign saying she was on a Climate Strike. After initially being ignored, she began to gain some publicity and before long she gathered thousands and then millions of fellow school students and others who joined her #FridaysforFuture movement. She has now shot to global fame by being on the cover of Time magazine as Person of the Year for 2019.

However, her main message—that it is no longer just a climate change problem but is now, in fact, a climate emergency—has resonated across the world with many parliaments, mayors, universities and others making the declaration of climate emergency.

Bangladesh Parliament has gone one step further by declaring not just a climate emergency but a "planetary emergency" which encompasses both climate change and loss of biodiversity.

The final verdict on 2019 is in the context of the 25th annual Conference of Parties (COP25) just held in Madrid, Spain, which finally showed that the multilateral collective decision-making process under the United Nations Framework Convention on Climate Change (UNFCCC) is broken and no longer fit for purpose. This does not mean that all countries were at fault but rather that some key countries like the USA under Trump, Brazil under Bolsonaro, and Australia under Morrison have finally come clean about their core interests to defend their respective paymasters from fossil fuel and other industries, to the detriment of their own citizens as well as the rest of the world. With such powerful countries negotiating in bad faith to defend the interests of particular companies against the interests of the world, the process is no longer simply inefficient but has now been rendered quite ineffective.

The biggest systemic flaw in the mindset of these particular leaders is a zero-sum mentality where they want

to defend their own country's interests against others whereas, as the teenager Greta Thunberg can clearly see and articulate, today's leaders need to work collectively on behalf of their own children and grandchildren.

Under these circumstances, Bangladesh and other vulnerable developing countries need to take stock of the situation and devise new tactics and methods for tackling climate change at a level commensurate with the challenge.

The first reform should be with the UNFCCC and the next COP26 to be hosted by the UK in Glasgow, Scotland where Bangladesh and other vulnerable developing countries should insist that the COP should end on time and any unfinished business should be sent to COP27. Every time the COP is extended beyond its two-week official period, as it was at COP25 in Madrid, it is deeply unfair for the delegates of vulnerable developing countries

from emphasising their vulnerability to developing their resilience. A recent development under the CVF has been the parallel grouping of the Finance Ministers under the label of V20, who have been taking actions at national level already. As Bangladesh's finance minister will also now chair the V20, we can hope to play a stronger role in supporting actions to tackle climate change at local and national levels.

A major opportunity for Bangladesh to take a global lead is on the issue of adaptation to climate change and promoting South-South knowledge and experience sharing through the annual Gobeshona conference on action research on climate change every January in Dhaka. The 6th annual Gobeshona conference will be held on January 20-23, 2020 and launch the Local Adaptation Action Track of the Global Commission on Adaptation (GCA), which was set up under the co-chairmanship of Ban Ki-moon,



PHOTO: AFP

Physical signs of climate change are accelerating as global temperatures drive towards increasingly dangerous levels.

who cannot stay beyond the official period. Hence, decisions made in extra time invariably go against them, as it happened in Madrid.

The second demand should be for a parallel Action COP where the actual coalitions of the willing, who are taking actions to implement the Paris Agreement, can come and share what they are doing. This could include national and sub-national governments, companies, NGOs, academics, youth and many other actors who are actually taking actions to tackle climate change. Perhaps the Scottish government can think of hosting such an Action COP (and maybe even invite Greta Thunberg to preside over it?).

At the same time, as Bangladesh and the vulnerable developing countries pursue their tactics in the UNFCCC, they must also take their message more globally. There will be a major opportunity for Bangladesh to play this leadership role as Prime Minister Sheikh Hasina will take the Chair of the Climate Vulnerable Forum (CVF) from President Hilda Heine of Marshall Islands in mid-2020 and will have the chair for a two-year term. The CVF is a leadership group rather than a negotiating group, and can change the narrative of the most vulnerable countries

Bill Gates and Kristina Georgieva and will culminate in an Adaptation Summit in the Netherlands in October 2020, where Sheikh Hasina has been invited to attend.

Finally, it is important to recognise that while 2019 was indeed a tipping point in the war against human-induced climate change, 2020 has the potential to become the start of a much more successful global effort to tackle climate change led by Bangladesh among other vulnerable countries. This will require a strategic approach led by the prime minister herself, with the ministries of environment, foreign affairs, defence and others playing important supporting roles. It may also be worth thinking of appointing a Climate Change Special Envoy, as many other countries have done, to represent the prime minister at important meetings at the political level. The two key qualifications for such an appointment would be someone with a diplomatic background and who also has the confidence of the prime minister.

Tackling climate change can thus become a major foreign policy strategy for Bangladesh on behalf of the vulnerable developing countries of the world.

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## LETTERS TO THE EDITOR

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### Lend a helping hand to the poor this winter

The weather gets extremely chilly during the long winter nights. It's sad to see that many homeless people suffer terribly during such times. The other night, while getting out from my apartment, I noticed a mother and a child at the traffic signal, shivering on the sidewalk trying to cover themselves up with whatever remained of a blanket-like piece. Before I could comprehend their dire situation, my car sped away from the scene.

During my conversation over coffee that night, something kept bothering me in the back of my mind but I couldn't figure out what. That night when I pulled the blanket over my body after going to bed, I felt guilty. I realised that I would not be able to sleep knowing that a mother and a child are struggling out in the winter breeze. So I decided to pack some warm clothes and got out to help the duo. To my utter disappointment, they were gone from that spot. So, now I often carry some warm clothes in my car to donate whenever possible so that I don't have to regret like I did on that cold night. I think it is the least we can do to help those suffering without warm clothes this winter.

Aman Hasan, Dhaka

