

# Gas infrastructure across Europe leaking planet-warming methane

REUTERS, Brussels/London

The potent greenhouse gas methane is spewing out of natural gas infrastructure across the European Union because of leaks and venting, video footage made available to Reuters shows.

Using a 100,000 euro (\$119,000) infrared camera, non-profit Clean Air Task Force (CATF) found methane seeping into the atmosphere at 123 oil and gas sites in Austria, Czech Republic, Germany, Hungary, Italy, Poland and Romania this year. Methane, the biggest cause of climate change after carbon dioxide (CO<sub>2</sub>), is the main component of natural gas and over 80 times more potent than CO<sub>2</sub> in its first 20 years in the air.

Currently, the EU does not regulate methane emissions in the energy sector, meaning companies running the sites surveyed by CATF are not breaking laws because of leaks or venting. While some member states require firms to report some emissions there is no overarching framework forcing them to monitor smaller leaks, or fix them.

That's set to change. The EU is proposing laws this year that will force oil and gas companies to monitor and report methane

emissions, as well as improve the detection and repair of leaks.

In the energy sector, methane is emitted intentionally through venting and by accident from sites such as gas storage tanks, liquefied natural gas (LNG) terminals, pipeline compressor stations and oil and gas processing sites. CATF visited over 200 sites in seven EU countries and filmed emissions with the infrared camera in public vantage points to detect hydrocarbons invisible to the naked eye, such as methane.

"Once you see it, you can't unsee it," said CATF's James Turitto, who filmed the emissions. "If we have any hope of achieving only a 1.5 Celsius rise in average global temperatures, we must stop these leaks."

Altogether, CATF counted 271 incidents, with some sites leaching methane from several places. Turitto said over 90 per cent of the sites he visited in the Czech Republic, Hungary, Italy, Poland and Romania were emitting methane while his hit rate in Germany and Austria was lower.

A selection of the CATF thermography, which shows hydrocarbons and volatile organic compounds, was reviewed by five

technical experts contacted by Reuters.

Given emissions were at installations handling natural gas - and methane is its main component - they concluded the emissions recorded by CATF were almost certainly methane.

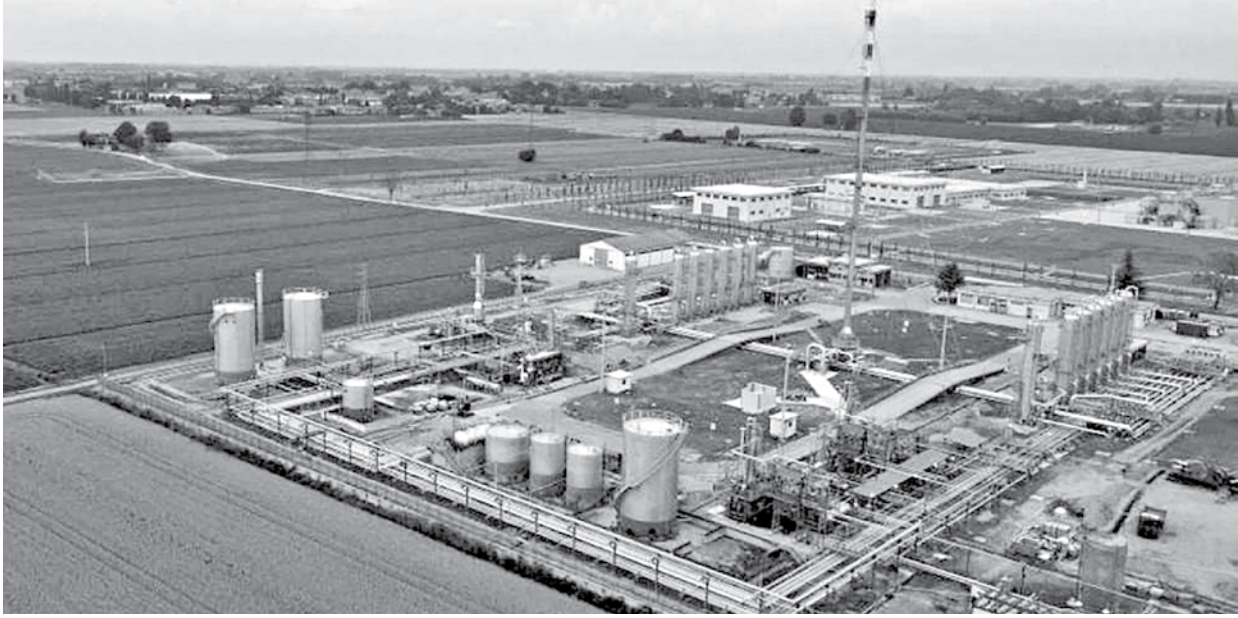
At one gas plant owned by Italy's Eni near the town of Pineto on the country's Adriatic coast, methane appears to be leaking from a rusty hole in the side of a tank.

The footage captures a snapshot of each site's emissions on a given day so it cannot quantify the amount of methane being emitted over longer periods. What it does reveal is emissions that could be avoided if infrastructure owners used commercially available measurement and abatement technology, emissions experts said.

"If there are cracks in the storage tanks, it is a relatively easy fix to patch the tanks," said Jonathan Dorn, an air quality expert at Abt Associates.

Turitto said he called an emergency number for reporting leaks at the Eni site but the line was dead.

Eni said the leak at Pineto was from a water tank which would have had negligible amounts of gas and that it had been detected and fixed during regular maintenance.



REUTERS/FILE

Methane, the biggest cause of climate change after carbon dioxide (CO<sub>2</sub>), is the main component of natural gas and over 80 times more potent than CO<sub>2</sub> in its first 20 years in the air.

# Cultivate a habit of saving

FROM PAGE B1

A student aged six to 17 is eligible to open the account. One requires to submit the attested copies of the birth certificate, school identification card or testimonial from the head of educational institutions, and the latest fee payment slip.

The account-opening form will also carry the signature of the legal guardian of students. Students can open various saving schemes under the programme as well.

Educational institutions can collect tuition fees straight from the accounts. Nishad Afrin Sadiya, a 10-grader at Monipur High School, Rupnagar (Branch-1) in the capital's Pallabi, has an account with Islami Bank Bangladesh Ltd (IBBL).

She deposits funds whenever she gets any money in gifts from her father, mother, grandparents, and other relatives. She is learning to deal with banks.

"I deposit money to bear my educational expenses in the future. I don't want to take any money from my parents when I grow up," said Sadiya.

Her father, Darul Huda, said: "We want her to learn how to deal with banks because I can't give much time to my family. Her mother is not highly educated. So, we have opened the account such that she can help herself."

The head of the mechanical store at Standard Group said her daughter could easily maintain the account.

"We give money to her for tiffin and other expenses. If she can make

any saving, that's good for all of us," he added.

Banks have come up with various offers, waiver of fees and charges, free internet banking facility, lower minimum balance requirement, and debit card availability at lower costs to bring more students under the school banking scheme.

Banks can also provide education insurance under the account such that they can get pecuniary assistance in need of time.

Dutch-Bangla Bank Ltd (DBBL) is one of the top lenders in school banking. Other banks with a significant presence in the segment include Islami Bank Bangladesh Ltd (IBBL), Bank Asia, Eastern Bank, United Commercial Bank, Trust Bank, Dhaka Bank, and Agrani Bank.

"We do not charge students any fee. But if they remain connected with DBBL from an early age, they may continue maintaining it when they enter the job market or become entrepreneurs after the completion of formal education," said Abul Kashem Mohammad Shirin, managing director of DBBL.

IBBL has been actively involved in school banking from the very beginning, said Mohammed Monirul Molla, managing director of the bank.

"We are exploring several avenues to reach the doorsteps of students to motivate them to open bank accounts and develop savings habits."

He said IBBL carries out financial literacy activities among the students in an area at least once a year.

The rate of opening accounts

among urban students is higher compared to their peers in rural areas.

Moula said students in rural areas are lagging in availing the school banking service due to the non-availability of bank branches in the hinterland.

"This gap will narrow soon on the back of agent banking outlets."

About the prospect of school banking, Moula said there are about 3 crore students. Of them, 5 per cent are covered by school banking activities.

"Bringing a large part of them under the banking system will accelerate financial inclusion. Moreover, ensuring sound planning, up-to-date product development and improved services will open up new horizons for banks."

The central bank used to organise programmes, including campaigns, fairs and seminars at schools at the district level to raise awareness among students and guardians about the importance of school banking before the pandemic.

Educational institutions have been closed since March 2020 so the central bank has suspended all school banking activities, said Md Ruhul Amin, general manager of the financial inclusion department of the BB.

The central bank has put in place strict measures to prevent students from misusing the fund.

The monthly withdrawal limit has been fixed at Tk 2,000. The ceiling can be raised to Tk 5,000 upon the request of the guardian.

# Manufacturing sector risks becoming uncompetitive: WB

FROM PAGE B1

"By strengthening innovation and technology adoption in the firms, the manufacturing sector can improve its productivity."

Commerce Minister Tipu Munshi launched the report through a virtual programme.

Hans Timmer, chief economist of the WB for South Asia, said: "Following every global crisis, we see shifts in the geographic and economic centres, change in trade flows and the emergence of new technologies. So, we should expect major changes to come."

The report focuses on opportunities for the manufacturing sector of Bangladesh.

Diffusion and adoption of technology in the manufacturing sector were relatively slow as a few firms adopted modern equipment while others are taking a long time to adopt technologies, Timmer said.

He underscored the need for focusing on small and medium-sized enterprises to accelerate the diffusion and adoption of technology.

Because of the new environment, these enterprises will play a key role because of the fragmentation of production and customisation of products, he said.

A firm-level adoption of technology (FAT) survey on technology use in Bangladeshi firms, conducted as part of the World Bank's global FAT project in 2019-20, revealed that most firms still use fully manual or powered but manually operated basic machinery across production stages.

Even in the garment subsector,

most firms use basic machinery in most production stages, except for sewing. Eighty per cent of garment firms use semi-automated technology in the sewing stage, and 9 per cent use automated sewing methods.

"Firms need to be enabled to climb the technology ladder," the new report said.

Many firms do not even use basic management practices to set targets, provide incentives to workers, and monitor performances. Around 32 per cent of firms do not monitor any key performance indicators.

The covid-19 crisis may accelerate the global trend toward automation, and new technologies and business practices can help firms recover from the crisis and adapt to the post-pandemic world.

The FAT survey showed that firms in Bangladesh are lagging Vietnam in many general-purpose technologies.

The multilateral lender revealed that more than 75 per cent of Bangladeshi firms do not have any workers with a college degree in engineering and applied science.

Fifty-five per cent of firms are managed by a person without a college degree, and most firms still use basic or near-basic technologies.

Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, said because of the graduation from the group of the least-developed countries, Bangladesh's preferential market access, which currently gives the country a competitive edge over many nations, including Vietnam, would not be there.

"So, we will have to move from market access-driven competitiveness towards productivity-driven competitiveness," he said.

At the onset of the Covid-19 crisis in May 2020, the government acted quickly and announced a series of support measures for the private sector. But only 2 per cent of manufacturing firms received assistance in the early phase of the pandemic, according to a rapid survey conducted by the WB.

"The government should ensure that such support reaches its intended beneficiaries," said the report, stating that support measures would continue to remain vital as the pandemic rages.

It said digital technologies could be a useful complement in enabling firms to better adjust to the Covid-19 shock. E-commerce platforms can enable firms to maintain access to necessary intermediate inputs and a distribution network for their products.

During the first wave, 6 per cent of the firms increased the use of internet and digital platform, 3 per cent invested in new equipment or software, and 3 per cent introduced a new product, the pulse survey found.

"In order to reduce uncertainty and help productive firms recover, financial support should be complemented by policies that provide regulatory guidance, strengthen the regulatory framework for insolvency and debt resolution, and simplify tax and customs administration."

Commerce Secretary Tapan Kanti Ghosh and World Bank Country Director Mercy Tembon also spoke.

# Apparel future lies in manmade fibre

FROM PAGE B1

apparel items remain comfortable even when made from petroleum by-products, plastic bottles, pineapple leaves or even tree bark.

But the case of Bangladesh is almost in reverse compared to the global trend.

Of the total garment items made in the country, more than 74 per cent are from cotton.

Using cotton fibres instead of manmade ones for export-oriented garment items is one of the major reasons premium prices cannot be availed from international clothing retailers and brands.

The price chart indicates that the value of Bangladeshi made garment items has not increased since the Rana Plaza tragedy.

However, local garment factory owners are now maintaining global workplace safety standards spending nearly \$4 billion as per recommendations of the Accord and Alliance, two foreign agencies working on such upgrades.

This proves that limitations to product variations and overdependence on cotton fibres are the main reasons for premium prices from international retailers and brands staying elusive.

"For instance, the price range of a cotton fibre T-shirt made in Bangladesh

could be between \$3 and \$7," said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

However, if the same T-shirt is made from manmade fibres, the price is at least 30 per cent higher, he added.

The demand for manmade fibre-based garments is growing all over the world mainly due to being comfortable, durable and functional and ability to protect against cold.

BTMA President Mohammad Ali Khokon said the government should withdraw the nearly 15 per cent advanced income tax and advanced tax on manmade fibre imports to help expand the sector.

The total investment in the spinning sector alone currently stands at more than \$8 billion but if manmade fibre-based industries grow further, so too will investment, he added.

For example, a more sophisticated section of manmade fibre-based industries is the filament yarn industry, where it takes at least Tk 500 crore to set up a factory.

So, in the future entrepreneurs will set up these types of factories in Bangladesh if the local manmade fibre-based industries can shine, according to the BTMA chief.

Khokon pointed out that Bangladeshi garment manufacturers used to import a large amount of

fabrics to make jackets but local mills are now supplying the high-end textiles required thanks to investment in the sector.

Monsoor Ahmed, additional director of the BTMA, said use of sophisticated technologies in production of manmade fibres make them very comfortable while the demand for such items has been rising rapidly.

Currently, some 40 local factories have been importing, using and selling manmade fibres in Bangladesh while it was less than 30 just five years ago.

The rising number of factories that use manmade fibres also indicates that millers are showing a heightened interest in the sector.

However, manmade fibres are not a complete replacement for cotton fibre, Monsoor added.

The BGMEA chief also demanded a 10-year tax holiday for investments in the manmade fibre sector alongside a 10 per cent incentive for manmade fibre-based garment exporters.

"This would help increase investments in this new opportunity to grab a greater share of the global manmade fibre-based garment markets," he said, adding that Bangladesh has the installed capacity to manufacture and export manmade fibre-based apparel items.

# Stimulus eludes 83pc small businesses

FROM PAGE B1

"The design of the stimulus packages was not adequately inclusive because of a lack of consideration of the challenges and needs of small entrepreneurs."

Using data from the Bangladesh Institute of Development Studies, Reaz said the average revenue reduction for CMSMEs was 60 per cent in 2020. About half of them planned to lay off 50 per cent of staff to survive.

"So, they need a second stimulus package," he said.

The informal economy did not receive the expected benefit from the stimulus package, said Nihad Kabir, president of the Metropolitan Chamber of Commerce and Industry. She focused on the upgradation and modernisation of the education system of Bangladesh.

The government will consider the demand of small businesses if a second stimulus package is formulated, said Planning Minister MA Mannan.

"Best practices from developed countries should be considered to make the overall economic ecosystem

of Bangladesh vibrant," he said.

Social inclusive measures such as assisting youth and unemployed, accelerating vaccination programme, access to education, and mental health needed to be addressed and linked to the stimulus package, said Tuomo Poutiainen, country director of the International Labour Organisation.

The skill ecosystem needs to be upgraded to build a technically and technologically sound workforce to attract FDI to the economic zones, he said.

Employment generation should get the proper focus in incentive packages because the post-pandemic situation would not be the same, said Prof Mustafizur Rahman, a distinguished fellow of the Centre of Policy Dialogue.

The involvement of NGOs and associations in the disbursement process of the special package would yield a better outcome, he added.

The government has announced two stimulus packages for SMEs, but the disbursement process from commercial banks is not adequate.

"So, many of them did not receive the benefits," said Md Masudur Rahman, chairperson of the SME Foundation.

As most of the SMEs are in the informal sector and have no formal documents, banks are not giving loans to them, he said. "So, a structural change is necessary to ensure access to finance for SMEs."

Chittagong Chamber of Commerce and Industry President Mahbulul Alam said the expected results could not be achieved through the first package.

Jamal Uddin, a general manager of Bangladesh Bank, said 73 per cent of the stimulus package for the CMSME sector had been disbursed, which benefited about one lakh entrepreneurs.

Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry, Rizwan Rahman, president of the Dhaka Chamber of Commerce and Industry, Abul Kasem Khan, chairperson of the BUILD, Asif Ibrahim, founder chairperson, and Ferdaus Ara Begum, CEO of the platform, also spoke.

# Three more banks follow Brac's example

FROM PAGE B1

merchants through cards, though the lender did not mention the names of the merchants.

"Transactions at selected e-commerce merchants are temporarily suspended with immediate effect using any City Bank cards," reads a mobile phone message sent to customers last night.

Md Arfan Ali, managing director of Bank Asia, said they had taken the decision in the interest of the customers.

HM Mustafizur Rahman, head of retail banking at Dhaka Bank, said the lender had discontinued their relationship with the e-commerce platforms for the time being.

"We are waiting for the central bank to take a concrete decision to this end," he added.

# 4 new pawns for stock gamblers

FROM PAGE B1

The sole exception is the Monno, whose paid-up capital is Tk 115 crore.

Since there were small and medium enterprise (SME) boards at both the Dhaka and Chattogram bourses, the low paid-up capital-based companies could have been allowed there so as to prevent gamblers from playing with those.

So, stock market analysts were curious as to why the regulator decided to allow the four at the main board.

Their rising patterns were also not in tune with their performance.

The Monno provided no dividends for shareholders in recent years, showed the DSE data.

Its earnings per share (EPS) was Tk 0.04 in the nine months period of the current fiscal year (July of 2020 to March of 2021) as against Tk 0.06 in the same period of the previous year.

Meanwhile, the Monospor provided 9 per cent cash dividend and its EPS

dropped 94 per cent year-on-year to Tk 0.28 from Tk 5.06.

Cash dividend of the Processing was 11 per cent for last year while its EPS was downed 87 per cent year-on-year to Tk 0.44 from Tk 3.53.

The Tamijuddin provided 10 per cent cash dividend. Its EPS rose to Tk 0.98 from Tk 0.81.

The EPS of three droppers, which was over 80 per cent for two, while that of one was less than Tk 1, explained a top official of an asset management company preferring anonymity.

A stock price surge of over 130 per cent is not financially logical, he said, adding, "This is totally absurd."

The regulator should monitor them, he said, adding that their inclusion helped some people get new items to gamble with.

Some of the returnees could be sent to the SME board and the rest kept at the main board, he added.

# Companies act needs fine-tuning

FROM PAGE B4

Amendments brought to the companies act in 2020 allow foreign firms to fully own private limited enterprises in Bangladesh, giving them the opportunity to open companies in a short time.

A similar practice was adopted in Hong Kong.

Before 2020, a minimum of two persons were required to open a company in Bangladesh whereas under the new amendments, foreign

entities can also open a PLC or OPC.

The merger and acquisition of companies should be done in two ways - merger by adoption or merger by formation -- in line with the practices adopted in India and the UK.

However, no such provisions are present in Bangladesh's Companies Act, 1994, they pointed out, adding that it needs to be addressed soon.

Md Humayun Kabir, council member and former ICAB president,

moderated the programme.

The panel included Jibon Krishna Saha Roy, director of the Bangladesh Investment Development Authority; AHM Ahsan, the in-charge of the registrar at RJSC; Nihad Kabir, president of the MCCI; M Masur Reaz, chairman of the Policy Exchange of Bangladesh; and Mohammad Enamul Huque, managing director and head of corporate, commercial and institutional banking at Standard Chartered Bank.