

StanChart rolls out pre-shipment loans for garment makers

STAR BUSINESS REPORT

Standard Chartered has partnered with large global garment buyers and suppliers and disbursed US dollar-denominated pre-shipment loans under a new finance programme, which aims to support more than 20,000 apparel workers in Bangladesh.

The unique Covid-19 response finance programme was designed through consultation with renowned buyers, enabling enhanced liquidity support for clients in a challenging environment, the bank said in a press release yesterday.

The bank's clients can avail one-year liquidity support for payment of wages, utilities and other operational expenses under the programme, with a moratorium period of three months.

More than 20,000 workers received their multiple months' salaries and festival bonuses on time through these loans.

The programme enabled easy access to funds for salary and other operating expenses, and provides low-cost financing with natural hedge against currency volatility, the bank said.

In the press release, Fakir Kamruzzaman Nahid, managing director of Fakir Fashions Ltd, a recipient of the financing, said: "The impact of the pandemic on the lives, livelihoods and the overall economy can't be overstated."

"At a time like this, the USD based pre-shipment loans introduced by Standard Chartered offered us a chance to reduce our financial expenses as well as cement our longstanding relationship with our buyer."

"Standard Chartered used its network's strength to collaborate with our major buyers and gave us this low-cost USD funding, with the flexible option to repay over a year with moratorium."

"During this pandemic, the promptness, efficiency and commendable effort of the Standard Chartered team has proven that the bank understands the requirements of our industry."

"Covid-19 is something which totally left us unprepared, especially during the initial months in 2020. Ours is an industry that deals with tight deadlines, massive workers

and unpredictable buyers," said M Shahadat Hossain, chairperson of Dekko Legacy Group.

He described the government's stimulus package as a big relief. The USD based pre-shipment financing also helped them manage payments.

"We were able to reduce our expenses and create an additional support in the cashflow."

This was a very innovative initiative by Standard Chartered, Hossain said. "Also, the way it is structured, with the moratorium, gives us more flexibility."

Naser Ezaz Bijoy, CEO of Standard Chartered Bangladesh, thanked the central bank for the support that allowed it to offer the low interest USD-denominated loans to exporters.

"As the largest international bank in the country, with our unique global network and our relationship with buyers, we had an important role to play during this crisis."

"The RMG sector continues to be the life blood of Bangladesh's economy, and I happy and proud that our initiatives were able to support the sector in its time of need."



Md Miarul Haque, managing director of DHL Express Bangladesh, cuts a cake to open its newly-relocated service point at Panthapath, Dhaka recently. The logistics service provider relocated the service point to ensure convenience for the walk-in customers. ASM Shakil, senior director for commercial, was present.



Safiu Alam Khan Chowdhury, managing director of Pubali Bank Ltd, inaugurates the bank's 486th branch in Sakhipur, Tangail recently. Mohammad Ali, additional managing director of the bank, and Chowdhury Md Shofiq Hasan, deputy general manager, were present.



Selim RF Hussain, managing director of Brac Bank Ltd, cuts a cake at the bank's head office recently to celebrate the Payment Card Industry Data Security Standard Certification from globally-renowned qualified security assessor SISA InfoSec. The bank achieved the recognition for its strong commitment to safeguard the information and interests of its customers. M Sabbir Hossain, deputy managing director, BM Zahid-Ul Haque, head of information security, and Nurun Nahar Begum, acting chief technology officer, were present.



Md Anwarul Azim Arif, chairman of Social Islami Bank Ltd, cuts a cake to celebrate the bank's 26th anniversary at the lender's head office in Dhaka yesterday. The bank's Managing Director Quazi Osman Ali, directors M Kamal Uddin and Md Jahangir Hossain, Additional Managing Director Md Tajul Islam, deputy managing directors Abu Naser Chowdhury, Md Sirajul Hoque, Md Shamsul Hoque and Mohammad Forkanullah were present.

Bangladesh could capture \$1.2b of recycled textile industry

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To the total fibre production was only around 8.1 per cent, with 7.6 per cent coming from recycled polyester from plastic bottles, not textiles.

Cotton accounted for 24 per cent, or 26.5 million tonnes, of the global fibre market in 2020, while recycled cotton made up less than 1 per cent.

So, there is a clear opportunity in building the enablers to scale up textile recycling, the study said.

"The government plans to make use of the CFP project, but there will be a lot of challenges to implement such an initiative in the country," said Faiyaz Murshid Kazi, director general of the foreign ministry's wing for west Europe and the European Union.

Bangladesh's apparel industry has shown its resilience even amidst the ongoing Covid-19 pandemic, he added.

Circular products, which require little to no virgin resources, are key to ensuring a more sustainable fashion industry as 40 per cent of greenhouse gas emissions from factories are created during the manufacturing process.

Based on reverse resources analysis, 35 per cent of the

total amount of fibres wasted while making garment items is generated during production.

To capture the full opportunity and close the loop on this part of the system, the CFP would need to be replicated in other major textile producing countries.

However, less than 1 per cent of textile waste is being recycled into new fibres, and there is no evidence to suggest the coming of a sharp change in this growth rate in the near future.

For major brands and manufacturers to deliver on their commitments, new strategies are required, according to the study.

From November 2020 to November 2021, the CFP mapped and traced 1,013 tonnes of textile waste on the Reverse Resources platform with 0.2 per cent of this waste coming from Bangladesh. It now regularly traces over 200 tonnes per month.

The project has achieved significant results despite multiple Covid-19 lockdowns.

The CFP is led by the Global Fashion Agenda alongside Reverse Resources and the Bangladesh Garment Manufacturers and Exporters Association with the support of the Partnership for Growth.

The CFP's goal is to reduce dependency on virgin materials and increase the availability of recycled materials by establishing a long-term, scalable transition to a circular fashion system in garment manufacturing countries.

The CFP has an ecosystem approach that facilitates circular commercial collaborations between textile and garment manufacturers, recyclers and global fashion brands to capture and direct post-industrial textile waste back into the production of new fashion products.

It also engages stakeholders, including local and European policymakers, and the investment community, to create a conducive environment for a circular fashion system.

Mumit Hasan, head of operations in Bangladesh of Reverse Resources; Jasmin Malik Chua, sourcing and labour editor at the Sourcing Journal; Peder Michael Pruzan-Jorgensen, interim chief impact officer of the Global Fashion Agenda; Irene Maffini, sustainable investment expert; Martin Stenfors, chief operating officer of Renewcell; and Corinne Sawers, associate partner of McKinsey & Company, also spoke.

Deals inked for \$2.66b Japanese loans

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Tokyo earlier provided around \$500 million for the 31.2-kilometre MRT Line-1.

The MRT line has two routes - an airport route (Hazrat Shahjalal International Airport to Kamalapur Railway Station) and a Purbachal route (Notun Bazar to Pitalganj).

The 19.8km airport route will be the country's first underground rail route. It will have 12 stations, said the finance ministry statement.

The 11.3km Purbachal route, which will be an elevated one, will have nine stations. The Notun bazar station will be connected to the MRT Line-5 northern route, which runs from Hemayetpur to Vatara.

A detailed study, survey and basic design have been completed for both routes. Now work for a

detailed design is ongoing.

The project implementation cost is estimated at Tk 52,561.43 crore. The Japan International Cooperation Agency will provide Tk 39,450.32 crore. Beginning in September 2019, the project is set to be completed by December 2026.

The remaining loan under the Covid-19 Crisis Response Emergency Support Loan Phase-2 aims to use concessional financing to implement policies towards strengthening the health sector's pandemic response and universal health coverage.

The \$365 million budget support comes with an interest rate of 0.55 per cent and a repayment period of 30 years, including a 10-year grace period.

While virtually attending the signing ceremony of two associated deals at the Economic

Relations Division (ERD) yesterday, Finance Minister AHM Mustafa Kamal expressed gratitude for the Japanese government's involvement in a number of ongoing mega projects.

This includes ones on the Bangabandhu road and rail bridge over the Jamuna, the metro rail network in Dhaka, the third Hazrat Shahjalal International Airport terminal, Matarbari coal fired power plant and Matarbari sea port, he said.

When the pandemic emerged in 2020, Japan provided the first-ever budget support of \$320 million to Bangladesh, said Kamal.

Fatima Yasmin, secretary to the ERD, Ito Naoki, Japan's ambassador, and Yuho Hayakawa, chief representative of the Jica Bangladesh office, signed the deals.

Imports imperil Jordanian makers of handcrafted shoes

AFP, Amman

He was once dubbed the "King of Shoes", but after decades of fashioning footwear for kings, queens and presidents, 90-year-old Jamil Kopti fears cheap imports are killing off his craft.

"We started losing customers one after another, and we kept losing stores until we closed down three shops," said Kopti, believed to be Jordan's oldest maker of handcrafted shoes.

"In the past five years, our profession began to decline dramatically in face of imported foreign shoes that flooded the market," he sighed, surveying his once prosperous workshop.

Now he has just five workers, a far cry from the 42 staff he used to employ. And around the workshop in the popular Al-Jofeh district of Amman, hundreds of moulds lie gathering dust.

After entering the trade in 1949 at just 18, Kopti attended shoe fairs every year in Bologna and Paris.

In 1961, at a show at the University of Jordan, he met the late King Hussein and gifted him four pairs of handmade shoes. Hussein became an instant fan, particularly of black, formal shoes, and "after that, and for 35 years, I made the king's shoes."

"He loved classic shoes," said Kopti, proudly showing off two old photos on his phone of him and the late monarch. He was awarded Jordan's Independence Medal and was a frequent palace guest on special occasions.

And Kopti's fame spread. In 1964, the monarch visited France where he met then president Charles de Gaulle.

"All the time during the meeting ... he had his eyes on my shoes and when he asked me where I got them from I told him 'They were made in Amman'," the king told Kopti.

Stocks keep falling

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Kohinoor Chemical shed the most, dropping 13 per cent, followed by Regent Textile, Aramit Cement, Bangladesh Industrial Finance Company, and Aama Technologies.

Shares of One Bank were the most-traded issue with its shares worth Tk 143 crore changing hands. IFIC Bank, NRB Commercial Bank, First Security Islami Bank, and Fortune Shoes also saw heavy trading.

Shares on the Chittagong Stock Exchange also dropped.

The CASPI, the main index of the CSE, fell 160 points, or 0.77 per cent, to 20,559. Of the 287 traded stocks, 99 rose, 161 fell, and 27 were unchanged.

Govt to build 11km elevated road over haors

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To make matters worse, people face communication issues even in the dry season due to the lack of roads, said Hadiuzzaman, a member of the team that conducted the feasibility study.

Once the project is implemented, the development of physical infrastructure in the haor areas will facilitate fast and easy transportation of goods, agricultural products and fishery resources throughout the year. As a result, rural economic activities will accelerate.

Moreover, at least six to seven two-storey towers will be built on either side of the elevated road to offer tourists a chance to enjoy the scenic beauty of vast haors.

Including the elevated road project, a total of 10 projects will be placed at the

Ecne meeting.

Among others, the China-funded Tk 5,883 crore digital connectivity project will seek approval. It is among 27 projects that will be implemented under financing from Beijing. China assured \$20 billion in loans for the projects during Chinese President Xi Jinping's visit to Dhaka in October 2016.

The project aims to equip every corner of the country with the latest ICT infrastructure, turning almost all government services digital and increasing the use of ICT at field levels.

Under the project, the government will establish 109,244 broadband and user connections, 10,000 digital labs, 57 specialised labs, a central cloud platform, IT infrastructure, and training facilities.

Step up preparation to ensure smooth transition from LDC

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"Besides, employment opportunities must be increased," Prof Eusuf added.

Lawmaker Selima Ahmad emphasised the need for all development partners to work together as well as capacity building among local industries.

"The damage inflicted by Covid-19 to our nation must be compensated quickly," she said. Md Habibe Millat, a member of parliament, stressed the need to make a policy for universal health coverage.

Sheikh Shahidul Islam, a former minister, said Bangladesh is underprepared

for its graduation, so the authorities should initiate the transition as soon as possible.

"Otherwise, we will get left behind," he added.

Islam went on to say that Bangladesh is neither prepared nor has the technology to face the fourth industrial revolution.

"Universities have not updated their curriculum, so we do not have skilled labour to operate cutting-edge technologies," he said, adding that ensuring political stability is also important for a smooth graduation.

Mamun Rashid, senior partner at PwC Bangladesh, moderated the session.

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Memo No. cedp/bmc/otm/2021-22/1-3 Date: 21/11/2021

e-Tender Notice 01-03/2021-2022

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of following package:

Sl. No.	Tender ID No.	Name of works	Last date and time of tender security submission	Tender closing date & time
1.	628383	Renovation & Refurbishment of Classrooms	06-Dec-2021 13:00	06-Dec-2021 14:00
2.	629486	Procurement of Furniture & fixture for Classrooms & Seminar rooms	06-Dec-2021 13:00	06-Dec-2021 14:00
3.	630286	Procurement of scientific instruments	06-Dec-2021 13:00	06-Dec-2021 14:00

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copy will be accepted.
To submit e-Tender, registration in the National e-GP Portal (<http://www.eprocure.gov.bd>) is required.
The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered banks' branches up to 05-Dec-2021, 16:00.
Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

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