

The Daily Star

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Beware of methane leaks!

Excess methane concentrations in Dhaka demand proper scrutiny

It has been known for some time that Bangladesh, one of the countries most vulnerable to climate change, has also been a major contributor of methane, a greenhouse gas about 80 times more potent in its first two decades in the atmosphere than carbon dioxide. Bangladesh has some of the highest methane emissions in the world that can be detected by satellites, according to a 2021 analysis. A new study by the well-known scientific journal *Environmental Research Letters* has now supported this finding, suggesting that methane emissions in Dhaka are well in excess of those of the surrounding regions. In the study, which was based on satellite observations over nearly four years, Dhaka ranked second in a list of 61 cities responsible for the highest methane emissions in the world.

There are three major contributing factors – untreated garbage, wastewater and leaks in gas connections – which, together, form a deadly combination that is not only contributing to the global warming but also making the life of Dhaka residents quite vulnerable. Each of these sources deserve appropriate scrutiny. Apparently, 47 percent of Dhaka's methane emissions is caused by garbage. The study identifies 13 dumps where garbage is left in the open and decomposed leading to methane emissions. Moreover, constant pollution and contamination of water sources is also causing this. The other source identified – leaks in gas connections – is due to negligent handling of Titas Gas connections, which has been responsible for some recent building fires and explosions.

The findings of this study make a compelling argument in favour of taking a critical look at Dhaka's waste disposal system and utility services. Reportedly, Dhaka produces about 10,000 tonnes of waste every day. The city corporations collect and dump about half of them, while the rest is left littering roads, open spaces and water bodies. Often, buildings are constructed on wetlands by filling them up with waste and earth. Add to this the questionable electrical and structural safety of most buildings. Excess concentrations of methane – which is a highly combustible gas without colour or odour – produced in this manner can lead to explosions when it comes into contact with fire or electricity. One may recall that methane leaks, among other reasons, were blamed for the recent Science Lab blast as well as the 2020 explosion in a Narayanganj mosque, which went on to claim 34 lives.

The risks for Dhaka, and Bangladesh by extension, are clearly two-fold: we are not only compromising our long-term future and that of the earth, but also causing a very real and immediate threat to the survival of city-dwellers. Lack of awareness and indifference to these urban household methane sources are primarily to blame for this situation. The methane menace, however, is only symptomatic of what residents in general have to go through on a daily basis, with poor air, poor-quality food and water, poor waste disposal (without treatment), and poor services in all other aspects. We, therefore, urge our city fathers to take the methane study as a reminder of the massive reforms that Dhaka needs to improve its quality of life. Residents deserve to live without a threat to their life every other day.

An ancient craft struggling to survive

Govt support can revive interest in the once-popular Shital pati

It is distressing to know that yet another traditional craft is on its way to extinction. As per a report by this daily, artisans involved in the century-old craft of making *Shital pati* (a form of cane mats) in Tangail are struggling to survive due to the shortage of raw materials, rising production costs, and lack of capital. Made from a plant fibre, *Shital pati* has been popular among the people of Bengal for ages as its surface remains cool even in the hottest weather. It is used primarily in rural households, for sleeping and relaxing purposes. Sometimes, the mats are placed above tin roofs for cooling effects.

Reportedly, around 1,000 families in several villages of Tangail are involved in this craft, who are now facing a threat to their only means of livelihood. With cheaper plastic substitutes flooding the market, the demand for these beautifully crafted mats has gone down, while production issues continue to jeopardise their chance of revival, especially in the face of competition from large corporations. Cane, the primary raw material used in making the mat, is also becoming scarce as there is little investment in this industry. Moreover, the artisans can only earn during the summer months when the demand is relatively high. In the remaining months, they do not have any sales and hence no earnings.

It should be noted that making *Shital pati* is a slow process as it involves collecting the cane and processing the fibre, after which it is weaved into mats. Most of the weaving is done by women.

Apart from its practical use as a cooling mat during the scorching summer months, *Shital pati* making is an ancient craft that is part of our heritage. Being environmentally friendly, it has the potential to be very popular in both domestic and international markets if the industry is given the support needed, and it could be a reliable foreign exchange earner. Thus, the arguments in favour of keeping this tradition alive are quite compelling. With proper investment, which would increase cane production and ensure fair remuneration to the skilled artisans, *Shital pati* has immense value as a sustainable product. Design innovations can also create different uses of the material.

Needless to say, government support is vital to make sure that this industry survives and thrives again. It is encouraging to know that the Bangladesh Small and Cottage Industries Corporation (BSCIC) provides loans to small and medium level entrepreneurs in Tangail. This can be expanded further to include more *Shital pati* entrepreneurs so that the industry can grow. We, therefore, urge the government to take advantage of the opportunity that it offers, and provide all the financial and marketing support needed to ensure that the artisans of this ancient craft can earn enough to make a decent living and also contribute to the national economy.

Why low global prices don't reach local consumers



MACRO MIRROR
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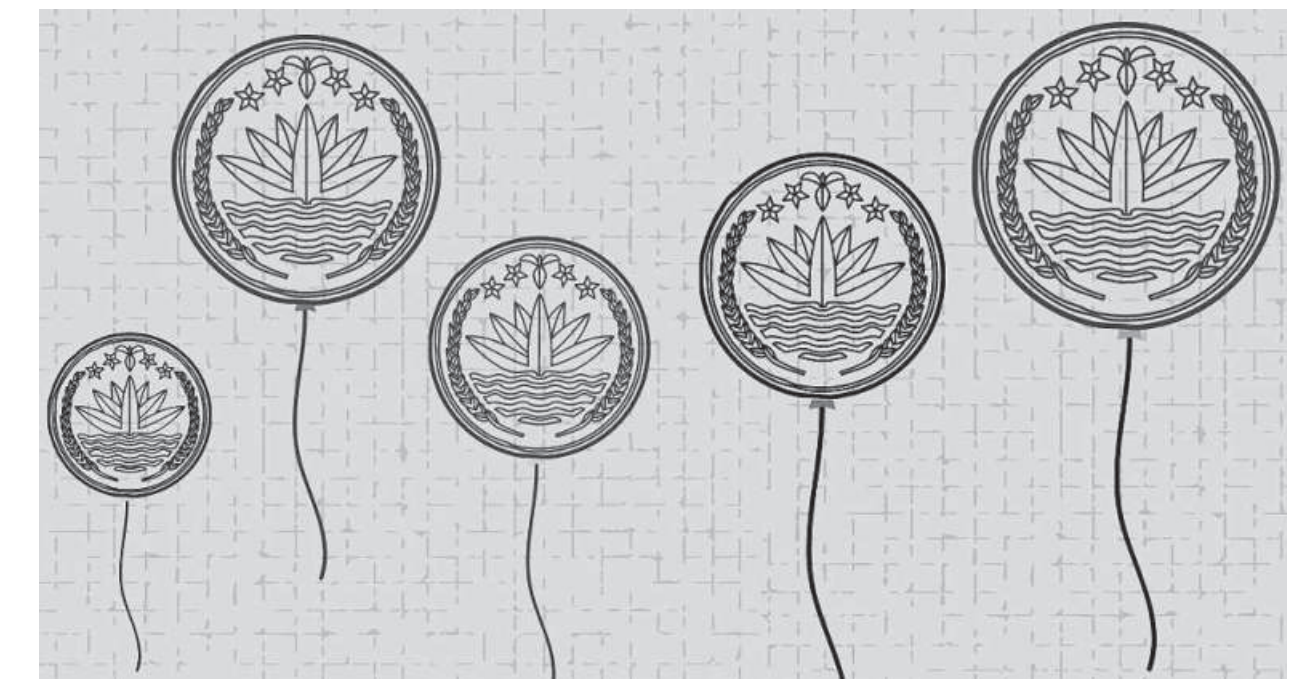
Inflation in Bangladesh continues to be a crisis. In January this year, inflation soared to 8.78 percent, according to data by Bangladesh Bureau of Statistics (BBS), exceeding the projection of 5.6 percent for FY2022-23 by the government. This surge is partly attributable to imported inflation as the country heavily relies on fuel and other essential commodity imports. The high fuel prices, transportation, and logistical costs associated with global inflation have also impacted locally produced items. However, this inflation can partly be attributed to imperfect market mechanisms as well.

In Bangladesh, high commodity prices in the global market are often used as an excuse to justify price hikes in the domestic market, even if there is no direct correlation. This is particularly true for critical commodities such as fuel, edible oil, and sugar, which the country imports. Any increase in global prices for these commodities inevitably gets passed on to the consumers without any delay.

This pass-through effect only happens during price increases, however; the domestic market does not benefit when prices fall in the international market. Importers justify that by claiming that their stocks are from when the prices were high, and they cannot sell the products at lower prices immediately following a drop in the global prices. By this logic, the commodities that are imported at cheaper rates should also be sold at lower prices till the old stocks are depleted even if there is a price hike in the international market. But when the international prices go up, some importers immediately increase prices even for their old stocks.

Though irrational price setting is a regular phenomenon in Bangladesh irrespective of global crises, importers are now blaming the costly US dollar for an increase in the cost of imported goods. The government has tried to reduce duties on some commodities from time to time. But traders say this does not help them reduce the gap created due to a sharp depreciation of the taka over the last few months.

While this is a policy failure on the government's part, the consumers are to bear the brunt of it. Leaving aside imported items, locally produced



VISUAL: TEENI AND TUNI

commodities are also being sold at exorbitant prices, taking advantage of the difficult situations. Here again, the cost of transportation and logistics are cited to justify price hikes. Indeed, opportunists at all levels take advantage of the authorities' weak monitoring mechanism.

Some examples of price differences between local and international markets would help understand the situation. Data from the World Bank Pink Sheet and the BBS indicate that the world price of soybean oil has dropped by 10.46 percent during February 2022-February 2023, but increased by 12 percent in Bangladesh. During the same period, the price of sugar has increased by 31.45 percent in the world market, which has increased by 41.91 percent in the Bangladeshi market.

Apart from imported items, price differences in some locally produced commodities are also high. The price of 1kg of beef has increased by 25.70 percent in the domestic market even though it has declined by 5.98 percent in the international market. Of course, the rate of price increase of local rice is lower than Thai and Vietnamese rice during the February 2022-February 2023 period. Bangladeshi Nazirshail,

Pajam and Irri/Boro rice increased by 21.61, 9.85, and 14.29 percent, respectively, whereas the prices of both Thai and Vietnamese rice increased by more than 30 percent over this period. However, the price of rice in absolute terms is higher in Bangladesh than in those countries. For example, Bangladeshi Nazirshail costs Tk 84 per kg while Thai five percent parboiled

The responsible authorities should also watch the market and regulate it for the benefit of consumers. Lack of infrastructure and logistical facilities are often blamed for arbitrary prices. Due to a weak logistics network, transportation costs of goods are high. The practice of rent-seeking through collecting money from vehicles carrying products on the way

to the marketplace adds to this cost. All these costs ultimately affect the prices of goods and are paid by the consumers. The pricing system should be transparent. The presence of middlemen in the supply chains, who contribute to high prices by taking a margin, should be removed. The Bangladesh Competition Commission needs to bolster its role. The commission must establish a comprehensive database, conduct routine surveillance of dominant market players' activities, scrutinise market manipulation, and take appropriate actions. The Competition Act, 2012 should be updated to specifically address monopolies and incorporate clear antitrust provisions, accompanied by concrete penalties for violators. Close monitoring and supervision are necessary for efficient market management to keep commodity prices in check.

For an effective inflation control measure, fiscal and monetary policies play a critical role. However, without eliminating the non-economic and distortionary practices in the market, prices cannot be brought down. This requires bold and concerted measures.

Since a few big players control the market and manipulate the prices to their advantage, there must be strict enforcement of the competition law.

CLIMATE ACTION

Collaboration is in our collective interest



RMG NOTES
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MOSTAFIZ UDDIN

According to the latest report of the UN Intergovernmental Panel on Climate Change (IPCC), the world is likely to fail to reach its most ambitious climate target – limiting global warming to 1.5 degrees Celsius above the preindustrial temperatures. The report warns that now is our last chance to avert a climate disaster. Many believe that unless governments around the world opt for the most aggressive climate change policies, the world is just 10 years away from either catastrophic climate change impacts or some form of greenhouse gas (GHG) emission “tipping point,” at which such change will become inevitable.

Reading such reports breeds a certain sense of helplessness, but there is work we can all still do – and we must start immediately. From a personal perspective, I think the most important keyword right now is partnership. Climate change is a joint problem that requires collaborative solutions across supply chains.

In the RMG industry, we keep hearing the same message. The only way the global fashion sector will achieve its goals is by reducing carbon emissions in supply chains. Is this happening? Sadly, no. A recent report by a US-based environmental NGO assessed the progress of many

of the world's leading fashion brands in reducing supply chain emissions. The bad news is, emissions are actually rising – at precisely the wrong time.

Many people are talking about the need to “decouple” growth from carbon emissions. That way, fashion brands can continue to grow while also stabilising or reducing emissions. I accept that. I also accept that our customers need to grow. To standstill is to die in business, we all know that.

There is some talk of “degrowth” as a new form of economic system. That's all well and good, but where does it leave supply chains? The answer is: a huge number of job losses. Degrowth has huge negative social consequences for developing countries like Bangladesh. So growth – decoupled from emissions – is the only option as far as I can see.

The problem is that decarbonisation is simply not happening. I've been watching this situation for a decade. Without radical change, I don't believe our industry will hit climate targets.

What might the radical actions entail? It comes back to that word – partnership. There is a lot of discussion about suppliers and their customers working collaboratively. Yet, talks are all we have had so far. There is very little in the way of genuine partnership. For me, without fashion retailers and

their suppliers working together, our industry as a whole will continue to see emissions rising. Decoupling will not happen.

What's frustrating is that I look at other industries and I feel sure we are missing a trick. Some of the world's largest multinationals in other sectors have been developing mutually

Some of the world's largest multinationals in other sectors have been developing mutually beneficial relationships with suppliers for more than a decade, investing heavily in supply chains to meet environmental, social and governance (ESG) goals. Many are taking a financial stake in their major suppliers, ensuring that their fortunes are collectively tied together. Why is our industry not following suit?

beneficial relationships with suppliers for more than a decade, investing heavily in supply chains to meet environmental, social and governance (ESG) goals. Many are taking a financial stake in their major suppliers, ensuring that their fortunes are collectively tied together. Why is our industry not following suit? There has to be a better

way. In fact, there is no choice but to find a more collaborative approach.

This is about more than just suppliers and fashion retailers, however. The key to decoupling is shifting to renewable energy use in supply chains. This means we need governments, energy/utility companies and development agencies included in these partnership conversations. We all need a place at the table so we can figure out how we are going to finally crack the carbon emission conundrum.

As I write this, we are already a quarter of the way through 2023. When one considers this, the realisation that 2030 will soon be upon us comes into clear focus. Will we still be having these same conversations in 2024? 2025? Will we still be having discussions around purchasing practices? Will we still be arguing over who funds the “greening” of garment supply chains – be it suppliers or brands? Will we still be talking about the need to leverage external investment?

Personally, I'm tired of the talk. I want to see clear, practical plans which set out what we need to do collectively to reduce emissions. It's time to develop a broad industrial strategy, with input from our international partners and a focus on decarbonisation.

I hear a lot of criticism of fashion retailers and some talk of greenwashing. My personal view is that most sustainability leaders in the fashion industry want to do the right thing and help make the world a better place. But they can't do it on their own. They need their suppliers just as much as we need them. Let's work together and start making a real difference.