SME Foundation, UNESCAP make 7-year plan

For women entrepreneur dev

STAR BUSINESS DESK

State-run SME Foundation and the Economic and Social Commission for Asia and the Pacific (ESCAP) of the United Nations have jointly formulated a seven-year strategy paper for the development of women entrepreneurs in Bangladesh.

The strategy identified 10 areas and suggested government and private organisations to work together to increase support in this aspect.

The areas are institutional and policy support, human resource development, network development, harnessing the potential of women, increasing financing, market linkages, digital and ICT development, developing accurate data and knowledge,

If participation of women in labour force is increased to 45 percent, the gross domestic product (GDP) growth will be 2 percent higher

enhancing institutional coordination and ensuring accountability.

The information was disclosed at a discussion on the "Women-Entrepreneurship Development Strategy Paper in Bangladesh" at Parjatan Bhaban in the capital's Agargaon yesterday.

According to the Bangladesh government's Economic Census 2013, only 7.2 percent of the over 7.8 million small and medium enterprises are owned by women entrepreneurs, said a keynote paper.

However, the participation of women in labour is more than 36 percent, said the paper presented by Radhika Behuria, expert consultant of ESCAP, and Dr Ananya Raihan, founding executive director of social enterprise D.Net.

If this is increased to 45 percent, the gross domestic product (GDP) growth will be 2 percent higher. That is why the strategy paper has been prepared for the development of women entrepreneurs, they said.

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Commuters and vehicles move on a flooded street after rain in Dhaka on August 4.

PHOTO: REUTERS

Asia apparel hubs face $65b export hit from extreme weather

Study shows

REUTERS, *London*

Extreme heat and flooding could erase $65 billion in apparel export earnings from four Asian countries by 2030, as workers struggle under high temperatures and factories close, research from Schroders and Cornell University showed on Wednesday.

The study also mapped out the supply chains of six unidentified global apparel brands operating in the four countries studied - Bangladesh, Cambodia, Pakistan and Vietnam - and found all six would be hit materially. For one sample brand that could amount to 5 percent of annual group operating profits.

The findings should act as a wake-up call to both an apparel industry facing significant financial costs, and to investors confronted with sparse information on companies' exposures, the report's authors told Reuters.

"Among the suppliers and the buyers, we talked to, not one had their eye on these two issues (heat and flooding)," said Jason Judd, executive director of Cornell Global Labor Institute.

"The climate response by the industry is all about mitigation, about emissions and recycling, and little or nothing with respect to flooding and heat," Judd said.

Understanding climate-related physical risks to companies in a warming world is critical, but the process is in its infancy with few businesses disclosing enough information and few investors undertaking proper assessments.

"There is so little data on this ... There are some [apparel] brands not disclosing the

factory locations of their suppliers," said Angus Bauer, Schroders' head of sustainable investment research.

Bauer said Schroders, which manages more than 700 billion pounds ($874 billion) in assets, would increase engagement with companies over their disclosures and he called on firms to work with suppliers and policymakers to build adaptation strategies that consider the impact on workers.

Using projections, the researchers analysed future heat and flooding levels to estimate what would happen under a "climate adaptive" scenario and a "high heat and flooding" scenario.

Under the second, workers would suffer more "heat stress", with worker output declining as the wet-bulb globe temperature, which measures heat and humidity, rises.

Flooding will also force factories to close in the four countries, which account for 18 percent of global apparel exports and employ 10.6 million workers in apparel and footwear factories.

The overall fall in productivity would lead to a $65 billion shortfall in projected earnings between 2025 and 2030 - equivalent to a 22 percent decline - and 950,000 fewer jobs being created, the study found.

By 2050, lost export earnings would reach 68.6 percent and there would be 8.64 million fewer jobs.

Leading transformation a CEO's agenda

ARIJIT CHAKRABORTI

As the uncertainties brought about by the Covid-19 pandemic are gradually dissipating, companies worldwide are reviewing and revising their strategic priorities. Business leaders are increasingly changing their stance from managing crises to seizing new opportunities. Under these circumstances, the time has come for business leaders, more specifically the CEOs of companies in Bangladesh, to review their strategic priorities as well.

According to the 26th Annual Global CEO Survey 2023 conducted by PwC, CEOs in Bangladesh cited highlighted inflation as their top business risk. They also highlighted supply chain disruptions as one of their major business challenges.

Despite such headwinds, leading organisations have successfully grown their businesses in the recent past. Export revenue grew 33.4 percent in 2021-22 and continues to grow, albeit at a lower rate of 9.8 percent in 2022-23, according to the Asian Development Bank.

With the objective of reviewing and revising their strategic priorities regularly, CEOs should start weighing in the choices between managing uncertainties and investing for the future. Many leading organisations in Bangladesh are successfully transforming themselves with enterprise-wide digital solution implementation and process re-engineering. It's time to make a choice between cost-cutting exercises vis-à-vis allocation of resources for the initiatives of the future.

While investing for the future, a CEO must lead from the front by fostering a culture of innovation and willingness to adopt changes which come with it. Innovation can happen anywhere and everywhere within an organisation.

The CEO of an organisation can foster a culture of innovation by supporting the incubation of innovative ideas and rolling out the successful ones. Organisations that are culturally ready to embrace and adopt new solutions across all their functions are more likely to witness successful rollouts of innovations in which they have invested.

Investing for the future also means undertaking a few bold transformation decisions.

A CEO should be mindful of the fact that any transformation must address a few hard questions. First, the transformation should be able to show measurable value for the stakeholders. Often, an organisation embarks on a transformation journey by implementing a new technology. However, sometimes it's not easy to determine and identify quantifiable outcomes of such endeavours. The CEO should lead discussions on measurable outcomes and encourage each executive of the organisation to participate in determining the measurable value of a programme.

Next, the operating model of an organisation is likely to undergo changes during the transformation journey. The CEO should stay focused on aligning the new operating model with a renewed vision, revise strategic priorities and guide the transformation team to successfully implement the operating model.

Additionally, no transformation can succeed without the successful participation and contribution of an organisation's workforce. The CEO must understand the necessity of upskilling the organisation's workforce as part of the transformation agenda.

Finally, it should be noted that no business is immune to climate risks. While an organisation's transformation agenda continues to focus on delivering measurable value, the CEO should take a long view and lead the conversation on the risks arising due to climate change. Such a holistic approach is likely to make the transformation successful as well as the organisation fit for the future.

The author is a partner at PwC. The views are personal

Consumers protest cancellation of 3-day internet packages

STAR BUSINESS REPORT

Bangladesh Mobile Consumers Association yesterday demanded the reinstatement of short-term and low-cost internet packages mostly used by low-income and marginal consumers.

The demand came at a rally and subsequent protest in front of the National Press Club.

Addressing the rally, speakers said if the short-term packages are scrapped in the name of reducing the number of products, it will undermine the freedom of customers to choose the package, increasing the cost of internet usage.

On the other hand, it will increase the business of certain mobile operators and hurt the competition in the market, they said.

This comes as the Bangladesh Telecommunication Regulatory Commission (BTRC) recently issued a directive, slated to take effect on October 15, discontinuing internet data packages with a tenure of three and 15 days.

The move has been met with opposition from both consumers and experts, who believe that it restricts consumer choices and imposes higher costs on grassroots, low-income, and young users.

They said consumers should be given the freedom to choose from a variety of options as different users have

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Cardholders flock to a sales point of the Trading Corporation of Bangladesh, which recently began selling four essential commodities, including rice, lentil, sugar and soybean or rice bran oil, at a subsidised rate to ease the pressure of rising food prices on the lower-income demographic. This photo was taken in Mohammadpur's Ring Road recently.

PHOTO: RASHED SHUMON

TCB starts selling four essentials at subsidised rate

STAR BUSINESS REPORT

The state-run Trading Corporation of Bangladesh (TCB) yesterday began selling four essential commodities at a rate lower than the market prices.

Sales in Dhaka will start today.

Under the initiative, one crore family cardholders will get rice, edible oil, lentil and sugar for the month of September, the TCB stated in a press release.

Cardholders will get rice at Tk 30 per kilogramme and a litre of soybean or rice bran oil for Tk 100 per litre. The TCB will also sell lentil at Tk 60 per kg and sugar at Tk 70 per kg.

This is far lower than current retail prices, which list each kilogramme of rice at Tk 48, sugar at Tk 130, lentil at Tk 105 and

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