

Star BUSINESS

Manufacturers are set to bring luxury high cubic centimetre (cc) motorcycles to the local market



Story on B4

FDI needed for RMG's sustainability CPD research director says



STAR BUSINESS REPORT

Foreign direct investment (FDI) is needed in the garment sector, especially for non-cotton and high value added items, Khondaker Golam Moazzem, a research director of the Centre for Policy Dialogue (CPD), said yesterday.

"FDI is required for the sustainability of the ready-made garment industry," he said while presenting a paper titled "Bangladesh's RMG industry in global

Moazzem said Bangladesh is very good at making cotton clothes but lacks strength in non-cotton products, adding that it could be bolstered by foreign investment.

apparel value chain: Competitiveness, profit margin, labour productivity and minimum wages" at The Daily Star Centre.

The Daily Star organised the session.

Moazzem said Bangladesh is very good at making cotton clothes but lacks strength in non-cotton products, adding that it could be bolstered by foreign investment.

Foreign investment is also necessary for the sustainability of the RMG sector, he said, adding that injection of foreign capital in the sector is mandatory in order to take the sector forward.

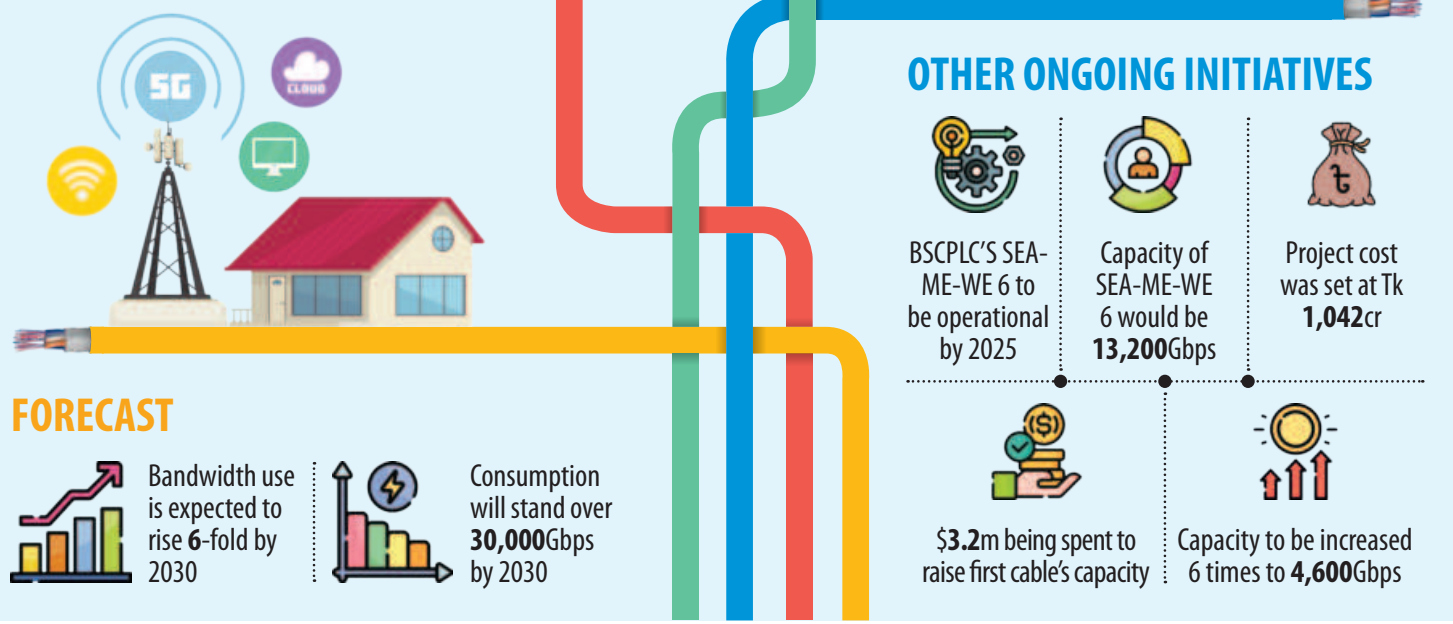
Moazzem said corporatisation is also necessary in the sector as many second-generation owners are not willing to manage workers' issues.

"The first generation

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FIRST PRIVATE SUBMARINE CABLE

- ▶ 3 private firms got licences in September 2022
- ▶ They are: Summit Communications, CdNet Communications and Metacore Subcom Ltd
- ▶ They have formed a consortium
- ▶ Project cost will be Tk 1,000cr
- ▶ Capacity of each firm will be 15,000Gbps
- ▶ It will connect Bangladesh with Singapore
- ▶ Bandwidth expected to be supplied by 2025



Three firms spending Tk 1,000cr on first private submarine cable

MAHMUDUL HASAN

Three local companies are spending about Tk 1,000 crore for the first private submarine cable that will connect Bangladesh with the outside world for data transmission.

Three private licensees of submarine cable – Summit Communications, CdNet Communications and Metacore Subcom Ltd – have formed a consortium to install the cable, which will have the capacity to supply 45,000Gbps bandwidth.

The development is set to disrupt the monopoly held by the state-controlled wholesale bandwidth provider, Bangladesh Submarine Cables PLC (BSCPLC), and is expected to lower internet prices by increasing the supply of bandwidth.

"We, the three companies together, have already entered into an agreement with Singapore-based Campana," Mashiur Rahman, CEO of CdNet Communications, told The Daily Star.

The 3,000km undersea cable, originating from Singapore, will connect to Bangladesh's Cox's Bazar. The fibre laying process will be conducted in two phases, he added.

Campana will provide a connection to the Sigmar cable, a 1900-km long cable system connecting Singapore and Myanmar. The three companies will pay

about \$35 million and will get indefensible rights of use for 25 years.

For the second phase, the local consortium is finalising a deal with submarine cable provider HMN to lay fibre from Cox's Bazar to Myanmar. For that, the three companies have to spend about \$45 million.

"The contract with HMN will be signed in December this year," said Rahman.

The cable will have three fibre pairs and will have a data transmission capacity of about 15,000Gbps through each pair.



The cable will connect Bangladesh with Telin-3, a data centre located at Tanjong Kling in Singapore.

Currently, total bandwidth usage stands at about 5,000Gbps and more than half of it – about 2,700Gbps – comes through international terrestrial cable (ITC) licences, which are used to import bandwidth from India across land.

The rest – about 2,300Gbps – is supplied by the BSCPLC, which connects the country with two submarine cables.

Bangladesh is a member of the South East Asia-Middle East-Western Europe 4 (SEA-ME-WE 4) consortium, the first undersea cable with which Bangladesh was connected in 2006. It supplies about 800Gbps bandwidth.

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Bandwidth supply through submarine cables is more suitable from a national interest perspective

Aminul Hakim
Former president of ISPAB

RMG BOUGHT BY US, EU Prices of three products from Bangladesh drop

STAR BUSINESS REPORT

Prices per unit of three garment items sourced from Bangladesh by buyers in the European Union (EU) and US declined year-on-year over the last July-September period, according to data from government agencies Eurostat and Otxea.

The EU buyers of cotton T-shirts paid less by 7.37 percent in July, 11.60 percent in August and 10.76 percent in September, said Eurostat, the statistical office of the EU.

In case of men's/boy's cotton trousers, it fell by 1.59 percent, 7.80 percent and 14.71 percent whereas for cotton sweaters by 7.15 percent, 13.21 percent and 14.71 percent respectively.

Similarly, the US buyers of cotton T-shirts paid 7.25 percent less in July, 16.74 percent in August and 25.38 percent in September, said the Office of Textiles and Apparel (Otxea).

For men's boy's cotton trousers, the declines were by 1.55 percent, 0.94 percent and 5.47 percent whereas for cotton sweaters by 10.85 percent, 5.79 percent and 3.98 percent respectively.

The declines resulted from local suppliers booking work orders at rates lower than production costs in some cases, said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

It was mainly aimed at keeping factories running to minimise losses and ensure that

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workers get their wages and bank loan instalments are paid, he said.

"As I said, we don't also see much analyses, criticism, reports, and measures when it comes to prices and responsible purchasing practices," said Hassan.

"...(it) does not reflect any empathy for the workers (this is only the data for major items for 3 months, the price stagnation persists even if we compare 10 years' data)," he said.

Hassan's comment came in a clarification and impact statement over the recently declared minimum wage structure for garment workers.

There are mainly two reasons for the decline, said Mohammad Abdur Razzaque, chairman of private think tank Research and Policy Integration

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BANGLADESHI CITIZENS ABROAD

BBS, BMET data shows stark contrast

REJAUl KARIM BYRON and MD ABBAS

The Bangladesh Bureau of Statistics (BBS) yesterday published its population census for 2022, placing the number of Bangladeshi citizens living abroad at about 50.53 lakh, which is a third of that reported by other government agencies.

Of them, about 40.61 percent are from Chattogram while 28.32 percent are from Dhaka, the BBS said in the "Population and Housing Census 2022: National Report", unveiled at its office in the capital.

Planning Minister MA Mannan and Executive Director of the Policy Research Institute (PRI) Ahsan H Mansur spoke at the unveiling ceremony, among other officials of the ministry and the BBS.

In his budget speech on June 1, Finance Minister AHM Mustafa Kamal said more than 1.49 crore Bangladeshi workers are employed in 176 countries worldwide.

Similarly, the Bureau of Manpower, Employment, and Training (BMET) had said more



In his budget speech on June 1, the finance minister said more than 1.49 crore Bangladeshi workers are employed in 176 countries worldwide.

PHOTO: STAR/FILE

than 1.49 crore Bangladeshi citizens have been living abroad from 1976 to January 2023.

Regarding the discrepancies in expatriate data, Dipankar Roy, joint secretary of the Statistics and Information Division, said the BMET's data only includes those

who went abroad for work, but not those who returned.

He further clarified that the BBS census is based on individuals who have been out of Bangladesh for at least the past six months.

Asked about the discrepancies, Planning Minister Mannan said

he would look into the matter.

Addressing the event, PRI Executive Director Mansur said the actual number of Bangladeshi citizens living abroad is likely aligned or just slightly higher than that reported by the BBS.

Md Kawser Ahmed, member (secretary) of the Bangladesh Planning Commission, said the difference between BBS and government statistics suggests that the former should take steps to unify the data.

Shahnaz Arefin, secretary at the Statistics and Informatics Division, suggested initiating talks with concerned ministries to reduce data discrepancies.

As per the BBS report, the country's total population is 16.98 crore, with 49.54 percent being male and 50.46 percent female.

The average population growth stood at 1.12 percent during the period under census (2011-2022) while it was 1.37 percent previously.

This was the first time that the BBS counted the number of people living in slums as well, revealing a total of 17.36 lakh residents.

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