

WORLD'S BEST GREEN FACTORY

# Bangladeshi RMG factory tops peer

STAR BUSINESS REPORT

In a testament to the garment sector's continuous sustainability initiatives, a Bangladeshi knitwear manufacturer recently broke a record of a local peer to attain the highest rating of an international green building certification agency.

SM Sourcing, a garment factory located in Gazipur, has scored 106 out of 110, the highest in the globe. It received the certification on Tuesday.

A brochure of the company states that they had worked on attaining energy savings of 30 percent, drinking water savings of 60 percent, increasing daylight use by 75 percent and meeting 15 percent of energy demand from renewable sources.

The previous record was held by Green Textile Limited Unit 4, a joint concern of Epic Group and Envoy Legacy of Bangladesh, which had scored 104 out of 110 at the start of this year.

The certifications are provided under a Leadership in Energy and Environmental Design (LEED) green building rating system of non-profit United States Green Building Council.

There are four certification categories with platinum being the highest, gold the second highest and silver third. There is also a fourth category for industrial units that just acknowledges the meeting of minimum requirements.

Currently Bangladesh not only has the highest rated but also the highest number of green garment factories in the world.

There are now 206 LEED certified green factories in Bangladesh, of which 76 are platinum rated, 116 gold, 10 silver and four just certified.

This year alone 24 garment factories received the certifications, of which 16 are platinum and 8 gold rated.

"We have 500 more factories in the queue to get LEED certification," said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), in a statement yesterday.

## Gold creeps higher



REUTERS

Gold prices edged up on Wednesday, buoyed by weaker Treasury yields, but bullion was still near its lowest in over three weeks as the dollar inched higher ahead of the US Federal Reserve's interest rate decision and policy outlook.

Spot gold gained 0.1 percent at \$1,981.29 per ounce, as of 0941 GMT. US gold futures rose 0.2 percent to \$1,996.30.

The dollar index rose 0.1 percent, making gold more expensive for other currency holders, but falling US 10-year Treasury yields lent some support to prices.

"Gold is repricing with what's happening in the yields market, because investors have been extremely confident that the Federal Reserve is going to cut rates quickly in the first part of 2024, now market is a less sure about it," said Carlo Alberto De Casa, market analyst at Kinesis Money.

The Fed's rate-setting policy committee will release its policy statement and interest rate decision at 1900 GMT, followed by Chair Jerome Powell's press conference at 1930 GMT.

"I expect the Fed to remain stable, if something is going to happen it will more likely happen in the second and third quarter 2024," De Casa added.

The Fed is expected to leave rates unchanged at 5.25 percent-5.50 percent, pricing in about a 75 percent chance of a rate cut in May, according to CME FedWatch Tool.

# Developing Asia to end 2023 on brighter note: ADB

REUTERS, Manila

Developing Asia will likely end the year on a brighter note, the Asian Development Bank said on Wednesday, with growth in the region expected to be stronger than previously thought due mainly to a recovery in China's economy.

The ADB raised its 2023 growth forecast for developing Asia to 4.9 percent from 4.7 percent projected in September, but kept its growth outlook for the region at 4.8 percent next year.

The ADB also revised upwards its growth projection for China to 5.2 percent from 4.9 percent previously, but maintained its growth forecast for the world's second-largest economy at 4.5 percent next year.

China's economy grew at a faster-than-expected clip of 4.9 percent in the third quarter, while consumption and industrial activity in September also surprised on the upside, supported by a flurry of policy measures that bolstered a tentative recovery.

The ADB said robust domestic demand, stronger remittances, recovering tourism were underpinning economic activity in

the region, which consists of 46 economies in the Asia-Pacific and excludes Japan, Australia and New Zealand.

Outlook for the sub-regions was mixed, with East Asia seen growing faster at 4.7 percent this year versus the ADB's 4.4 percent forecast in September, while Southeast Asia was projected to grow at 4.3 percent, slower than the previous forecast of 4.6 percent.

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South Asia was likewise expected to post stronger growth of 5.7 percent this year from 5.4 percent previously, with India's economy seen expanding at a faster clip of 6.7 percent this year.

Inflation in developing Asia was forecast to ease to 3.5 percent this year, down slightly from ADB's earlier expectation, before rising slightly to 3.6 percent in 2024.



A service partner of Sheba deep-cleaning an apartment in Dhaka. After launching in 2016, Sheba quickly captured the attention of urbanites by offering comprehensive solutions to common challenges associated with city living, such as cleaning, plumbing and more.

PHOTO: SHEBA

# Sheba's comeback story: A demonstration of resilience

MAHMUDUL HASAN

When facing a severe fund crisis, tech startups in Bangladesh, heavily reliant on foreign funding, are usually sold off at throwaway prices if not compelled to shut down entirely.

But despite facing a similar situation, Sheba has demonstrated resilience by securing funds from local conglomerates and now performing with robust promise.

"We are stronger than ever, retaining most of our employees," Adnan Imtiaz Halim, founder and CEO of Sheba, told The Daily Star in an interview.

"Our service delivery numbers are rapidly increasing, we've secured a payment service provider licence, and all our verticals are projecting strength," he said.

Sheba.xyz, the largest digital marketplace for household services in Bangladesh, underwent an existential crisis in May 2022.

Missing a round of foreign investment at the time, the local startup's leadership confronted a moment of truth: they had to lay off a majority of their employees and downsize operations for survival.

"For a year, we focused on sustaining, relying on Sheba's strength and resilience," Adnan said.

"We plan to reinstate operations with full vigour between May 2022-2023. Our objective is to formulate a robust comeback strategy, leveraging a

minimal workforce dedicated to this venture," he added.

However, the crisis did not solely stem from the missed round of investment.

After launching in 2016, Sheba quickly captured the attention of urbanites by offering comprehensive solutions to common challenges associated with city living, such as cleaning, plumbing and more.



Adnan Imtiaz Halim

Operating as an online connecting platform, Sheba.xyz facilitates service solutions for both users seeking services and the service providers themselves.

In 2019, the company launched Sheba Manager, a business app for managing offline and online shops.

The app offers a suite of tools to efficiently manage businesses, encompassing daily sales tracking, balance calculations, and detailed reports on business income growth, among other essential features.

Having gained popularity soon after its release, Sheba Manager currently has about one million users.

Sheba has since experienced remarkable growth, with the demand for its household services soaring to more than 1,000 orders per day.

From 50 employees based in a small house in Dhaka's Mirpur DOHS in 2016, the company's workforce expanded to 480 employees in the five years before the Covid-19 pandemic.

However, the onslaught of the pandemic on its operations was hard.

"The initial setback to our business came from the pandemic. We were compelled to suspend our household service entirely for several months," Adnan said.

"But the bright side of that gloomy time was that we provided 50,000 small businesses with food and financial assistance while Sheba Manager emerged as a very useful tool for them as well," he added.

The crisis escalated when an almost secured investment fell through as Sheba is not registered as a company of Singapore.

"We could not obtain legal clearance for the funds because of this," Adnan said.

As a result, Sheba was blindsided by a significant investment shortfall, which was like a "sudden storm" hitting its operations.

"We convened a town hall meeting to transparently address this crisis with our team. It was a time of great uncertainty, but we were committed to facing these challenges as a united family," he added.

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# World Bank warns of frauds misusing its name

STAR BUSINESS REPORT

The World Bank has warned people of Bangladesh of fraud schemes that might misuse its name promising loans in exchange of fees.

The global lender came up with the warning in a statement on Tuesday in light of recent reports of online loan scams using its name and logo in Bangladesh.

"The World Bank is warning general public of scams offering loans from the World Bank in exchange of fees," it said.

The lender does not provide loans directly to individuals and does not ask for any personal financial information.

Perpetrators have created Facebook pages and are using other techniques to impersonate the World Bank and lure payments using mobile banking.

"The World Bank has no involvement in such schemes, and we would like to caution you to be wary of these and other similar solicitations that falsely claim to be affiliated with the World Bank," the lender said in the statement.

# AFC Agro, South Korean firm to make molecular diagnostic kits

START BUSINESS REPORT

AFC Agro Biotech Ltd has entered into an agreement with South Korean firm Bioneer Corporation to produce a range of molecular diagnostic kits for the detection of mosquito-borne viral diseases such as dengue and chikungunya.

The agreement also aimed at making diagnostic kits for the detection of hepatitis B virus and various other transplant-related viruses, AFC Agro said in a posting on the website of the Dhaka Stock Exchange (DSE) yesterday.

AFC Agro will manufacture, refill and distribute Bioneer's molecular diagnostic kits in Bangladesh and other ASEAN countries, according to the posting.

"The kits will be used to diagnose a wide range of infectious diseases, including those that are currently difficult or expensive to diagnose."

Shares of AFC Agro closed unchanged at Tk 23.5 each on the DSE yesterday.

# Inditex heading for record earnings

AFP, Madrid

Zara owner Inditex reported a surge in third quarter profit on Wednesday thanks to dynamic sales and gradual price hikes they began introducing a year ago to tackle rising costs, setting itself up for a record annual profit.

During the three months which ended on October 31, the world's biggest fashion retailer posted a net profit of 1.59 billion euros, a 22 percent increase on the same period a year earlier.

That came in slightly above the 1.56 billion euros predicted by analysts as Factset.

The results mean that in the first nine months of the year Inditex earned 4.1 billion euros, equivalent to the record annual profit of 4.13 billion euros it posted in 2022.

Inditex, which owns seven brands including upmarket Massimo Dutti and teen label Stradivarius, pointed to strong sales, which grew by 11.1 percent over that nine-month period to reach 25.6 billion euros.



PHOTO: AFP/FILE

A combine harvests wheat at a field near Kivshovata village of Kyiv region. Known as the world's "bread basket", Ukraine grows far more wheat than it consumes and its exports contribute to global food security.

# Ukraine's wheat crop may drop

REUTERS, Paris

Ukraine could harvest its smallest wheat crop in 12 years next summer due to a further drop in planting in the war-torn grain-exporting country, Argus Media said on Tuesday.

In an initial projection for next year's crop, Argus estimated Ukrainian wheat production at 20.2 million metric tons, down from 22.2 million harvested this year.

That would be well below an average 25.9 million tons for the previous five years and mark the lowest output since 2012, Argus said in a note.

Cereal planting in Ukraine has declined since Russia's invasion as Kyiv has lost control of some territory while cash-strapped farmers have favoured more profitable crops like oilseeds.

Argus, which owns agriculture consultancy Agritel, said its forecast was based on an expected decline in Ukraine's wheat area to 4.55 million hectares from 4.65 million this year.