

The Apparel Story

এ্যাপারেল স্টোরি

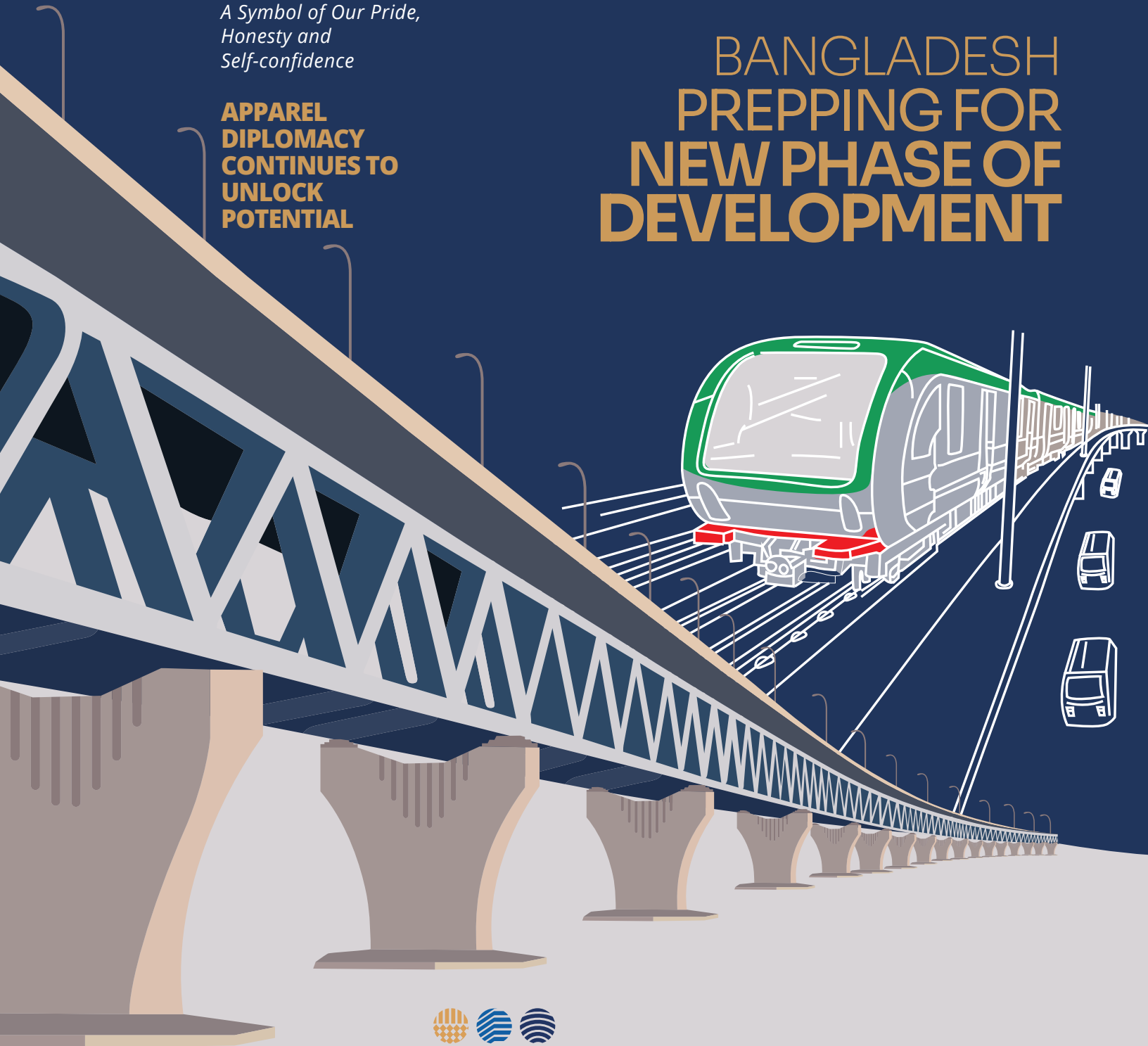
May - June 2022

PADMA BRIDGE

*A Symbol of Our Pride,
Honesty and
Self-confidence*

APPAREL DIPLOMACY CONTINUES TO UNLOCK POTENTIAL

BANGLADESH PREPPING FOR NEW PHASE OF DEVELOPMENT



BANGLADESH GARMENT MANUFACTURERS & EXPORTERS ASSOCIATION (BGMEA)

বাংলাদেশ পোশাক প্রস্তুতকারক ও রপ্তানীকারক সমিতি

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EDITORIAL

The Padma Bridge embodies indomitable spirit of Bangladesh, standing high as a symbol of our national pride and prosperity. Heartiest congratulations to Honorable Prime Minister Sheikh Hasina on presenting the nation with the Padma Bridge, a long-cherished dream that has finally come true, opening up a gateway to enormous economic opportunities. It's her visionary leadership, great courage and doughty determination that has made it possible to build the Padma Bridge with self-finance overcoming a sea of challenges.

Hopes are high on the bridge which is expected to increase the national GDP by 1.2 percent and create jobs for hundreds of thousands of people that would help to change the course of their lives for the better. The bridge will establish the much-needed direct road and rail communications between Dhaka and 21 districts in the southern region, leading to greater connectivity and trade across the country and thus spurring economic growth. In other words, the Padma Bridge connects Bangladesh to the path of prosperity that will lead to 'Sonar Bangla' as was dreamt by Father of the Nation Bangabandhu Sheikh Mujibur Rahman.

However, to reap optimum benefits of the bridge, comprehensive measures like setting up special economic zones with adequate industrial facilities and proper environment for attracting investment are required. And we are highly optimistic that we will be witnessing the boon of the bridge soon. It is really encouraging to see that the government has already working on implementing a number of mega projects like construction of the 3rd terminal at Hazrat Shahjalal International Airport in Dhaka, Matarbari Deep Sea Port, Rooppur Nuclear Power Plant, Karnaphuli Tunnel. The mega projects, once completed, would significantly improve connectivity in the country and accelerate trade by reducing cost of transportation and logistics.

There is no denying that economy of Bangladesh is expanding which reinforces the need for developing infrastructure to meet the growing demand of trade. It is evident from the rising export earnings of Bangladesh which crossed \$50 billion for the first time ever in the in 2021-2022 fiscal years, where apparel industry alone fetched \$42.61 billion. While boost in RMG exports is encouraging, we need to remember that increase in prices of yarn, chemicals and other raw materials in the global supply chain has pushed up production costs in garment manufacturing. In order to sustain in the competitive market, we have to diversify our products, especially to focus more on non-cotton value-added items, opt for technological upgradation in our garment factories, innovation and process optimization to enhance efficiency and productivity. We also need to grow in a manner that is sustainable and most importantly positively impact the environment and the lives of people.

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The Apparel Story



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The Apparel Story



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Build a more sustainable apparel industry

Bangladesh Prepping for New Phase of Development



In last one decade, Bangladesh has achieved an impressive track record of growth and development. With 8.3% GDP growth rate, it was seventh fastest growing economy in 2019. Under the prudent and visionary leadership of Prime Minister Sheikh Hasina, Bangladesh has emerged as the development surprise of South Asia. Our per capita income has reached USD 2824 from USD 676 in the FY 2008-2009. Poverty rate declined to 20.5%, both way trade increased from USD38

billion to USD100 billion during the same time. We have successfully achieved the milestone of 100% electricity coverage throughout the country. Foreign exchange reserve is crossing the records every month which is now at USD 42 billion. In the meantime, Bangladesh's global integration has also been intensified, which is reflected by the increased Remittance-GDP, Trade-GDP and FDI-GDP ratio. In its journey of becoming a trade oriented one economy from an aid dependent one,

geographical location of Bangladesh has given an extra edge to us. Surrounded by two mammoth economies and having Bay of Bengal at the northeastern side has been a blessing and will also play crucial role in coming days. After successfully implementing Vision-2021 and "Digital Bangladesh"; Bangladesh Govt. has undertaken a prospective plan to further develop the socio-economic condition of the country. The Government of Bangladesh has also

2022 A milestone year in Bangladesh's Infrastructure Development



- Padma Bridge inaugurated in June 2022
- Bangabandhu Tunnel will be inaugurated in October 2022
- Metro Rail will be flagged off towards the end of this year
- Patenga Container Terminal will be completed soon.

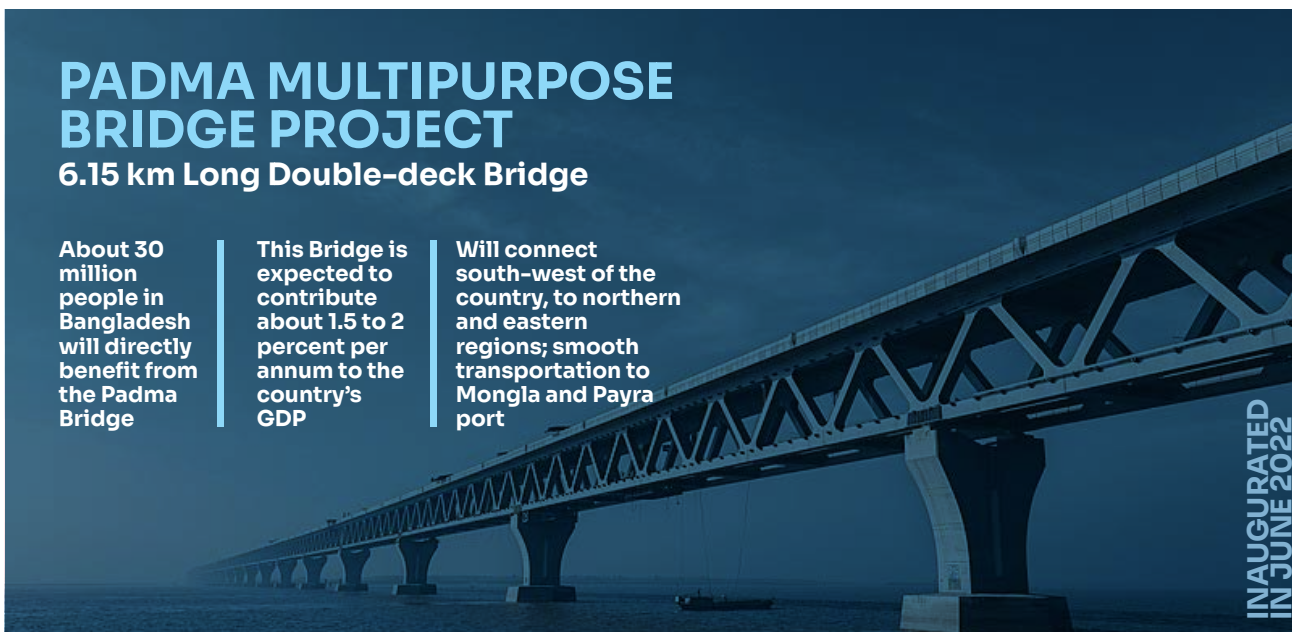
PADMA MULTIPURPOSE BRIDGE PROJECT

6.15 km Long Double-deck Bridge

About 30 million people in Bangladesh will directly benefit from the Padma Bridge

This Bridge is expected to contribute about 1.5 to 2 percent per annum to the country's GDP

Will connect south-west of the country, to northern and eastern regions; smooth transportation to Mongla and Payra port



INAUGURATED IN JUNE 2022

Source: World Bank, SANEM, The Financial Express, CPD

formulated a comprehensive development plan - the "Bangladesh Delta Plan (BDP 2100)", focusing on economic growth, environmental conservation, and enhanced climate resilience.

One thing is very clear from all of the plans, that like previous days, infrastructure will remain a key element in going forward as well. The ongoing list of mega projects, including Padma Bridge, Metro rail,

Elevated expressway, Eastern Bypass etc. will re-shape the face of our economy; once finished. Apart from that, The Chittagong Port, which handles ninety percent of country's total export is going through several development projects in order to increase its handling capacity and making it more efficient. For the very first time in history, direct vessel has started carrying products from Chittagong

port to Europe, saving both time and money. Along with that, a new terminal equipped with world class architecture and modern facilities is under construction at Hazrat Shahjalal International Airport (HSIA), Dhaka which is expected to boost country's trade a significant amount. This particular article will shed some light on the ongoing development projects of Bangladesh.

PATENGA CONTAINER TERMINAL (PCT)

26 Acres LAND

**JETTY LENGTH: 600
meter**

TOTAL BERTH: 03

**Annual CONTAINER
HANDLING CAPACITY:
0.5 million TEUs**

**Will be COMPLETED in
2022**

**16 acres of space on the
back yard of the jetty
where containers totaling
4,500 TEUs CAN BE
STORED.**



Due to faster transit and port support, buyers have been increasing order from Bangladesh. Switzerland based company Commodity Container shipping line has deployed 3 container ships which has started running between Spain, Netherlands to Bangladesh from end May22. Another UK based company is also planning to operate vessel between Bangladesh to UK and Europe. Some infrastructural development in port and private CFS is required. New entrepreneur should be encouraged in all respect instead of putting through plenty of unnecessary obligation. Priority should be given on CFS infrastructure, Logistics support, skilled and accountable equipment operators.

Mohammad Rashed
Chairman, Reliance
Shipping and Logistics

DHAKA MASS RAPID TRANSIT DEVELOPMENT PROJECT



**Metro Rail project will
save \$2.4 Bn each year
which is equal to 1.5%
of the national GDP**



**Will create
enormous
employment
opportunities**



**Annually, Dhaka city faces a loss of
\$4.4 bn due to traffic congestion,
which will be saved after the
inauguration of Metro Rail**



**Will ensure smooth
decentralization from Dhaka city
and balanced economic growth
across the country**

DHAKA ELEVATED EXPRESSWAY

The 46.73 km Dhaka Elevated Expressway stretching from Shahjalal International Airport to Dhaka-Chattogram highway, with 27 ramps of around 27km, is expected to help people cross the Dhaka without facing the huge traffic congestion within the city.

TO BE COMPLETED BY JUNE 2023

PROGRESS SO FAR
59% in first phase, 9% in second phase. Once implemented, around 80,000 vehicles will ply the expressway every day

FIRST PHASE
Airport to Banani Railway Station

SECOND PHASE
Banani to Moghbazar rail crossing

THIRD PHASE
Moghbarar to Kutubkhali



To overcome the limitations related to draft and LOA, sharp band in Karnaphuli channel, waiting time at outer anchorages, extra cost to shipping companies etc. at the Chittagong Port, Bay Terminal project is being implemented. In this terminal we will be able to handle vessels with 12 meter draft and 285 meter LOA. There will be no restrictions in night navigation as the channel will be wide and straight. Also there will be no waiting time at outer anchorages as the berthing and un-berthing of the vessels will not be dependent on tide. With these features Bay Terminal will be able to accommodate vessels with carrying capacity of 6000 TEUs. As a result the freight cost of cargo and container will reduce remarkably.

Rear Admiral M Shahjahan, Chairman, Chittagong Port Authority.

3rd Terminal at Hazrat Shahjalal International Airport (HSIA)

542,000 square meters total area	230,000 floor space	115 check-in counters	115 check-in counters
64 departure and 64 arrival immigration desks	Import cargo complex with a capacity of handling 273,470 tonnes per year	Export cargo complex with a capacity of handling 546,941 tonnes per year	

TO BE COMPLETED BY OCTOBER 2023

ROOPPUR NUCLEAR POWER PLANT

Rooppur NPP, the first NPP of Bangladesh, is one of the latest addition to the Russian VVER(Water-cooled Water-moderated Power Reactor) reactor plant of AES-2006 (VVER-1200,V-392M) technology by adopting the site specific safety features.

START:
Rooppur 1 - November 2017
Rooppur 2 - July 2018

OPEN DATE:
Rooppur 1 - 2023
Rooppur 2 - 2024
CAPACITY: 2400 MW



ROOPPUR NUCLEAR PLANT: Dome construction at Unit 1 begins SOURCE: TBS

CHITTAGONG BAY TERMINAL PROJECT



Expected to be completed in 2026



Will have rail and road connectivity



Ship fare to reduce by 30-40%



35 ships will be able to berth at a time



Container handling will be increased by 50 Lakh



Vessels with a draft up to 12 meters will be able to berth, whereas the current capacity is as high as 9.5 meters



We hope Patenga Container Terminal

will go into operation by July 2022. In this terminal we will be able to accommodate 3(three) container vessels and one liquid cargo carrying vessel.. You know the existing annual throughput capacity of Chittagong Port is 4.5 million TEU. The Planned annual throughput capacity of Patenga Container Terminal is 0.5 million TEUs. Adding this terminal in operation will enhance the present planned throughput capacity of Chittagong Port to 5 million TEUs. It will reduce port stay of vessel significantly.

Rear Admiral M Shahjahan
Chairman, Chittagong Port Authority.

Source: CPA

MATARBARI DEEP SEA PORT

First Deep Sea Port of Bangladesh

TO BE COMPLETED
BY 2026



Existing seaports in Chittagong and Mongla have to use **feeder vessel** for transferring containers to mother vessel which will be changed, once the deep sea port is built.

A channel of **250 meters width, 14 kilometers in length** and **18 meter depth** has been built to facilitate the entry of the vessel.

Chittagong Port Authority experimentally built two jetties for providing dedicated service to a power generation station and **witnessed 53 ships anchoring** in a single year

Bangabandhu Sheikh Mujib Shilpa Nagar

The First Smart City / Economic Zone of Bangladesh



LOCATION

-200 kilometers (km) from **Dhaka**

-60 km from **Chattogram**

-70 km from **Chattogram Port**

Why?

-Fully government-owned.
-**Direct access** to waterways.

-Gas, electricity, sweet water, access road, railways and sea port **ensured**

Major Investments

-BEPZA Economic Zone

-BGMEA Garments Park

-Kunming Iron & Steel Holding Company **A**

Apparel Diplomacy Continues to Unlock Potential



BGMEA leaders met with Dr Bärbel Köfler, Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development in Berlin.

Business models and trends followed four decades ago are obviously not the same as they are seen in present time. As business dynamics have been changing over times, companies too are adapting to newer landscape in order to sustain in the competition. If we look at the eventful journey of our RMG industry, we see the sector has gone through myriad challenges and gained strengths and experience while addressing them. Having secured the glorious position as the second largest apparel exporter in the world, Bangladesh's apparel is now at crossroads – enormous opportunities at one side and a lot of challenges on the other side. While

the industry is putting efforts to scale up its capabilities to take up the future challenges, the need for apparel diplomacy is being felt more than ever to unlock our potential, especially at a time when Bangladesh is on the track of graduating from the LDC category which will led changes tariff regime in our exports. In such context, we have to continue our apparel diplomacy so that we can ensure favorable access to our export markets in the post-LDC era. As part of our efforts to promote the RMG industry and realize untapped potential, I along with Board members of the Bangladesh Garment Manufacturers and Exporters

Association (BGMEA) have recently visited Germany and met with high officials of Germany's Federal Ministry for Economic Affairs and Climate Action and the Federal Ministry for Economic Cooperation and Development. Germany is the single biggest export destination for Bangladeshi apparel with more than USD 5 billion of exports last year. The delegation, which was accompanied by Ambassador of Bangladesh to Germany Md. Mosharraf Hossain Bhuiyan, ndc and Md. Saiful Islam, Commercial Counsellor of Bangladesh Embassy in Berlin, included BGMEA Vice President Miran Ali, Directors Barrister Vidiya Amrit Khan, Neela



BGMEA delegation led by President Faruque Hassan met with Director-General of ILO.

Hosna Ara and Chair of BGMEA Standing Committee on Foreign Mission Cell Shams Mahmud. We held a meeting with Dominik Schnichels, Director General of the Trade Department at the German Federal Ministry of Economics and Climate Change, in Germany on June 2. We had discussed the issue of LDC graduation, its implications on the economy of Bangladesh and preparedness to continue journey forward in the post-LDC era. We also talked about the future priorities of the industry to retain its export competitiveness in the global market in the post-LDC era. We apprised Dominik Schnichels of the RMG industry's paradigm shift in the area of workplace safety and impressive strides in environmental sustainability. BGMEA has pledged to "Green Button Initiative" of the German government. The "Green Button" initiative is the 1st ever state-owned global seal on environmental sustainability. It looks into all aspects of sustainability of the apparel product. We also briefed him about how the apparel industry of Bangladesh showed remarkable resilience during the Covid-19 pandemic and turned around from the fallout. The meeting concluded with a note of optimism that German government's friendly support for the betterment of

Bangladesh RMG industry will continue in the coming days. We also met with Dr Bärbel Kofler, Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development in Berlin on June 3. We discussed possible scope ways of expanding Bangladesh's trade with Germany and further deepening the relationship between the two countries. We sought Germany's support in the continuation of duty-benefit for Bangladesh in the European Union for 10 years after the graduation from LDC to facilitate smoother transition. The BGMEA delegation was invited to take part in a textile round table on the road to sustainability and

transparent supply chain, organized by OAV – German Asia-Pacific Business Association, the German importers and the Embassy of Bangladesh in Berlin and hosted by Wunsche Group. In the event we have highlighted our industry's achievements in the areas of workplace safety, environmental sustainability and workers' wellbeing and also our future priorities in sustain the growth of the sector. Miran Ali, Vice President, BGMEA; Christian Moritz, Managing Director of Fashion, Wunsche Gruppe; Almut Roessner, Executive Board Member, OAV; Dr. Michael Arretz, CEO, VFI; Christian Ewert, Global Director, TEDD - Trusted Experts on Due Diligence, and Md.



The BGMEA leaders met with thought leaders of Copenhagen Business School (CBS) in Denmark



BGMEA leaders met with Dominik Schnichels, Director General of the Trade Department.



The BGMEA delegation took part in a textile round table on the road to sustainability and transparent supply chain, organized by OAV – German Asia-Pacific Business Association, the German importers and the Embassy of Bangladesh in Berlin and hosted by Wünsche Group.



Meeting with the CEO of BESTSELLER.

Saiful Islam, Commercial Counselor, Embassy of Bangladesh in Berlin, also spoke at the round table. We also visited the headquarters of Miles, a leading German fashion company, in Hamburg. This was the first-ever visit by a delegation from BGMEA to Miles, one of the largest importers of apparels from Bangladesh for the last 25 years. BGMEA President Faruque Hassan requested Miles to strengthen its partnership with their Bangladeshi suppliers in enhancing capabilities, particularly in manufacturing

valued-added garments. The BGMEA delegation paid a courtesy visit to CEO of BESTSELLER Anders Holch Povlsen in Copenhagen, Denmark. BESTSELLER is one of the world's largest fashion groups sourcing from Bangladesh. The CEO of BESTSELLER expressed hope that BESTSELLER would increase sourcing garments from Bangladesh. We paid a courtesy visit to Johan Sigsgaard, Global Head of Ocean Products - Senior Vice President and Ms. Camilla Jain Holtse, Vice President, Head of Public Policy &

During our tour in Europe, we have had a meeting with Guy Ryder, Director-General of the International Labour Organization at the ILO headquarters in Geneva on May 31 where we emphasized the need for fair prices to make the apparel industry more sustainable, positively impacting the well-being of garment workers. Production costs in garment manufacturing have gone up due to increase in prices of yarn.

Regulatory Affairs at A.P. Moller – Maersk, at the headquarters of Maersk in Copenhagen, Denmark. We called upon Maersk to operate direct shipping from Bangladesh on international routes, especially to Europe. Mohammad Bakhtiar Rana, Associate Professor of International Business and Strategy, International Business Centre, Aalborg University, Denmark hosted a networking dinner in honor of the BGMEA delegation in Copenhagen. We discussed the “Circular Economy in Bangladesh’s



The BGMEA delegation members attended a networking dinner hosted by Mohammad Bakhtiar Rana, Associate Professor of International Business and Strategy, International Business Centre, Aalborg University, Denmark.



The BGMEA delegation visited the headquarters of Miles.



The BGMEA delegation paid a courtesy visit to the headquarters of Maersk in Copenhagen.

Apparel Industry (CREATE)” project which will provide us with research-based knowledge and policy recommendations and strategies that BGMEA, the government, and European brands can consider in creating a green circular ecosystem in Bangladesh which will be connected to global apparel value chain, and eventually help us to closing the loop locally. We also met with thought leaders of Copenhagen Business School (CBS) including Gavin Bridge, Professor, University of Durham, Gary Gereffi, Duke University (Visiting Professor

of CBS), Martin Skrydstrup, Associate Professor, Department of Management, Society and Communication CBS, Søren Jeppesen, Associate Professor at CBS, SMEs, CSR, Entrepreneurship and Employment, Peter Lund-Thomsen, Ph.D. Professor, Corporate Social Responsibility/Sustainability in Developing Countries, CBS in Denmark. The Copenhagen Business School in connection with an ongoing project on global value chains and climate change organized this joint dialogue to understand about status quo, strategic plans and

ongoing activities of the Bangladesh apparel industry. We discussed the advancement of the industry in the area of sustainability in recent times. Industry has recently been engaged in a number of new (national-level and international-level) initiatives including LEED factories, the international Sustainable Terms of Trade Initiative, RMG sustainability, UN fashion industry charter for Climate Action.

During our tour in Europe, we have had a meeting with Guy Ryder, Director-General of the International Labour Organization at the ILO headquarters in Geneva on May 31 where we emphasized the need for fair prices to make the apparel industry more sustainable, positively impacting the well-being of garment workers. Production costs in garment manufacturing have gone up due to increase in prices of yarn, chemicals and other raw materials in the global supply chain and shipping charges, so it’s important that prices offered by buyers should reflect the reality and rationality.

We are highly optimistic that our diplomatic efforts will help to strengthen engagement with our stakeholders and unlock potential of the RMG industry of Bangladesh. ^A

Faruque Hassan is the President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA)

Padma Bridge: A Symbol of our Pride, Honesty and Self-confidence

Its economic impacts



**Mosharraf Hossain
Bhuiyan**

Padma Bridge project is the dream project and a project of pride for the 170 million people of Bangladesh. This bridge was dreamed by Prime Minister of Bangladesh Sheikh Hasina. When her party Awami League formed the government in

1996, She became the Prime Minister. Sheikh Hasina visited Japan in 1997 when She sought Japan's assistance for the construction of the Padma bridge. A prefeasibility study was conducted in 1999 which indicated the viability of a bridge on the mighty river Padma. Based on the preliminary feasibility study conducted by Japan JICA, Prime Minister Sheikh Hasina laid the foundation stone of the Padma bridge on 4 July 2001 at the Mawa point near the river at the fag end of her tenure. The official final report of the feasibility study was received in 2005. After that the preliminary work such as land acquisition plan, resettlement action plan, preparation of the project document etc. were started. The work of the Padma bridge project got new dimension when the Awami

League led by Sheikh Hasina again came to power through the free and fair election held in December 2008. Sheikh Hasina formed the government on 6 January 2009. Within a few days of her assumption of power, the design consultant Mansell-AECOM was appointed. In consultation with the Bangladesh Bridge Authority (BBA) under bridges Division the design consultant took an accelerated programme of eighteen months to prepare deign, tender documents etc. and to help BBA in the Tendering process.

Three development partners Viz-World Bank, Asian Development Bank (ADB) and Japan (JICA) agreed to provide loans for the construction of the bridge. Later Islamic Development Bank was also included in the project as a development

partner. Loan Agreements were signed between Bangladesh government and the development partners within June 2011. The World Bank agreed to provide soft loan worth US dollar 1200 million, ADB to provide US dollar 615 Million, JICA to give ODA equivalent to US \$ 430 Million and IDB to provide US \$ 140 Million.

I was associated with the project as Secretary, Bridges Division and Executive Director BBA since February 2010 and conducted the activities in relation to the bridge project.

During continuation of the Tender process of 5 packages of the bridge project work such as main bridge, river training, approach road, service area, supervision and Management consultancy the lead partner World Bank made allegation of corruption conspiracy in the Tender process of supervision consultancy. A vested quarter from Bangladesh send emails from two fictitious addresses to the Integrity Vice Presidency (Int) of the World Bank. Based on these emails the integrity officers conducted investigation and came to a decision of believing the corruption conspiracy. However, during their investigation they did not inform or consult the Bangladesh government. The integrity officers even did not discuss with the Dhaka office of World Bank.

The World Bank high officials met the Prime Minister Sheikh Hasina on September 2011 and made allegation of corruption in the Padma bridge project officially. Prime Minister did not believe the corruption allegation, rather she asked World Bank officers to submit proof of their complaint. Meanwhile, World Bank lodged allegation to the Royal Canadian Mounted Police (RCMP) against a Canadian Company named SNC-Lavalin for corruption conspiracy. Later in June 2012 World Bank cancelled the loan agreement with the government of Bangladesh for the Padma Bridge construction. It is well understood that some influential persons of Bangladesh also conspired with the World Bank to stop the construction of the bridge. Some media and the members of civil society in Bangladesh blamed the government

The work of the Padma bridge project got new dimension when the Awami League led by Sheikh Hasina again came to power through the free and fair election held in December 2008. Sheikh Hasina formed the government on 6 January 2009. Within a few days of her assumption of power, the design consultant Mansell-AECOM was appointed.

for alleged corruption. The Finance Minister took an attempt to bring back World Bank in the project. The government agreed to accept some ingenuine proposals of the World Bank. The Anticorruption Commission (ACC) lodged a case (FIR) against some officers involved in the project including myself. I along with two other officers were sent to the jail to 'satisfy' the World Bank. However, the World Bank did not start the operation of the project, rather was killing time in the name of investigation. At last, the Prime Minister rejected the loan proposal of the World Bank. Other co-financiers-ADB, JICA and IDB also refrained from financing the project. The Prime Minister declared that the government will construct the mega project out of its own resources. The bridge construction started in 2014 and was finally completed in 2022. It costed about 3.6 billion US dollar (about 30 thousand crore taka). The bridge is 6.15 kilometers above the river and total 10.48 kilometers including road and rail viaducts. It is a double deck bridge-the railroad passes through the

lower deck and the roads for buses, taxis etc. passing through the upper deck.

On a thorough investigation by ACC the corruption allegation was not proved and the accused persons were acquitted of the charges on August 2014. The Canadian Federal court also dismissed the case and the accused persons were honorably acquitted of the charges in 2017. The Prime Minister inaugurated the constructed bridge on the 25 June, 2022 for vehicle movement. This bridge is one of the biggest bridges in Asia and the second largest bridge in the world on the river. The Padma bridge is the symbol of our economic ability and self-confidence. The self-confidence and courage that the Prime Minister showed to undertake such a mega project from our own resources proved that Bangladesh is really progressing economically. It has elevated the position of the country as well as the Prime Minister to a new height in the world.

The Economic Impact of the Padma bridge is unbounded. It has connected 21 districts of the south and south western area of Bangladesh with the eastern part including the capital city. The bridge has shortened the travel time by 4-5 hours and reduced hassle and risks of ferry and launch transportation. Direct transportation through trucks, lorries and trains will facilitate movement of agricultural commodities from southern districts to eastern part and ensure fair prices for the farmers. It has been estimated through studies conducted by JICA and World Bank that country's GDP will grow by 1.23 percent and regional GDP of the southern and western area opposite to the bridge will rise by 2.5 percent per annum. Some districts particularly Sariatpur, Madaripur, Faridpur, Gopalganj, Khulna, Jessore, Narail, Bagerhat, Satkhira, Barisal and Patuakhali will be connected under an economic corridor. Economic activities in the field of agriculture, industry, tourism and service sectors will rise many fold. Some big industrial groups of the country have already been planning to establish industries near Dhaka-Khulna-Jessore highways in both sides of the bridge. Economic zones, high tech parks, Eco parks,



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tourism centres, resorts will be established and foreign investors will also be attracted. Sunderbans, Kuakata beach, Bagerhat, Tungipara and also new areas will be developed as tourism areas and attract tourists from home and abroad. Mongla and Paira sea ports will be operated in full scales and their ship and container handling will also rise. Export industries will also be established and flourished in commodities like Jute, Textiles, RMG and frozen fish. With the use of the seaports and easy transportation lead time of exports will be minimized with the use of the Padma bridge. On the other hand, pressure on the Chittagong port will be minimized. The country's southern part will be linked with trans Asian highways (N-8) and trans Asian Railways.

The neighboring countries India, Nepal and Bhutan may also use our ports and transportation facilities which will benefit all of our countries.

Padma bridge is the symbol of our financial ability and our technical capabilities. Local technical experts, engineers, workers and construction companies acquired experiences of constructing a mega project which will be used in the construction of future infra-structure projects. Our continuous economic development, GDP growth and progress in different social indicators are recognized worldwide now. The Prime Minister of Bangladesh sheikh Hasina, the daughter of our father of the Nation Bangabandhu Sheikh Mujibur Rahman has proved herself to be a self-confident and courageous leader by constructing the Padma bridge with our own resources. I, myself, is also proud to be associated with the preliminary work of the Padma bridge. [Ⓐ]

The author was the former Senior Secretary and Chairman, NBR. At present the Bangladesh Ambassador to Germany



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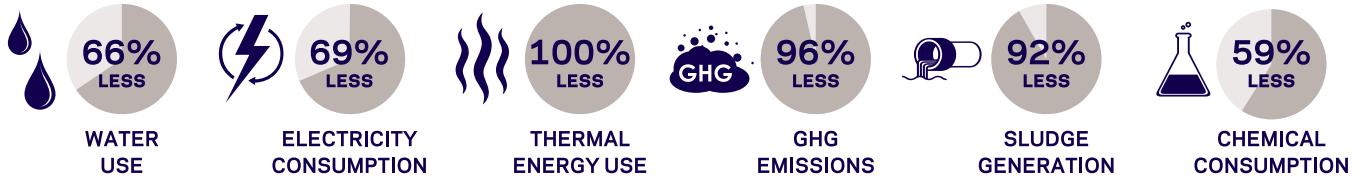
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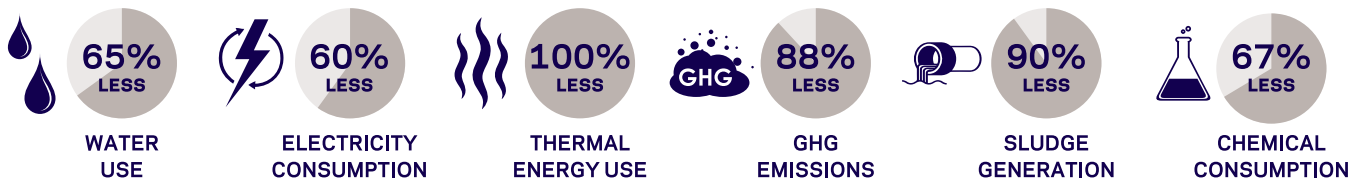
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- *1- NC5(3Y GSBN8) <Silver>
- *2- NH3(3Y GSBN8) <Antique Silver>
- *3- NWTS <White Silver>
- *4- NBLK <Black>
- *5- NCOP <Copper>
- *6- NACP <Antique Copper>



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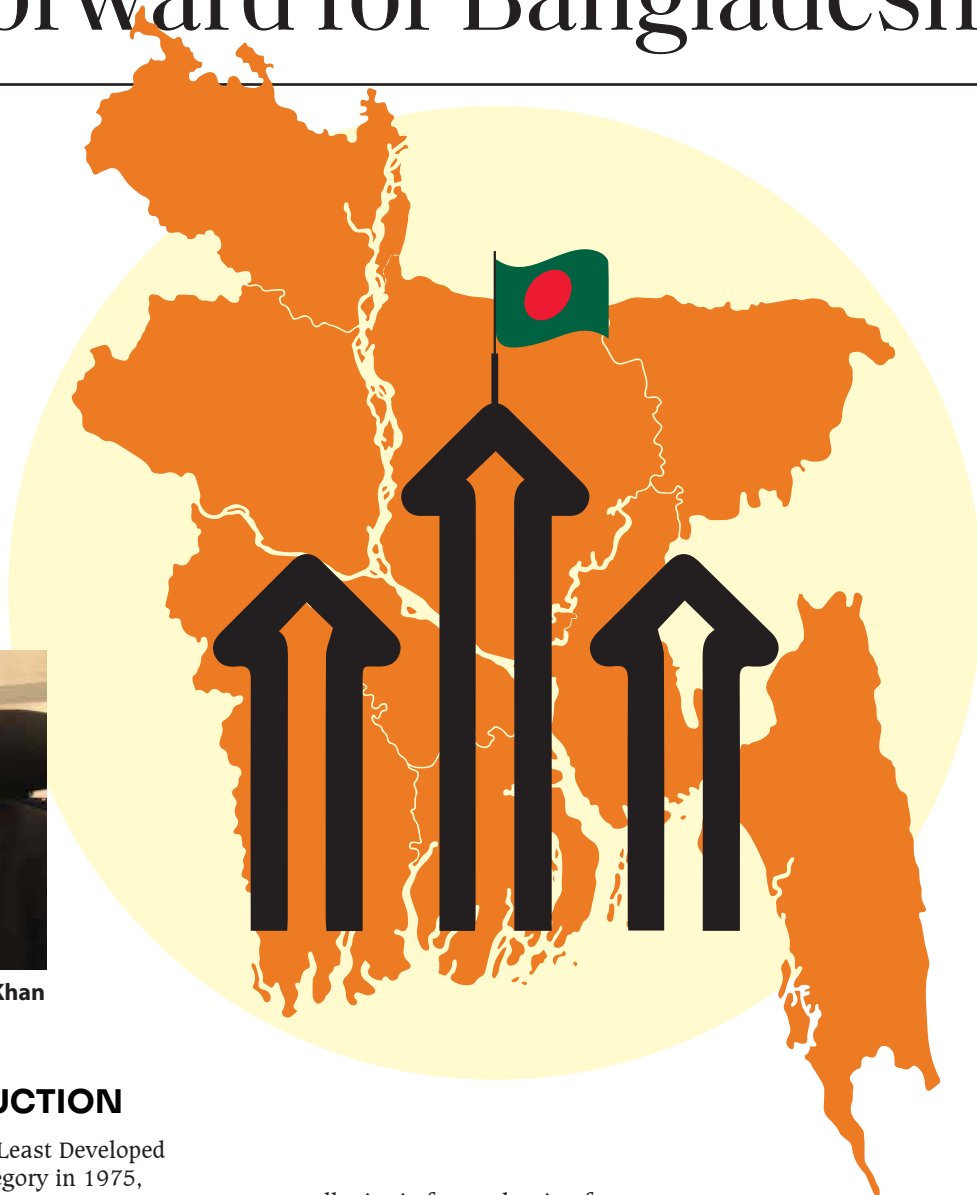
YKK BANGLADESH PTE LTD.

Graduation from LDC Status:

Possible Challenges and Way Forward for Bangladesh



Dr. Mostafa Abid Khan



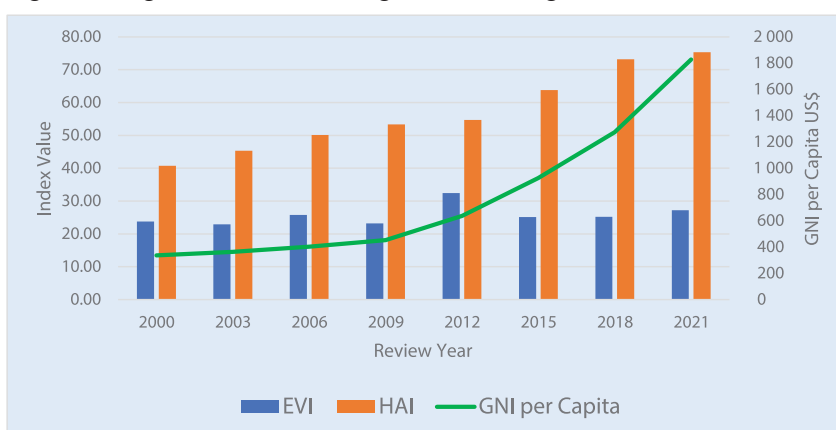
A. INTRODUCTION

After inclusion in Least Developed Country (LDC) category in 1975, Bangladesh is set to graduate from the LDC status after 50 years in 2026. Thanks to visionary and targeted policy of the present government Bangladesh is in the rapid growth trajectory. As per World Bank's classification Bangladesh already upgraded to lower-middle income country from low-income country in 2015. Steady economic development of Bangladesh over the last decade enabled Bangladesh to

meet all criteria for graduation from LDC criteria first time in 2018 Triennial review of the United Nation Committee for Development Policy (UNCDP, which is unique among the LDCs that already graduated or are in the process of graduation. Despite Economic slowdown due to COVID-19 pandemic, Bangladesh met again all three LDC graduation criteria in 2021 Triennial review in February 2021. Consequently,

UNCDP has recommended to graduate Bangladesh to graduate from LDC status in 2026, which was endorsed by United Nations Economic and Social Council on 8 June 2021. As the UN General Assembly already took note of the recommendation in November 2021, Bangladesh will finally graduate from LDC status in 2026. As per

Figure 1: Bangladesh towards meeting the criteria for graduation from LDC status



Source: Author's presentation on the basis of data available from UNDESA

UNCDP Triennial Review, GNI per Capita of Bangladesh has registered an increase from US\$ 453 to US\$ 1,827 during the period between 2009 and 2021. During the same period Human Asset Index has improved from 53.3 to 75.3, although economic vulnerability index has slightly deteriorated with an increase from 23.2 to 27.2 due to inclusion of environmental vulnerability (Figure 1). Entire population of Bangladesh embraced the decision of graduation with pride. Graduation from LDC status will take Bangladesh to new trajectory, which necessitates changes in policies. Creation of LDC group among the developing countries was initiated in 1971 with a view to helping these countries to

foster economic development through support measures. Accordingly, over the period the international community has come up with various international support measures (ISM), such as reduced contribution to international organizations, travel support for participating in international conference, financial support for various initiatives, duty-free and quota-free treatment, special and differential treatment in implementing the obligations under various WTO agreements and enhanced opportunity for training in order to develop human resource capacity in LDCs. Naturally, once Bangladesh graduate from LDC status, these support measures will no longer be available. One may

compare this with the situation in the family. When a child in a family graduates from university, it is assumed that the child will earn himself and stands on his own feet. He will no longer need any support for his parents. This assumption is equally true for an LDC, which graduates from LDC status. It is, therefore, necessary to carefully assess the international support measures and their impact on economy and accordingly, take actions so that discontinuation of ISMs does not break development trajectory of Bangladesh.

B. Assessment of International Support measures available to Bangladesh and

Bangladesh has the access to various ISMs available to LDCs. It is well-recognized that Bangladesh have been able to utilize these ISMs effectively. Following paragraphs give a brief assessment of ISMs utilized by Bangladesh and possible implications of discontinuation of those measures after graduation.

a. Reduced contribution to various international organization

As an LDC, Bangladesh makes reduced contribution to various international Organizations. Once graduated from LDC category contribution is likely to increase substantially depending on GNI and per capita GNI to be reached by Bangladesh at the time of graduation. Table 1 gives a synopsis of likely increase of contributions to the international organization. However, this increase is unlikely to have any adverse implication of graduation as Bangladesh currently has the capacity to meet the requirement.

B. Technical Cooperation And Other Forms Of Assistance

As an LDC, Bangladesh receives support in forms of technical assistance, travel support, priority training for LDCs etc. LDC status of Bangladesh also allows access to the Enhanced Integrated Framework (EIF) to receive financial and technical assistance on removing obstacles to trade development. Bangladesh also receives legal

Table 1: Current contributions and likely increase of contribution after graduation

Organization	Scale of assessment	Contribution in 2018	Likely increase in scale of assessment (rough estimate)
World Trade Organization	Share in total global trade	CHF 316,710	No impact after graduation
International Labour Organization	0.01 percent of total regular budget (Maximum for LDCs)	CHF 37,876	0.06-0.09 percent of total regular budget
World Health Organization	0.01 percent of total regular budget (Maximum for LDCs)	US\$ 47,840	0.06-0.09 percent of total regular budget
World Intellectual Property Organization	Class Steer (1/32 unit)	CHF 1,424	Class S(1/8 unit)
International Telecommunication Union	1/8 of the contribution Unit of CHF 318,000	CHF 39,750	1/4 of Contribution Unit
United Nations	0.01 percent of total regular budget (Maximum for LDCs)	US\$ 268,813	0.06-0.09 percent of total regular budget
Contribution to Peacekeeping Budget	Level J (90 per cent discount on its regular budget assessment of 0.01 per cent= 0.001 percent of peacekeeping budget)	US\$ 26,881.3	90 per cent discount on its regular budget assessment (0.06-0.09 percent)

Sources: Estimated by the author using official documents of the international organizations
Source: Author's presentation on the basis of data available from UNDESA

support from Advisory Centre on WTO Law on WTO matters free of cost and 90% deduction in legal fees for WTO disputes. After graduation from LDC status, such support will not be available. However, under the EIF graduation from the LDC category will not immediately affect EIF support since the EIF adopted smooth transition provisions in July 2010 for countries leaving the LDC category. Accordingly, a graduating LDC has access to EIF benefits automatically for five years. Support from UN on technical assistance and travel may also continue for few years after graduation. However, with regard to WTO, Bangladesh upon graduation, may lose travel support for the WTO Ministerial Conference, training courses especially designed for LDCs and LDC preferences in other training and workshops. Support from ACWL will also not be available after graduation. Such support will have minimal implication for Bangladesh, since the Government of Bangladesh is now allocating resources for capacity development of the Government officials.

c. ODA and other forms of development financing

Over the period Bangladesh has reduced its dependence on ODA. As present, ODA represents less than 2% of the GDP. Bangladesh receives development assistance from bilateral, regional and multilateral agencies. According to available

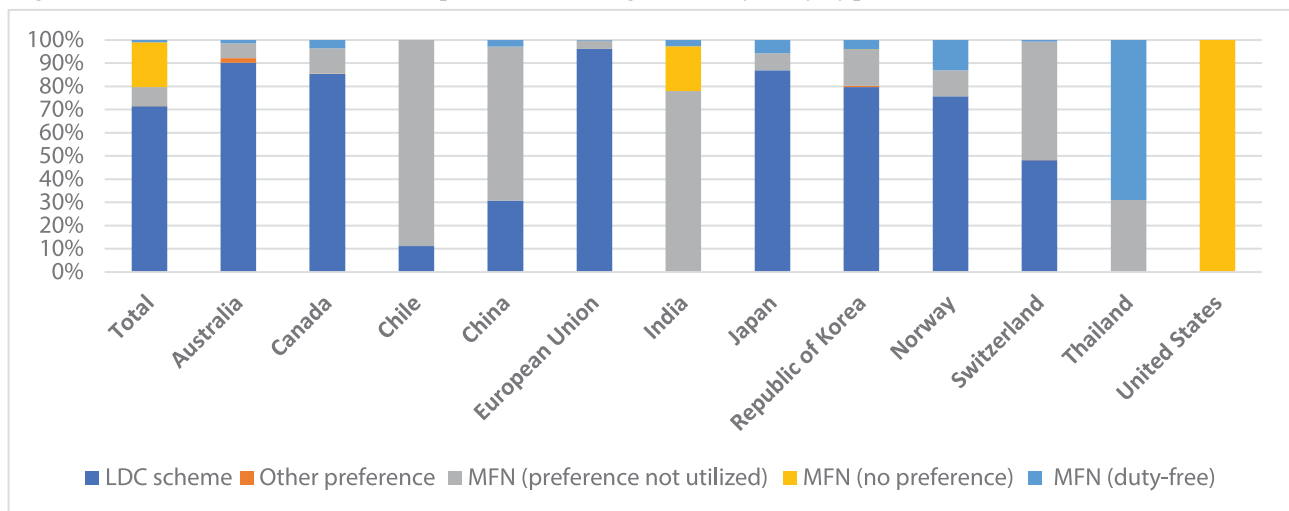
information, the bilateral assistance generally appears guided by humanitarian, economic or political considerations, not by the LDC status of the country. Similarly, access to funds from regional and multilateral agencies does not depend on LDC status but on income status. Only exception is the Least Developed Countries Fund (LDCF) established by the United Nations Framework Convention on Climate Change (UNFCCC) to support LDCs in carrying out the preparation and implementation of National Adaptation Programmes of Action (NAPAs). Upon graduation Bangladesh will have no access to this fund. It appears that likely impact of graduation from LDC category on ODA is minimum.

d. Duty-Free and Quota-Free market access from developed and developing countries

As of now, Bangladesh, as an LDC receives DFQF market access treatment in developed country markets such as Australia, Canada, New Zealand, Japan, European Union, Switzerland, Norway, Russia and Iceland. The United States suspended the GSP benefit for Bangladesh in September 2013. It also receives DFQF market access treatment in developing countries such as China, India, South Korea, Thailand, Chile, Taiwan and Turkey. Moreover, it enjoys LDC preference under SAFTA and APTA, with full DFQF market access in India under

SAFTA. Unlike other graduated LDCs, Bangladesh has been able to fully utilize the opportunity of DFQF market access. According to an estimate carried out by the WTO, 71 percent of global export of Bangladesh enter duty-free in major export destinations under DFQF market access schemes of the WTO members (Figure 2). Besides, Bangladesh also exports to India and other countries of regional groupings availing of the preference granted by partner countries for LDCs. Among those, most prominent is the European Union, which is the destination of more than 50 percent of Bangladesh's total global export. Moreover, DFQF treatment by developed countries is associated with relaxed rules of origin for LDCs. When Bangladesh will graduate from LDC category in 2024, Bangladesh will no longer avail DFQF market access opportunity in those countries. Only exception is the European Union, which as a policy, continues to provide DFQF treatment under Everything but Arms (EBA) initiatives for next three years starting from the date of graduation. Turkey is likely to provide the same treatment since it follows the EU regulations. After graduation, preferential treatment under GSP schemes of the developed countries will still be available but with less coverage and preference and with more stringent rules of origin criteria. However, Preferences

Figure 2: Preference utilization: imports from Bangladesh by duty type



Source: Trade impacts of LDC graduation Insights from country-specific market access analyses, WTO Secretariat, May 2020

granted by developing countries and under regional groupings will not be available after graduation. Therefore, it is likely that loss of DFQF market access will pose a huge challenge for Bangladesh's export after graduation. Most recent estimate carried out by WTO shows that overall loss of export of Bangladesh after graduation will likely be around 15%. This loss will be substantial in the markets of Canada, Japan and European Union due to increase of tariffs to around 14.47%, 8.89% and 8.91% respectively. Possible negative impact on export needs special attention of policy makers and private sector.

e. Special treatment regarding WTO Agreement-related obligations

As of now, Bangladesh, as an LDC, does not require to comply with TRIPS obligation most importantly for pharmaceutical products and it is allowed to provide export subsidies on non-agriculture products and certain types of subsidies to agriculture products. It is not deniable that exemption from TRIPS obligation enabled pharmaceutical industry in Bangladesh to produce generic medicine and even patented ones taking the advantage of exemption from TRIPS obligation by not giving patent protection to any pharmaceutical products and to provide medicine to general public at affordable price. As of 2021-22 the Government of Bangladesh BDT6,639.13 crore as cash incentive to export, which gave around 2.3% price advantage to exporters receiving cash incentives. Besides, exporters also receive several types of financial supports through reduced interest rates, tax exemptions etc. All these support mechanisms need to be adjusted once Bangladesh is graduated from LDC status. Graduation from LDCs will require compliance with the TRIPS obligation, which means that Bangladesh will have to provide intellectual property protection to all products including pharmaceutical and establish a viable intellectual property regime. This will pose significant challenge for the Government as well as private sector. Graduation from LDC will

also require undertaking additional obligations under the WTO. Moreover, once graduated, Bangladesh will have to undertake enhanced obligation in new areas of negotiations.

C. OPTIONS FOR BANGLADESH

Among the challenges that Bangladesh will face after graduation, most important are the negative consequences in export due to loss of DFQF market access and flexibility in providing subsidies to export and in pharmaceutical sector due to loss of flexibility in providing patent protection for medicine.

a. Option for facing the challenges emanating from loss of Preferential market access and flexibility in providing export subsidies

As per decision of the UN General Assembly, Bangladesh will graduate from LDC status in November 2026. So, five-year period is available to take action for keeping the momentum of export after graduation. Increasing competitiveness of export through various policy reforms is obviously a desired option. However, ways for retaining the market access facilities and creating new market opportunities may be equally investigated. There are many ways but those are associated with numerous challenges.

First, there might be an option to pursue for a decision by the WTO for continuing duty-free access for certain period or gradually phasing out this access within certain period for the graduated LDCs as per call of UN General Assembly Resolution. As of now, in response to the UN call the European Union including the United Kingdom officially declared to continue duty free access to the graduated LDCs for three years after graduation. No other preference granting countries have come forward with such decision. Since a number of LDCs are already on the way to graduation and some have already met the criteria for the first time, there is a concern among the LDCs about the future loss of DFQF market access, which led LDC group in Geneva to make a submission to

the WTO with a request to take decision to extend special and differential treatment including DFQF market access to the graduated LDCs for a certain period after graduation. It should be borne in mind that the WTO is now in existential crisis. At this moment, it is exceedingly difficult to reach consensus on this issue, which is political in nature. There are other challenges as well. More than half of the LDCs are not on the way to graduation. Moreover, all graduated LDCs do not have significant negative effect of loss of preference. So, the major challenge will be to mobilize all LDC in the group, so that all LDCs equally advocate for the outcome. Besides, it is not certain that all developing countries will give support to this submission, as they compete with the LDCs in the world market. The opposition received from some developing countries while adopting Hong Kong Ministerial decision on DFQF market access for LDCs should be borne in mind.

Second, since Bangladesh also enjoys special preferential access as an LDC under regional Trading Arrangements like SAFTA and APTA, it may be worthy to explore how such access may be continued after graduation specially from India under SAFTA. SAFTA contains a provision to extend LDC preference to Maldives after graduation. Therefore, Bangladesh may explore the possibility to extend this facility to all graduated LDCs. However, institutional arrangement under SAFTA is non-functional for long time, the major challenge will be to make it functional and pursue for extension of facilities to the graduated LDCs. This is a major challenge and realization of this goal will be not easy.

Third, Bangladesh may also think to approach bilaterally to preference granting countries simultaneously with the effort in the WTO. It may help to get support of the development partners for a positive decision in the WTO. Besides, in case the WTO fails to reach consensus on the decision on extension of DFQF market access facilities to the graduated LDCs, arrangement may be made with

individual development partners to extend the facility to Bangladesh. Extension of DFQF market access by China to Samoa after graduation is a reference in this regard.

Fourth, GSP scheme of the European Union should be given special focus since export to the EU constitutes a major share in Bangladesh's global export. The GSP scheme of the EU contains GSP+ facility, which is targeted towards supporting countries with vulnerable economies through providing duty free market access to wider range of products under certain conditions. While the conditions of current GSP scheme are lack of diversification of export to the EU and small share of import from the beneficiary country into the EU, the revised GSP scheme, which will be effective from 1st January 2024, proposes to withdraw the condition of import share. In addition to those, GSP+ beneficiary country needs to ratify 32 international conventions relating Core human and labour rights, the climate, environment and good governance principles and faithfully implement those so that relevant bodies responsible for monitoring the convention do not produce any adverse report on implementation of those conventions. Withdrawal of import share paves the way to Bangladesh to apply for GSP+ . However, meeting the requirements of ratifying 32 international convention is key to avail of GSP+ benefit. More over, application of termination of GSP+ benefit for

textiles and apparel will pose new challenge for Bangladesh even if Bangladesh is qualified for GSP+ . Furthermore, Bangladesh aspires to upgrade to upper middle-income country in 2031. If it happens, Bangladesh will no longer be eligible for GSP facility.

Above options are targeted towards keeping the momentum of export through continuing the preferential access currently available to Bangladesh. However, there is no certainty whether these options will be materialized. Materialization of these options will depend on external factors and there is no indication of having success in those options. Even, Bangladesh succeeds to get these supports, those will be available for limited period. Therefore, it is necessary to search for other options on how Bangladesh can keep the momentum of export. This option could be to engage in free trade area agreements with the countries of major export destination through providing reciprocal market access treatment to partner countries. Such an option needs major policy reforms. In the twenty-first century, trade agreements go beyond preferential tariff treatment to focus on deeper integration issues. These agreements take shape of Comprehensive Economic Partnership Agreements, where issues outside the World Trade Organization Agreements(WTO) are addressed. Historically, Bangladesh is not aggressive on participation in

regional trading arrangements. Starting from 1976 Bangladesh has signed 4 regional preferential trading arrangements, 1 bilateral preferential trade Agreement, 1 global preferential trading arrangement and 2 free trade area agreements (FTAs). Among the 2 FTAs (SAFTA and BIMSTEC FTA) only SAFTA has come into force. Besides, extent of tariff liberalization under these agreements including SAFTA and coverage of issues are very narrow and impact on two-way trade with other participating countries are exceptionally low. It is evident from the little experience that Bangladesh has in negotiating FTAs and the focus of modern FTAs that Bangladesh has to go long way for effectively negotiating FTAs. Towards this end, the country has to take preparation in the key areas. These are:

First, it is important to decide how the country foresees the extent of trade coverage. As regards the issues covered under WTO i.e., trade in goods and trade in services, all border duties and restrictive restrictions must be eliminated on substantially all trade in goods with partner countries and service must cover substantially all sectors, if it is established under Article XXIV of GATT 1994 and Article V of GATS as per requirement of those articles. Most importantly, Bangladesh may establish FTAs with developed countries only under those articles. There is an option to establish FTA with developing countries under



Enabling Clause with less stringent requirement. However, FTAs signed by the developing countries in twenty-first century are notified under article XXIV of GATT 1994. So, Bangladesh might not have other option but to negotiate FTAs with 90 per cent trade coverage, which will be challenging if corrective measures are not taken before signing an FTA. Second, Bangladesh has limited export products. Notably, apparel constitutes more than 80 per cent of country's total export. Moreover, apparel mainly is exported to developed countries and it is so because of the fact that around 70 percent of global import is absorbed by the developed countries. Therefore, if Bangladesh signs FTAs with the developed countries, the country may see the export benefit in retaining the market in these countries, since all developed countries except the United States grant DFQF market access in apparel to Bangladesh as an LDC. However, there are other challenges in signing FTAs with developed countries. On the other hand, it is nearly impossible to foresee any export benefit in signing FTAs with developing countries with this narrow export basket. Any assessment of impact of FTAs with developing countries will obviously show the minimal export benefit. Therefore, diversification of export products is a pre-requisite of engaging FTAs with any countries especially with developing countries. Diversification may require tariff and FDI policy reforms, massive programme for quality human resource development and investment in quality infrastructure. Third, focus of modern FTAs has shifted dramatically from traditional emphasis on market access to other measures such as services, investment, competition policy, intellectual property rights, government procurement, state trading enterprises, labour, environment etc. While many developing countries are ready to form FTAs with narrow coverage, developed countries demand wider coverage in FTAs. Coverage of these areas will require undertaking obligations rather than creating new opportunities except in trade in

services. Till now, Bangladesh is not exposed in these areas in international forums. Therefore, there is a need for comprehensive assessment of related policies, their compatibility with standards followed in other FTAs and status of liberalization in these areas before entering into negotiations of FTAs in order to assess how far Bangladesh may go in these areas.

Fourth, despite considerable trade liberalization over 1990–2005, average customs duty in Bangladesh are among the highest in developing countries. While average customs duty in Bangladesh is around 15 per cent, average border tariff becomes twice if regulatory and supplementary duties are added. FTAs require elimination of all border taxes imposed solely on import. Accordingly, Bangladesh must eliminate customs duty along with supplementary and regulatory duties. This may result in decline in border tax revenue, if not compensated by increased import resulted from reduction of border taxes and expansion of economic activities. Moreover, gradual reduction of border taxes will also put competitive pressure on domestic industries, which are being protected through high tariff for long time. Most importantly, elimination of border taxes only for FTA partner countries leads to high trade diversion, which has negative impact on consumer welfare. Therefore, if Bangladesh enters into FTAs with existing high tariff regime without reducing it prior to the date of entry into force, costs of FTA will likely to be higher than the benefits of FTA. Tariff policy reform is now therefore, call of the time, if Bangladesh wants to seriously consider entering into FTA.

b. Options for facing the challenges emanating from loss of flexibility under TRIPS

Loss of flexibility will likely have adverse impact on pharmaceutical industry as well as to public health. Meeting the challenges will not be so easy. Bangladesh may continue to make best effort to get extension in the WTO. However, it will not be so easy. That is why, it is important to search for domestic policy option. In this regard, speedy implementation

of API park will be particularly important. The Government may consider on how patent law will be formulated specially focusing on exhaustion of patent rights keeping in mind the TRIPS Provision and Declaration on Public health.

D. CONCLUSION

Bangladesh is going to enter into an era of reciprocal treatment from an era of non-reciprocal treatment. This obviously put enormous challenges to the economy. However, Bangladesh is now in new phase of development. Infrastructural bottlenecks, which has been major bottleneck in enhancing the competitiveness, are no longer a hurdle. Uninterrupted power, water and gas are available without any failure. Transport communication is now much better than earlier. The Government has been allocating huge resources for infrastructure development. New industrial zones are being developed. Now, there is a need to take a concrete and bold decision to diversify export and increase competitiveness through reform in FDI policy and practice and tariff policy and targeted investment for human resource capacity to develop a knowledge-based economy. Bangladesh has successful evidence of meeting challenges. When Bangladesh entered into global market on apparel, the Government took a historic and bold decision to allow duty-free import of raw materials for export of apparel under bonded warehouse facilities being fully aware of the possibility of leakage in the domestic market. This policy yielded enormous benefit to the economy of the country by expanding our export, generating employment specially for the women and most importantly empowering women. We all expect that the Government, policy makers and the private entrepreneurs will certainly come up with initiatives to face the challenges and take appropriate decision to keep up the momentum of export. **A**

The Author is Trade Policy Analyst and Trade Negotiator and former Member of Bangladesh Trade and Tariff Commission.



Bangladesh apparel industry needs to make more focused efforts in the Japanese market to explore more business opportunities.

H. E. Mr. ITO Naoki, Ambassador of Japan to Bangladesh

Japan is a promising export destination for Bangladeshi garments. In an exclusive interview with *The Apparel Story*, H.E. Mr. ITO Naoki, Ambassador of Japan to Bangladesh, shares his thoughts on ways to strengthen business partnership pertaining to the RMG sector, and Bangladesh's potential in the Japanese market. He also sheds light on the ways drawing Japanese investment in Bangladesh, increasing garment exports to Japan, creating stronger brand image of Bangladesh and other important issues.

What do you like most about Bangladesh?

The first thing that I like most is the hospitality of the people of Bangladesh. Whenever I ask someone from Bangladesh, where is the best Bengali restaurant in town? All of Bangladeshi people will say, "That is my home". That shows how Bangladeshi people attach strong importance to hospitality, particularly hospitality at home.

Japan has been a growing market for Bangladesh's apparel sector. However, Japan sources only 4% of its total clothing import from Bangladesh. What strategy should Bangladesh follow to further penetrate Japanese fashion market, and how can Japan help us in this regard?

I don't know whether this 4% is small. If you look at your exports to Japan, 80% or 90% of them are actually textile products and that is also growing. And Japan used to be the largest import market for Bangladesh in Asia. Only recently your exports to India have been surpassing that of Japan. But we have been providing the largest export market to Bangladesh and I think also this market is growing. So I think that is something you should recognize first. Our trade has a good track record. That is why we can have some more room for further collaboration or expansion of your export to Japan from Bangladesh. Bangladeshi products are starting to establish themselves in the Japanese market. I think the prospect is very promising and I'm hopeful that this 4% figure will grow to 10% or 20% or whatever. But it all depends on the efforts which will be made by those manufacturers in textile industry here. Of course, it's important to have increasing number of Japanese apparel manufacturers here to make direct investment. But at the same time, the Bangladeshi garment companies need to look at the Japanese market more. So far I think your focus is on European market and the US market.

But if you know that the Japanese

I don't know whether this 4% is small. If you look at your exports to Japan, 80% or 90% of them are actually textile products and that is also growing. And Japan used to be the largest import market for Bangladesh in Asia.

market is a promising market and expanding market, and if you think that you should explore more of the opportunities of business with the Japanese market, then it is Bangladesh apparel industry that needs to make more focused efforts in the Japanese market. So you can send business mission, BGMEA mission to Japan or can participate in investment road show in Japan, which will be organized by Bangladesh Securities Exchange Commission. You have to look at your internal investment climate if you want to have more Japanese companies to manufacture here, then you have more tangible impact in terms of exports from here to Japan.

You are going to have a Special Economic Zone in Araihasar which will be completed by the end of this year. So, surely some Japanese companies will start operating there from the early part of next year. But you really need to provide a very good investment environment in the newly establishing special economic zone, even in the already existing export processing zones. If I may take one example, that is the export subsidy which is available for RMG companies in exporting their products to new markets. If you are a type C company (100% domestic company), then you can get a 4%

cash incentive in exporting your RMG products to new market, including Japan. Whereas if you are a type A or a type B company (100% foreign or joint venture), you will not get any cash incentive. It doesn't make sense as a policy. So if you really want to have more exports to Japan, I think you should focus both on the domestic companies as well as Japanese companies. Then you should provide the level playing field. You should give the same level of export incentives to foreign companies. There are various areas that you can work on to have more Japanese companies, apparel manufacturers, textile makers coming here. But overall, important thing is BGMEA and those member companies in BGMEA should make better use of market opportunities. I think opportunities are there. The Japanese companies are ready to buy Bangladeshi textile products because you are gaining good reputation, even among the Japanese consumers. Now Corona is being subsidized. I think opportunity is really opening up for you and this is what you call 'apparel diplomacy' by BGMEA President Faruque Hassan. It's working really well in the other parts of the world. So my strong hope and expectation are that with the apparel diplomacy by BGMEA President Faruque Hassan, we will see its heyday in Japan sometime later in the year.

Consumers are increasingly shifting towards e-commerce for online shopping, which has been intensified after the Covid-19 pandemic. How do you see the consumers' buying pattern to digital marketplace in Japan?

I think it's the same whether the consumers are in Bangladesh or in Japan. E-commerce or digital market will be the main areas consumers will be looking at. I think this trend will be intensified down the line. So it's important the manufacturers and exporters will look at digital market more so that they can exploit increasing number of potential buyers of their products. There is no option but to pursue that course of

trend of the market, and particularly the younger generations are very much willing to buy things through Internet. They have no hesitation or reluctance to buy things without actually looking at them. So there is a big difference from the pattern of consumption from older generation and the younger generation. I'm sure that the apparel and textile industries are looking at the younger generation even more. Then I think you can really explore the possibility of cooperation with Japanese companies through Internet or through the system of settlement of account, as well as a distribution of products. Also, you might like to feature some of social media influencers, or bloggers or the actors or singers whoever. If you can feature them through the Internet, e-commerce or Internet sales network, they might have very positive impact on the minds of Japanese consumers.

Japan and Bangladesh are celebrating 50 years of their diplomatic relations in 2022. As an LDC, Bangladesh currently enjoys duty-free market access in the Japanese market. What are the immediate steps that should be taken so that this partnership continues and Bangladesh can linger this benefit, which will be mutually beneficial for Japanese Consumers? (e.g. extending the GSP facility for another 10 years/ FTA etc). Also, how Bangladesh can improve its position from 4th apparel exporter to Japan market?

Yes, this year Japan and Bangladesh are celebrating 50th anniversary of diplomatic relations. Even on the economic front, we have been even developing further our business partnership and economic relations. I talked about a special economic zone Araihaazar in Bangladesh which will be ready by the end of this year. Line-6 of Dhaka Metro will start operating also in December. And even last weekend we celebrate the inauguration of a

new hospital, Ship International Hospital, in Uttara, Dhaka. That's the first hospital which was constructed and managed by a joint venture between Japanese company and Bangladeshi company. Already you have been seeing a very positive outcome of business relations this year. And we know that there are some new projects to be completed before the end of this year. Also, as you know, the constructions of third terminal at Hazrat Shahjalal International Airport in Dhaka and Matabair Deep Seaport are going on while Bangabandhu Railway Bridge is being constructed over the Padma river.

In parallel to the ongoing mega infrastructure projects, it is my strong hope that from this milestone year we will be able to expand trade and investment. Then your question comes into this possibility of expanding trade and investment. Yes, I think it's important for Bangladesh to expand garment trade, garment exports to Japan in order to even promote our business partnership further. Then the Bangladesh side's hope, expectation and request is to continue its duty-free access preferential treatment from Japan. But you are going to graduate from LDC status, and the Japanese system doesn't allow the government to unilaterally extend this LDCs GSP preferential status. We need to have a new agreement that is on the same flows of the trade in both directions. So then the vehicle we can come up with is Free Trade Agreement (FTA) or Economic Partnership Agreement (EPA), that is more comprehensive, much deeper than FTA. Bangladesh side already requested our government to start a joint study or feasibility study of free trade agreement about one and a half years ago. Now the Japanese government is considering this possibility. Once we conclude free trade agreement, that's going to be a mutually beneficial arrangement. So my hope and expectation are that we'll be able to start this joint study or feasibility study of FTA or EPA later in the year. But I think you also need to be aware of the fact that this is a negotiation to bring about agreement for mutual benefits. Now 98% of Bangladeshi

exports based on the tariff lines are duty free. But the Japanese companies want to reduce the tariffs on some of the products coming from Japan to Bangladesh. So obviously the negotiation needs to be involved to arrive at a new agreement. We might suggest having a more comprehensive agreement, including trading services or investment rules, intellectual property rights or customs cooperation, or even trade facilitation. This may sound a little bit daunting task for you, but I'm sure that if you come up with such a comprehensive agreement, economic partnership agreement, that will lead Japan and Bangladesh to be more economically interdependent, intertwined. And that sort of agreement will be the vehicle with which Bangladesh economy will be integrated into regional and global supply chain. We hope that it will be able to seek a better, more comprehensive solution to this issue of market access from Bangladesh to Japan.

In the upcoming days, growing eco-consciousness and sustainability concerns will increase the demand for non-cotton and functional fabrics. With the strength of Demographic dividend, mega infrastructure, policy flexibility etc. Bangladesh is also preparing itself for catering to foreign direct investment. How do you think Bangladesh and Japan can collaborate, particularly drawing investment in the area of non-cotton textiles?

I have learned that is a challenge how you can develop your textile industry into non-cotton or man-made fibre area. When I had a chance to visit the Korean EPZ in Chattogram, I saw factories there engaged with man-made fiber material production. So that is one of the future directions of the industry here. As you rightly pointed out at the beginning, Bangladesh's exports to Japan are not really diversified. That is why mainly cotton products are exported, but

surely down the line if you are able to export more diversified products from here to Japan, then I think Japanese companies will see the need to make investment into non-cotton area, too. I know that some of the Japanese companies are talking about the possibility of investment in man-made fibre manufacturing here in Bangladesh. When there will be enough demand for any materials inside Bangladesh, then new textile material manufacturing companies will come to Bangladesh. So I think all of those elements we discussed today are interlinked. That is why I think there is a good possibility that the Japanese companies will be able to come to this field. Also you might like to look at organic cotton. You mentioned non-cotton, but all organic cotton is less burdensome on the environment. The consumption of water is much less, by more than 90% less. That's the production process of organic cotton. So on top of this non-cotton investment, you might like to try introduction of organic cotton use in the production.

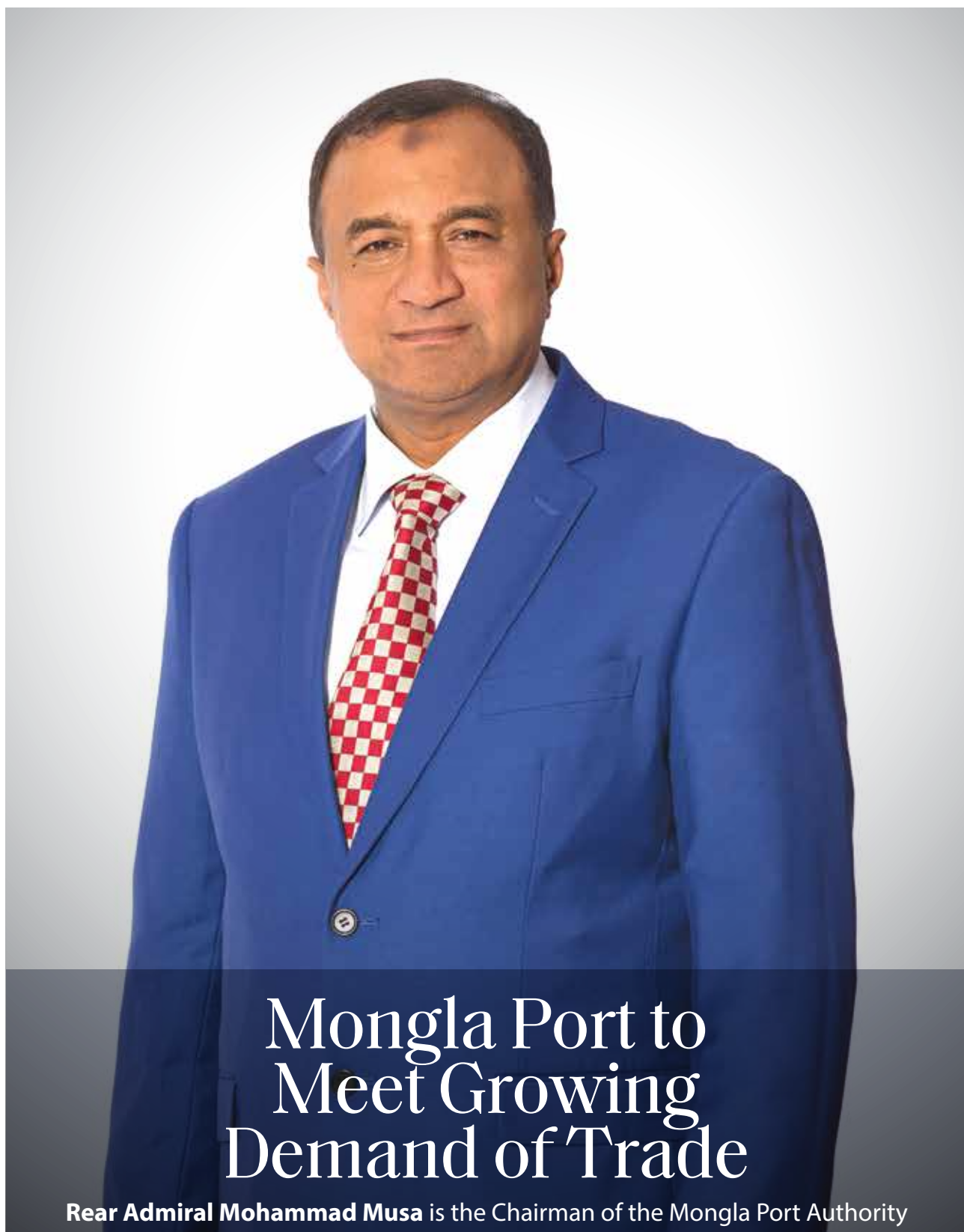
Even though Bangladesh is the second-largest apparel exporter in the world and international brands and retailers are sourcing “Made in Bangladesh” products; Bangladesh still has a lagging in creating its unique brand image. Since Japan is now successfully implementing a Market-in approach to promote its product and services in the world market, how do you think Bangladesh can achieve excellence in that segment by following Japan’s footsteps?

Bangladesh has already been able to create a brand image globally. And that's why you have been so successful in entering into market on a global basis. You may want to explore more. That's why you talk about the importance of branding Bangladesh. But you know, even in Japan now, you see many textile products are made in Bangladesh,

Bangladesh has already been able to create a brand image globally. And that's why you have been so successful in entering into market on a global basis. You may want to explore more. That's why you talk about the importance of branding Bangladesh. But you know, even in Japan now, you see many textile products are made in Bangladesh, leather products made in Bangladesh.

leather products made in Bangladesh. And the people do like and enjoy using those 'made in Bangladesh' products. If you exhibit all of those products coming from Bangladesh in trade fairs in Japan, all of us will be amazed to see how vast are the products coming from Bangladesh. The first thing is we can be more confident on 'Made in Bangladesh' products. That is already a brand which is liked by Japanese consumers. However, Bangladesh would like to create stronger brand image. But I can tell you that establishing brand image is not a very easy thing to do. Even Japanese companies, they had rather hard time in the past. When the Japanese textile manufacturers

started to export shirts to the U.S.A., the American consumers said, “Oh, this is just a cheap dollar shirt”. So there was no brand image there for Japanese products. But they did the market research. They made efforts to sell products going around every corner of the consumer market in the U.S.A., even in Africa. Establishing brand image requires a lot of efforts by companies. Another difficulty here is that it is not Bangladeshi companies which are selling products. It's different from home electronics or other types of products. It is Bangladeshi companies producing garment products on behalf of buyers. Then how we can establish the brand image of Bangladesh? I think that's another challenge. But at the same time, it's very important for you to sell the image of Bangladesh as a country. You can increase the sales expansion, trade expansion in foreign countries that will lead to new brand image. Also, if you can improve the quality of products you produce, that will also contribute to the enhancing your brand image. I don't think there is any panacea on this, but down the line I'm sure that the Bangladeshi products will be more in favor of Japanese people. But in parallel to the efforts of the companies, ease of doing business here, good investment climate, and success of a special economic zone in Araihasar in Bangladesh are equally important. Or even how citizens in Dhaka enjoy taking public transportation, namely Dhaka Metro, which will be ready next year, even if you use the Dhaka Metro in that way it is expected. That can also create a new image of Bangladesh. So I'm really hoping that through this 50th anniversary, we will be able to step up the level of cooperation and also to deepen mutual understanding. That will also help to improve the image of Bangladesh, the perception of Bangladesh. But I'm really hopeful and optimistic that Japan-Bangladesh business partnership will develop further and mainstay will be the textile products. I have every confidence in the future of RMG industry in Bangladesh. **A**



Mongla Port to Meet Growing Demand of Trade

Rear Admiral Mohammad Musa is the Chairman of the Mongla Port Authority

In an exclusive interview with The Apparel Story, he shares how the Mongla Port will enhance the capacity of handling increasing volume of export-import, thus contributing to meet the demand of expanding trade in Bangladesh. He also talks about the development projects taken by the Mongla Port Authority to increase its capacity and efficiency.

It is anticipated that Mongla Port will be highly beneficial once the Padma Bridge comes into operation. What is your opinion regarding this?

The Padma Bridge is not only the dream project of the Mongla Port Authority but also a dream bridge of our nation. The Chalna Port was shifted to Mongla at present location to function as the second seaport and south-western economic gateway of our country. Initial master plan for the port dictated to construct 11 jetties with hinterland connectivity. However, the said construction was limited to 5 jetties as only waterways provided connectivity with capital and major hinterlands.

It used to take more than 24 hours to reach Mongla from Dhaka by waterways. The said time reduced to about 14 hours after construction of Mongla-Fakirhat-Gopalganj-Tekerhat-Mawa Road (via ferry). The alternative route

Mongla-Khulna-Jessore-Dauladia-Paturia-Manikganj took more than 16 hours.

The Ministry of Shipping, the BIWTC and the Mongla Port Authority had organized several meetings and decided to launch dedicated ferry service on the Padma River to transport cargos destined for Mongla Port to and from Dhaka. Unfortunately, BIWTC could not materialize the decision due to several reasons. In this context, handling of import/export cargos of Dhaka within a couple of hours remained as a nightmare for the Mongla Port Authority. We are excited to mention that opening of Padma Bridge allows us to travel Mongla-Dhaka route in less than 4 hours time thus turning our dream into reality.

About 70-80 percent of the imports and export cargos of Bangladesh are being generated from Dhaka and its adjacent areas. Now, Mongla Port is the closest seaport from the capital. For easy communication and shortest distance, a great opportunity will be opened up for Dhaka based import and export cargos, especially for ready garments. So, the demand of the Mongla Port will increase manifolds. Moreover, having no congestion of

Economy of Bangladesh is one of the fastest growing economies in Asia. More than 90% of our trade takes place by sea. Global sea-borne trade is growing about 3.4% every year. Mongla Port Authority foresees that at a higher rate in Bangladesh perspective. Mongla Port needs to handle that additional trade volume and looks forward to utilizing the opportunity for expansion.

ships and containers at Mongla port, there will be no time wasted in transporting cargos. In short, Mongla port will be highly benefited with the opening of the Padma Bridge.

Moreover, ease of transportation will inspire growth of different types of industries along Dhaka-Mongla highway and Mongla EPZ, which will boost handling of cargoes in Mongla Port.

With the development of the economy, the volume of export and import has also been increased, which is difficult for the Chittagong Port to handle. Please share some of the recent activities and developments taken by the Mongla Port authority to further enliven the second largest seaport of Bangladesh to meet the growing demand of trade in the coming days?

Economy of Bangladesh is one of the fastest growing economies in Asia. More than 90% of our trade takes place by sea. Global sea-borne trade is growing about 3.4% every year. Mongla Port Authority foresees

that at a higher rate in Bangladesh perspective. Mongla Port needs to handle that additional trade volume and looks forward to utilizing the opportunity for expansion. To meet up these additional demands efficiently and effectively, Mongla Port Authority has undertaken various development projects. Glimpses of these projects and their outcome are enumerated below: Capital dredging in outer-bar, inner-bar and Rampal areas to facilitate ships over 9 meters draught. Maintenance dredging in Pussur River to maintain the channel at desired depth. Construction of additional 6 jetties with container terminals to accommodate more ships at berth and cargo.

Procurement of 14 support vessels (under two separate packages) to handle additional ships arriving at port and provide better services. Construction of dedicated jetties for support vessels.

Construction of multi-storied car yard to accommodate more imported vehicles.

Installation of surface water treatment plant to provide required fresh water to visiting ships and stakeholders working in and around port premises.

Preparation of a strategic master plan for further expansion of port facilities in near and far future.

Establishment of modern waste and spilled oil management to ensure pollution free port operation and sanctity of World Heritage Property the Sundarbans.

Establishment of mechanical workshop, marine workshop with slipway to enhance ship repair and maintenance capacity.

Expansion of main road to 6 lanes and internal roads to 4 lanes to handle increased traffic.

Up-gradation of Mongla Port to enhance administrative and residential facilities under Line of Credit.

After completion of these projects, it is projected that Mongla Port will be able to handle about three thousands of ships, 4 crore MT ton cargo, one million TUES containers, 30 thousands of cars annually. We are sanguine that the Mongla Port Authority will be able to meet the trade needs and expectations of our business communities. **A**

The Bridge to Development



Barrister Shehrin Salam Oishee



Bangladesh recently evidenced the historical moment marking the inauguration of the Padma Bridge on 25th June 2022, inaugurated by the Hon'ble Prime Minister Sheikh Hasina. The bridge was a dream seen several decades back by the Father of the Nation, Bangabandhu Sheikh Mujibur Rahman, the visionary leader who dreamt of Bangladesh grooming in its highest developmental state and progressing amongst the major nations in the world. Might sound like an overstatement when a whole nation is synonymously addressing the Padma bridge with development, but its very true indeed. The bridge is a symbol of national aspiration and must not be used as a means of

transportation only but must be realized as a corridor of economic growth. It carries significance for Bangladesh on several accounts. There is a strong confidence factor here – the bridge is the ultimate testament on how a country with limited resources can achieve its goals only if there is determination and a powerful leadership, of none other than Bangladesh's Hon. Prime Minister Sheikh Hasina. The Padma Bridge shall build the strong connectivity of 21 South Western districts with the Capital, Dhaka. The internal connectivity along with regional connectivity will further strengthen. The Bridge shall write the new tale of development for that region with the aim of

making quality of life standardized, employment options bloom, flourish economic development and add immense value in the in 4th industrial development. New corridors for employment and income will be created. The transportation system will improve as movement of people will be enhanced. Supply chains within the country shall be connected better. People from the south-western region are further expected to have better access to education, healthcare and other services, something that which was seen to quite a dotting task for the quite neglected region. This will not only allow people to move to urban areas easily, but enormous opportunities



shall also come to the rural areas. The Padma Bridge is estimated to increase the GDP of the country by appx. two percent. It will benefit about three crore people across 21 South-Western districts of Bangladesh. The Bridge shall further house a parallel railway system which is soon to be completed as well. This shall contribute another 1 percent to the GDP of the country. The share of the agriculture sector to the GDP of the country has significantly declined with the emergence of non-farm activities in the rural areas, lately. This will be facilitated by several factors including better communication and connectivity, further strengthening the ties across the states connecting

all the stakeholders in the agriculture sector. The same happening for the fisheries sector. The lack of proper connectivity had previously taken several lives as well. When critical patients were to be transported to the capital from the south-western districts, often some breathed their last while waiting in the queue to be loaded on the ferry. Such sad stories marked many families with endless grief throughout their lives. But the scenario is no longer the same now. Ambulance drivers were hopeful about the new ease in travelling and expressed satisfaction on not having to see their patients pass in front of their eyes, merely due to length of journey. The same shall be for

people seeking legal support to and fro from the capital while heading to the highest Court in the land, The Supreme Court of Bangladesh. The Padma bridge shall create a strong internal demand for this area. There will be a need for sub-bridges, roads, express ways, and all these must be constructed on a fast track basis.

The economic growth of any economy is greatly depended on a reliable infrastructure, and they are mutually beneficial. Studies have found positive relationship between infrastructure and economic output in many countries. This happens through gross domestic capital formation, employment, trade and human capital. Good infrastructure enhances productive capacity and improves competitiveness of a country.

Since 2015, Bangladesh has been working towards fulfilling the Sustainable Development Goals (SDGs) by 2030. Bangladesh has achieved the pointers for graduating from the LDC, and by 2027, the full process shall be completed. Now the nation aspires to become a developed country by 2041.

As the 4th industrial revolution is on the go, the Padma Bridge shall have an enormously positive impact on the future growth of the industries in the nation. The country's main foreign exchange earner, the readymade garment (RMG) industry of Bangladesh houses for 81% of the exports of the nation and shall experience a steadfast growth with the increased connectivity with the South-Western regions now. Most of the nation's knitwear and garment facilities are located in the capital Dhaka and the port city of Chattogram. But we will be able now set up many RMG and other industries in the south and South-Western parts, with increased interest of the buyers willing to explore and set up JVs in the said area given the new opportunities entailed.

The sector is currently solely depended on the Chittogram Sea Port for exports. while the South-Western Mongla Port is functioning on a limited scale due to a lack of roads. The country is also

building two other seaports -- Matarbari and Payra. But with the bridge functioning, the said ports along Payra Deep Sea Port and the Benapole land port, will be plausible options to export from to their ultimate destinations, in significantly lesser time and distance, and avoiding the hassle of the container congestion in the Chottogram port.

In the mean while, Patrapole is also under proper development work, which shall further be under use. The Payra Port, which is soon to near to its completion, will be the first deep-sea port of the nation, allowing mother vessels to berth directly, instead of the feeder vessels at the moment. This shall in turn reduce our export time, for example, the appx. 35 days of export time to China shall be much lesser, including exports to other continents. Increasing the importance of the Mongla port in the movement of commodities and improving connection between Dhaka and the south will save many working hours, accelerating the country's economic growth. Likewise, the bridge is expected to attenuate public struggle by generating employment for 1.2% of the total labor force. For example, setting up of industries in the newly connected districts will help stop migration from the rural areas to the big cities for work. Better access to finance for small and medium businesses such as agro-processing, handicrafts and food industries will also help create jobs. Besides, improvements of facilities such as uninterrupted electricity, internet, education and healthcare in the villages, will retrain people from crowding the cities. The much needed de-centralisation might just as well start realising in the most passive form, but yet shall reduce the pressure of working people moving to the capital each day for generating a livelihood. Its important the government makes the crucial decision of which sector they wish to focus on – industry, agriculture or service? This must be made clear in the policy making of the upcoming fiscal years. There should be a mention of what incentives will be offered to the investors in the given areas for

The Padma Bridge is estimated to increase the GDP of the country by appx. two percent. It will benefit about three crore people across 21 South-Western districts of Bangladesh. The Bridge shall further house a parallel railway system which is soon to be completed as well.

future investments, and also tax incentives that will be available for the said investors. One cannot expect that the bridge shall automatically create different opportunities for people. This requirement to realize the allocated special economic zones in the area in a fast track priority basis is of utmost importance. In addition to that, availability of land with utility, finance, tax incentives are needed to be incorporated in the government policy. RMG Industries heavily depend on gas supply. The Gas lines have extended till Bhola. Its now a demand of time to further extend the gas lines towards the 21 South-Western districts, enhancing the opportunities for new industries to sprout. This shall play a pivotal role in the development of this sector enhancing job opportunities. These economic benefits shall depend on the government's support to the business community and investors. Furthermore, the local products of the South-Western region will now have an increased opportunity with greater access to wider markets and improved supply chain in the capital. It will further speedup the urban-centric development process in this historically backward region. Jute, the once "golden fiber" and prime export item, which had subsided over time, after this

connectivity, might as well resuscitate, and boost the country's economy a lot.

The Padma Bridge will not only boost national connectivity but will also help Bangladesh to be a significant center of regional communication, thus furthering the new hot spots of tourist attractions in the South-Western regions which remained majorly unseen – the world's largest mangrove forest, the Sundarbans, Kuakata beach, Khan Jahan Ali Mazar and other likes. A link road with the double-layer steel truss bridge, including a four-lane highway on the upper level and a single-track railway on the lower level, will connect with the trans-Asian highway and railway networks. It will strategically strengthen Bangladesh in the region. This shall further develop hotels, motels and resorts in the given region, further increasing the job opportunities. Our connectivity with India, Myanmar, China, and the rest of the region will be smoothed and it will push the country's economy to a new height. The Bridge of dreams has created a web of hope for millions across the nation. People celebrated unanimously after the Bridge was inaugurated believing how this shall change their lives for the better. Bangladesh has stepped into the era of not just a country graduating from LDC, but also classified as a role-model of development, with another dream to be realized soon, the Bangabandhu Tunnel, at Karnaphuli. From a bottomless basket, the journey till date has been the most memorable one for the nation which recently celebrated 50 years of its journey as an independent country. The most fast-growing sector of the country, the RMG, is hopeful that the new developments shall not just allow new industries to form, and create a huge opportunity in the job market, but also allow Bangladesh to flourish as a nation in the International arena as well. **A**

Barrister Shehrin Salam Oishee is a Director of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Director of Envoy Group and an Advocate of the Supreme Court of Bangladesh.

RISE OF A KINGDOM

Part-05: Azim Group



Mohammad Fazlul Azim, Chairman of Azim Group, (second from right) is seen in the factory floor.



Md. Mohiuddin Rubel

With over 42 years of experience in garment manufacturing, Mohammad Fazlul Azim, Chairman of Azim Group, is a towering figure in the ready-made garment (RMG) sector of Bangladesh. He is not only one of the most experienced and successful entrepreneurs in the history of the RMG industry, but also an enlightened person. His extraordinary entrepreneurship transcends national boundaries.

To his credit, he has been recognized and honored by all consecutive prime ministers of Bangladesh in the last three decades for his service to the nation as one of the pioneers of an industry that ushered in tremendous economic development. That no government, irrespective of their

political differences, could overlook his contribution is indeed a unique feat in the context of Bangladesh. At the same time it speaks volumes about the enormity of his successful ventures and economic contribution to the nation. It all began in 1965 when a window of opportunity opened before Mohammad Fazlul Azim when he was only in his 20's and just completed his bachelor's degree in Mechanical Engineering from the prestigious Bangladesh University of Engineering and Technology (BUET). He got an offer to work for Pragoti Industries Limited, which was known as Ghandhara Industries Limited at that time and was a subsidiary of General Motors. Then in 1972, he flew to the UK to receive training in manufacturing. From 1972 to 1974 Mr.



Mohammad Fazlul Azim, Chairman of Azim Group, (second from right) is seen showing products to buyers in the factory floor.

Azim worked for Vauxhall Motors in the UK (another subsidiary of General Motors), GM Swiss and GM Denmark.

After a decade of working in reputed international companies, Mr. Azim was poised to expand his horizons by launching his own venture. So, he returned to Bangladesh in 1975 and started his entrepreneurial journey by founding a company known today as Azim Group. Till today, he is the Founder and Chairperson of Azim Group.

At the beginning, the company was primarily focused on trading automobile parts, bicycle parts and fabric. Then it ventured into textile business by importing fabric from Japan, Korea and China. During that time Mr. Azim got the idea of setting up a garment factory. In this regard he sought support from a cousin who was the Managing Director of the Industrial Development Bank and a friend who was also working at the same bank as a Development Officer. Both of them inspired Mr. Azim to start garment business. The idea got further momentum when Mr. Azim was introduced to Mr. Shimijo of JUKI Corporation, the renowned Japanese manufacturer of industrial sewing machines, by a Frenchman who was the Country Manager of Wrangler Denim in Hong Kong. Mr. Shimijo of JUKI Corporation sponsored Mr. Azim to visit a garment factory in Hong Kong known as Texwood. It was his first visit to a garment factory in Hong Kong. Upon returning from the visit, Mr. Azim took the final decision of establishing a garment

factory in Bangladesh. He invited Texwood to team up with Azim Group as a technical partner, but it didn't work out.

Then, Mr. Azim, along with his business partner Major (Retd) Abdul Mannan, visited South Korea and met with the authorities of HYUPJIN Group and placed the proposal for a joint venture. To which HYUPJIN Group agreed, but support would come in the form of training regarding marketing and sourcing, not in any kind of financing. The technical support team of HYUPJIN Group was consisted of 10 Korean technicians with an English-speaking Korean ex-army major at the helm. The team of experts played a significant contribution to the emergence of Azim Group in the apparel manufacturing scene of Bangladesh in 1980.

It was at that time when Desh Garments Limited had sent more than 100 people to Korea for technical training. But Azim Group took a different approach - instead of sending workers overseas, it arranged for upskilling workers right under the management of the group by bringing in foreign experts. The decision, as Mr. Azim believes, paved the way for sustainable progress.

Meanwhile, the Korean Manager had devised a schedule for Azim group by allocating nine months for training of workers, three months for product development, and another three months for going into production. However, very soon it appeared that the female workers

were acquiring required skills quickly and efficiently, prompting the Korean Manager to fast track the training period. As a matter of fact it took only four months to start production of shirts, instead of about 15 months to go into final production as per the original plan. Needless to say that the success of Bangladesh RMG industry is rooted in the contribution of female workers. But in the beginning, the issue of women's empowerment was a foreign concept in Bangladesh. Hardly anyone could imagine that women would become financially self-reliant. In a word the society overlooked their opinion. Initially, labour force participation rate was higher among Hindu women and girls than their Muslim counterparts. However, things started to change in about two years. Muslim women and girls have also started taking up jobs in the sector in large numbers because of the potential to earn and make a better living. Mr. Azim can take some personal pride in this positive change of society because of his enormous economic contribution and advocacy for women empowerment.

Azim Group started manufacturing export quality shirts in 1980. In a bid to promote his products, Mr. Azim hand-carried the sample and showed it to his prospective buyer in New York. The client liked its quality and wanted to be sure if the shirt was really produced by Azim Group.

Mr. Azim happily replied, "Yes, of course this shirt is made by Azim Group."

Then the client asked Mr. Azim, "What is your CM?"

"What is CM? Whatever you think is right would be the CM for me," replied Mr. Azim.

This is all but one example of positive demeanour and determination of Mr. Azim to move forward with his business. It encouraged his both local and foreign customers to do business with him and create a long lasting relationship.

With the passage of time, Mr. Azim and his team gained more knowledge and expertise, which helped Azim Group to expand its business with leading customers in

the USA steadily. Established in 1975, Azim Group started operations of its first garment factory in 1980 in Chittagong. Today, Azim Group has 7 multi-category garment factories, 2 washing plants and 4 garment accessories and embroidery factories in Dhaka and Chittagong, as well as offices in Hong Kong, New York and Los Angeles. With a growing focus on innovation and sustainability, Azim Group continues to maintain its quality and excellence in catering to global fashion brands in the United States, Europe, Asia and South America.

Azim Group's first factory named Azim Mannan Garments Limited was set up at the Kalurghat industrial area in Chittagong. At that time to his utter dismay, Mr. Azim felt that a Dhaka based BGMEA was not properly taking care of the needs of Chattogram based RMG factories. It prompted him to establish BGMEA-Chittagong, a separate entity from BGMEA-Dhaka. Mr. Azim was the first President of BGMEA-Chittagong.

However, later on, the Director of Trade Organization at the time advised that one association was better than two. Mr. Azim agreed with the Director of Trade Organization and highlighted the need for running the organization efficiently. Then BGMEA-Dhaka and BGMEA-Chittagong were merged to become the BGMEA we know today. The Constitution of the present BGMEA was co-authored by Mr. Mohammad Fazlul Azim, late Mr. Aatur Rahman Kaiser and late Mr. Qutbuddin Ahmed.

In 1984, after the merger of BGMEA, Mr. Azim represented BGMEA as the lone representative in the first Wage Board meeting. There was a demand for establishing a workers' union. Mr. Azim was a supporter of the union, so he actively supported the formation of the union to improve the living standards of the workers. Here it may be mentioned that the first ever workers' union in Bangladesh RMG sector was established in a factory owned by the Azim Group in 1981.

A firm believer in hard work, Mr. Azim debunks the myth that garment owners can or could make huge profits overnight. It takes a lot



of collective hard work, dedication and sacrifice from the sharpest minds of the country to bring the industry to where it is today. Mr. Azim is one of the pioneers of the industry who played a crucial role behind the rise of the apparel sector which eventually became the golden goose for the economy.

Mr. Azim always says, "Readymade Garment Industry is a Robin Hood business model - you earn from the West with hard work and then distribute among your people with less resources. We may earn well but we also have high costs across the board. At the end of the day, if I make 2% - 2.5% profit to sustain my business, I'll be happy."

The leading industrialist of the country is of the view that the RMG sector should explore new markets like South America, Australia, Japan and India. He believes that Bangladesh RMG industry is capable of producing the highest quality products at the most competitive prices. So there is a vast opportunity for the sector to expand its horizon. Mr. Azim was awarded IEB Best Entrepreneur medal in 2003 by the

Institution of Engineers, Bangladesh (IEB) in recognition of his outstanding performance, service to the Engineering profession as well as his valuable contributions towards the enhancement of enterprises. Besides, he received many private and public sector awards in his long illustrious career for his contributions to the garment industry and the nation.

Now that at the current stage of life Mr. Azim wishes to move on to the next chapter by focusing more on philanthropic endeavors, his three children - two sons and one daughter, are stepping into his shoes. They are playing major roles in the organization. His eldest son Mr. Farhan Azim is currently the Managing Director of Azim Group. He is fueling the company's onward journey through the guiding principles of his father - honesty, integrity and dedication. **A**

Md. Mohiuddin Rubel is a Director of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Director of Denim Expert Ltd.

37th World Fashion Convention to be Held in Dhaka



The 37th World Fashion Convention of the International Apparel Federation (IAF) is going to be held in November 2022 for the very first time in Dhaka, Bangladesh. On the occasion of the 50th anniversary of IAF, it is going to be a momentous occasion for Bangladesh which is the 2nd largest apparel exporter in the world.

As the RMG industry of Bangladesh has achieved a certain level of growth and momentum, it is now time for this industry to leapfrog to the next level of growth. The progress and prospects have made this industry one of the most sustainable sourcing partners in the world. Now it's time to work harder for safeguarding those achievements.

To achieve the desired sustainable growth of this industry, branding will be crucial. Because the industry has so many positive stories to be proud of which are not properly

communicated to the world. Recognizing the importance of strengthening Bangladesh's presence in the global fashion market and initiating a greater collaboration with the global stakeholders for sustainable manufacturing and sourcing, BGMEA and BKMEA pursued IAF to organize the 37th World Fashion Convention in Bangladesh. IAF has agreed to that proposition and the 37th World Fashion Convention will be hosted in Bangladesh in collaboration with BGMEA and BKMEA.

It is noteworthy to mention that the IAF Convention is a high level, international meeting of global apparel industry stakeholders from all continents. Since 1983, IAF convention is being held at every year in different host countries of IAF members. The IAF convention will be a 3-daylong event where on the first day, a board meeting containing all the IAF Board of

Directors will be held. A daylong conference to be participated by local and international speakers will also be a part of this convention. A number of discussion sessions will be organized to discuss the capacities and transformation of the RMG industry in Bangladesh. During the convention, factory visits will be arranged for the international participants. The event will create an opportunity to learn and experience the context of the manufacturers, understand the challenges and discuss possible solutions from a global perspective. Currently, the preparatory work for the convention is going on. The official logo of the convention has already been unveiled through a launching program on 14th May 2022 in presence of Secretary-General of IAF, Matthijs Crietee. 

Promising Sector: Agro Processing



Bangladesh has made impressive economic development in the last few decades. In order to sustain the growth momentum, the country focuses on diversification of the export basket, currently dependent mostly on the RMG sector. Indeed, export diversification can lead to higher growth while strengthening the base of the economy. Diversified exports help to overcome export instability arising from inelastic and unstable global demand.

Entrepreneurs are exploring potential sectors and making investment in promising sectors. Agriculture is one of the most important and promising sectors in Bangladesh. About 70% of the population of Bangladesh are engaged with agriculture directly or indirectly. Till now agriculture is the main occupational activity in the rural area of Bangladesh. It contributes 13.47 % to the national GDP and generates 24.69 million

employment. In the fiscal year 2020-21, Bangladesh exported 1.02 billion dollars worth of agricultural products which was 19.27% more than the fiscal year 2019-20. This feature focuses on the prospect of exploring the agro sector and its prospect in Bangladesh. In an exclusive interview with the Apparel Story, two entrepreneurs of this sector shared their thoughts about the prospects and challenges of the agro industry in Bangladesh.



Mehrin Hassan, DMD, Giant Agro Processing Ltd.

The Apparel Story meets Mehrin Hassan, Deputy Managing Director, Giant Agro Processing Ltd, to listen to her thoughts and potential of agro business in Bangladesh.

Can you please share with us the basic overview of the agro-based & agro-processing industry in Bangladesh in terms of market size, growth in demand and supply, prospects, strengths, opportunities, etc.

Bangladesh has traditionally been an agriculture-based country blessed with fertile lands to cultivate a great array of cereal crops, seeds, seasonal vegetables, fruits and flowers and raise livestock for meat and dairy. Over 70 million metric tons are produced annually of which Rice, potato and sugar crops account for 80% of this output. The agriculture sector employs around 41% of the labor force and contributes 14.23% to GDP. The agro-processed product market stood at USD 2.8 billion in 2019 and expected to grow by 7.7% CAGR.

Several companies have entered into the business of processing and

packaging of rice, spices, feed, meat, and oils for local consumption, for industrial inputs and export markets. Total exports of processed agro products is around 3.5 per cent, leaving considerable room for investment for export opportunities as well.

What are the major areas in the agro-based & agro-processing industry?

The major activities of Agro processing involves preserving, processing, packaging and distribution of agricultural produce in the form of processed food, fibre, feed, fuel along with agro products processed into industrial raw material of other sectors. Major sectors of agro processing industries in Bangladesh comprises 1. Processed food and beverages- rice, edible oils, snacks, sugar frozen food, spices, fish etc, 2. Feed and industrial inputs 3. Leather products and 4. Tobacco.

What is the prospect of exporting agro-based & agro-processing products, and what are the major potential markets for us?

Bangladesh exports more than 700 items of agro products including cereal grains, frozen fish, processed meat, tea, vegetables & fruits, spices, dry food, pickled food etc. The major export destinations include the European Union (EU), the US, the Middle East and the Gulf and gulf so far. However, countries like Malaysia, Singapore and Japan are the potential export markets for agro processed food.

Please tell us about the journey of your business?

Giant Agro Processing Ltd (GAPL), commenced seed potato business in 2006, by Mr Feroz M Hassan, Chairman of Giant Group. His passion to work with farmers for rural sector development has led the company in to the agri sector. Soon after my joining the company in 2011, it ventured into other areas of Agro based business. Observing the existence of a huge gap for quality local seeds in Bangladesh and in

order to ensure good seeds that provide high yield for local farmers, we set up R & D facilities and pollination programs, towards establishing more than 30 registered varieties of vegetable seeds. These seeds are now successfully marketed through dealer networks and marketing team over 30 districts of the country. The company set up a 10,000 MT cold storage in northern Bangladesh, with a specialized cooling chamber dedicated for seeds. The company has extensively worked with experts in agriculture and focuses on innovation to maintain the integrity of all its seed products. In 2017 the company started production and marketing of natural compost fertilizers and has registration of three brands of micronutrients. Our Nursery division is engaged in landscaping and beautification in many sections of the Padma Bridge.

In 2018, we started another agro-based company, called Farmers Best Company LTD, which was more concentrated in processing, packaging, and marketing the vegetables, fruits, rices, spices, edible oil etc for household consumption in an effort toward linking the farm output to market. Working with a network of contract farmers and ensuring the quality of the produce, Farmers Best company Ltd can supply safe agro food products and vegetables to urban consumers all year round. We supplied to retail outlets at first, but soon commenced its own e-commerce platform in 2019, that can directly deliver to your doorstep 5 days a week. The company is working on expanding its portfolio of products, under this brand for selling all over Bangladesh.

How do you manage your supply chain? Do you export?

Farmers Best Company Ltd works with a network of farmers and producers, using safe practices in farming and processing agro products and also by its own production near Dhaka and Thakurgaon. Similarly, Giant Agro is producing over 3000 MT of potato seed annually and specializes in growing, grading and storing potato and grains for supplying to the



processors and retail outlets. Through a system of providing the farmers with seed, technology and other agricultural inputs. We maintain our supply chain by doing our own production as well as contract farming. GAPL produces hybrid paddy, HYV paddy, hybrid maize seeds. We have MOU with BARC, BRRI and BARI for the cooperation and development of seeds. We have exported fresh potatoes to Malaysia and some other vegetables in the past years.

What are the major challenges in this sector, and do you have any recommendation to overcome these challenges?

In my opinion, the major drawbacks in this sector are the seasonality and perishability nature of the agro-products. The processing and value addition to basic agro-product does add shelf life, however, the products still require much care in handling in order to maintain its integrity till it reaches the final consumers. These tend to increase the cost of the products. Similarly, a great challenge in Bangladesh for this sector is the infrastructural difficulties. Better highways and transportation facilities would decrease lead time allowing for smoother and quality products for both domestic and export markets. It would be great if more investment by the public sector alongside the private sector is made

to develop better post-harvest management techniques and cooling chambers/ storage centers. New technologies in agriculture, like aquaponics and vertical farming should be made easily accessible for growers so that they can make more utilization of limited availability of land.

Since sector diversification is a key strategy for Bangladesh to sustain its economic progress, what would be your key message to the future investors in this sector?

It is important to understand that agro-processing industry provides the crucial farm-industry linkage which helps accelerate agricultural development by creating backward linkages (supply of credit, inputs, and other production enhancement services) and forward linkages (processing and marketing), adding value to the farmer's produce, generating employment opportunities in the rural sector, and increasing the farmer's net income. This in turn further opens possibilities of industrial development in other sectors. An agro-processing plant generates new demand on the farm sector for more and different agricultural outputs and develop our own agricultural sector. There are great possibilities for future investors in meat production, dairy, preservation of agro products and edible oil sectors.

A R Malik Seeds Pvt. Ltd. a renowned seed company in the hybrid vegetable seeds sector of Bangladesh has started its journey in 1969. This company supplies vegetable seeds to different parts of the country. Those seeds are disease resistant and adoptable to frequent climate change problems. The Apparel Story speaks to Md. Akik Bin Zaher, Manager, Research & Development, A R Malik Seeds Pvt. Ltd. to hear from him about prospects and challenges of agro business in Bangladesh.



Md. Akik Bin Zaher, Manager (R&D), A.R. Malik Seeds Pvt.

When did the journey of R&D department of A R Malik Seeds Pvt. Ltd. started? Please tell us about the journey?

The R & D department of A R Malik Seeds Pvt. Ltd. was established in 2009 and the full construction work



was completed in 2017. Mainly, we work for variety selection. So far we have promoted about 90 varieties of 30 seeds from our department. Currently, the annual turnover of our company is around 100 crore tk.

What are the main scopes of your business?

Our main products are vegetable and potato seeds. Vegetable seeds are hybrid and fully imported. But in the case of potato, apart from direct selling of imported seeds, we multiply it and sell it as 2nd generation seeds. Basically, we import seeds and experiment, whether it is climate resistant or not.

Can you please describe the business process of your company? How do you manage your supply chain?

The 1st step of variety selection is screening. Every year, we send our variety requirements to the world's reputed foreign seed companies such as Sakata Seed Corporation of Japan, Mikado, German Based BASF-Nunhems and Agrico BV Netherlands based on the market demand. Then these companies send us the variety samples on a seasonal basis. We observe the varieties from germination to marketing. We send our initial observation reports to our head office, the head office makes a short list, and they send back the list to us in summer and winter season of next year. Again, we select 5-6

varieties and send them to multi-location within the country for experiment. Our research team collects the experiment reports from those locations. Finally, we select a variety that can compete with the existing varieties in the market. This process mainly follows for vegetables.

We have another business named Malik and Company which basically experiments on potato seeds. For potato, we import seeds from the Netherland based company Agrico and sell it in domestic market in two ways such as-

We import seed boxes from the Netherlands and sell them in the local market directly.

We multiply the imported seed and sell it as 2nd generation seed in the market. In that case we select the varieties which are suitable in Bangladeshi weather. Then we experiment like the process we follow for vegetable seeds.

Every year, we arrange a program with the farmers and dealers to select the appropriate variety for the market and export. We divide the varieties in three categories such as Early, Optimum/red skin and Export quality. Then our dealers give us their requirements and we import box seeds accordingly.

Is there any possibility to invent hybrid varieties of vegetable seeds domestically

here in Bangladesh? If not, what are the reasons behind the heavy dependence of imports in case of hybrid varieties? Do you think the domestic scientists or experts have enough capability to invent new varieties?

Though the government research centers in Bangladesh like Bangladesh Rice Research Institute (BRRI) and Bangladesh Agriculture Research Institute (BARI) have already invented different varieties of rice and wheat, but in the case of vegetables we are still lagging behind.

Yes, our scientists and experts have the capacity to invent new varieties domestically, but there are some certain challenges in this respect. We do not have the required reserve of generation for crossing like other renowned companies in the world. And also we do not have that much technological set up. The climate of Bangladesh is not suitable for the germination of some varieties because those need low temperatures for germination. Another problem is lower economies of scale. Currently Bangladesh's vegetable seeds market size is approximately BDT 14,000-20,000 crore which is too small for investing in new variety development. But if we think about export, there is a huge prospect here. ⁴

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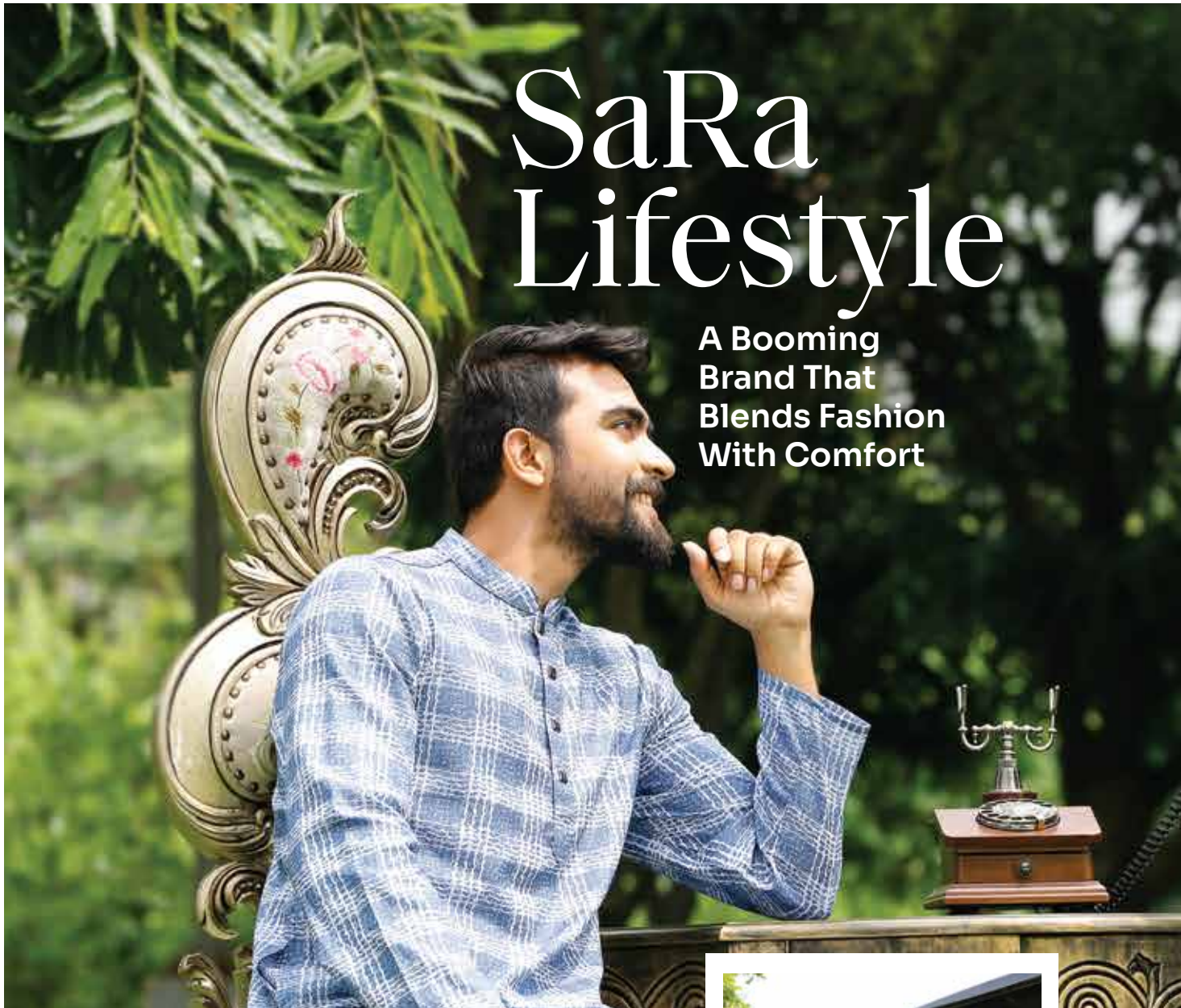


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SaRa Lifestyle

A Booming Brand That Blends Fashion With Comfort

A new fashion brand with a vision to create a positive image in fashion first unveiled itself in the summer of 2018 as “SaRa Lifestyle Ltd”, and opened the doors of its first branch in Mirpur, Dhaka. With eight outlets throughout Dhaka city and Rangpur, SaRa Lifestyle has touched the heart of their customers by providing quality products at affordable prices. Their ninth outlets is going to open soon.

Being a sister concern of Snowtex, an export-oriented readymade garment industry in Bangladesh, Sara Lifestyle entered the market

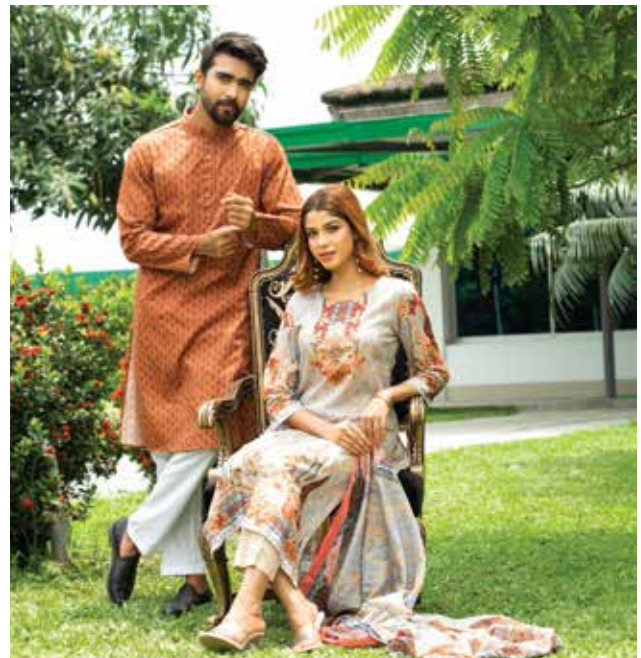
with almost two decades of experience in manufacturing and designing trend in the West. Since its inception, Sara Lifestyle has been successful in securing its place in the fashion market in Dhaka, with stores in prominent locations like Wari, Banasree, Bashundhara City, Mirpur, Mohammadpur, Baridhara and Uttara, and even an outlet in Rangpur.

Customer satisfaction is the philosophy that drives SaRa Lifestyle, which is reflected in the products. Its exuberant style, voguish designs and attention to





Journey Begins 2018
Outlets 8 in Dhaka and Rangpur
Product Range Outfits for Men, Women & Children;
Styles Ethnic and Western



detail to maintain quality, comfort and trendiness at a reasonable price is apparent in all of its products, be it Western or traditional and ethnic

clothing and accessories. A one-stop shop that caters to the fashion needs of the entire family; SaRa Lifestyle has a vast line of fashionable products to choose from for men, women and children of all ages. S.M Khaled, Managing Director of Snowtex and SaRa Lifestyle Ltd, shares his observation about the local fashion market saying, "If we observe the history of international brands, we see they were once manufacturers themselves. Their journey took them from being producers to world-renowned brands with tens of thousands of shops

around the globe. The fashion market in Bangladesh will follow the same trajectory, and SaRa Lifestyle will not fall behind in that race." He also shared his visions for the future saying, "The success of SaRa Lifestyle till now has been more than satisfactory and we have already started preparing to take this brand all over the country, and eventually to the global market. The only barrier we currently face is finding suitable locations for our outlets, a problem if mitigated will allow us to double our input almost immediately." ^A

JOHN A RADFORD OF JAMES FINLAY & COMPANY LTD:

An eulogy to a shipping personality 32 years in Chittagong



Hasan Abdullah
Chairman
Port & Shipping Committee
of BGMEA

Indeed a KNIGHT TO REMEMBER. I was privileged to start off the springtime of my career in January 1983 as a Covenanted Executive in James Finlay & Company Limited (UK) in Shipping under a legendary personality John A Radford (JAR) OBE – heading the said Department which I still recall was *“the best of*

times”. I last spoke to JAR from London on 19th October 2019 – but yet only after just a few days, 25th October 2019 heralded *“a winter of despair”* for me – he left this world forever on 25th October 2019 at his residence at Green Lane, Redcar/UK. Born 6th Nov 1924 in Toxteth, Liverpool, he was the only child of Alfred Radford and Elsie Boswell & in 1933 the family moved to Higher Babington on the Wirral. JAR is indeed a *“Knight to remember”* in the annals of the world of Shipping. At any given time 10-15 vessels were always in Port (Chittagong & Mongla) under Finlay’s extensive Agency that included 9 prestigious British Flag Ships, NYK Line topmost Japanese Carrier, Lloyd Triestino only Italian Flag Carrier, umpteen Chartered Vessels, huge Crew recruitment for British Ships and for Greece’s Chandris Line, a Cargo & Cruise Carrier. Additionally Finlays were the Correspondents for most of UK’s Protection & Indemnity Club that deals with calamities & contingencies. John Alfred Radford heading Shipping Department of

James Finlay & Co. Chittagong where he joined in June 1948 & retired in April 1980 after 32 years of service.

Pages will run-out if I write my memoirs with JAR or John – perhaps one incident a few months after I joined is deserves mentioning. I went up to him to report that cargo discharging ex-MV Clan Macdonald suspended due to shortage of space inside Shed. Winking his eyes & stroking his handlebar moustache he said *“Laddie – why not ask Gaffar (our Stevedore: Yacobally) to make some bundabusti”* – a term unknown to me that point of time (*of course later to become a familiar part of my life*) meaning stuff some money under the table to those bad guys in Shed. OMG how stupid of me to forget history as Gaffar whispered to me –

“Remember Sir exactly What Robert Clive did to get his job done through Mir Jaffar in 1757 at Plassey.”

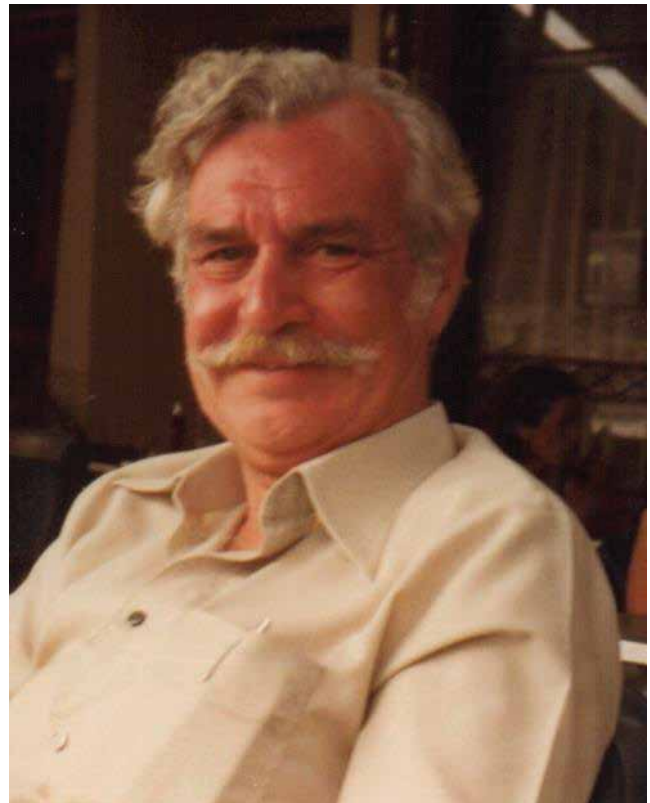
Born on 6th Nov 1924 in Toxteth, Liverpool. He was the only child of Alfred Radford and Elsie Boswell



and lived there until 1933 when the family moved to Higher Babington on the Wirral. At the age of 11, he attended on scholarship Wirral Grammar School until 1941 when he became employed as a Junior Clerk in the Accounts Department of the State Insurance Company of Liverpool. At the beginning of the War and whilst still at school he joined St John's Ambulance as a Cadet and in 1941 the Home Guard which to his children was "Dad's Army". Just before his 18th birthday in

1942 he volunteered for the Army (*having failed the Naval Medical due to poor eyesight*) joining the Queen's Own Cameron Highlanders at Fort George. He was subsequently selected for training as an Officer Cadet finally being commissioned in May 1944 as Second Lieutenant in the East Lancashire Regiment. Later that year, having been promoted to Lieutenant, he was ordered to Ostend and thence to Bruges in Belgium joining the Defence Company of 21st Army Group Main Headquarters at Brussels, as an

Infantry Platoon Commander. He remained there until November 1945 when he was posted as Staff Lieutenant to HQ 1st Corps and finally to HQ British Troops Low Countries in Brussels in the rank of Captain in September 1946. He was finally demobilised in July 1947 returning to his old job with the State Insurance Company whilst his Commission was transferred to the Territorial Army until he reached the age of 45 in 1969 when he was finally retired from para-military service.



He found it difficult to settle into "Civvy Street" and in June 1948 was offered a 5 year contract as a Covenanted Assistant with James Finlay & Co of Glasgow ~ a Company of Merchants with Branches and Tea Estates in India, Ceylon and the then East Pakistan. He sailed from Liverpool at the end of July, spending a couple of weeks in Finlay's Calcutta Office before finally reaching Chittagong in September where he spent most of the next 32 years until his retirement to the UK in April 1980. During the next 4 years, he spent time in various departments eventually forming and running the Insurance Department before returning to the UK on leave in July 1952. In October 1952, whilst visiting Redcar with his mother he met and fell in love with Elizabeth Graham Thwaites, that "gorgeous redhead" as he frequently referred (*usually to her annoyance claiming her hair was definitely not red!*). When John returned to Chittagong in January 1953 it was on the understanding they would be married, probably on his next leave in 1956. However, in October 1954, Betty flew out to Chittagong where

she and John were married on October 16th 1954. John always said it was an extraordinarily brave thing to do. Betty had barely even been out of Redcar let alone out of the UK, so to travel so far away to a very strange and foreign country where she knew no one other than John was quite something. She didn't even know John that well! After a 3 week honeymoon spent first at Rajghat Tea Estate in Sylhet District and then travelling to the North West Frontier visiting Abbotabad and Muzzafarabad in Kashmir, they returned to Chittagong to start married life together.

They enjoyed life in Chittagong. John continued to work in various departments including the Air Passage Department which he formed and ran until retirement. John and Betty had an active social life, he continued to play Cricket and Rugby for the Club, and they went shooting in the cold weather months in the Tea Districts. John continued his involvement with the Dramatic Society producing and acting in several plays and Betty was able to contribute by doing the make-up and costumes. John remembers

meeting a very young Felicity Kendal who was probably only about 10 years old at the time assuring him she was quite capable of playing Lady Macbeth that evening. Her father Geoffrey Kendal, known as "Shakespeare-wallah", together with his family and troupe of actors used to travel through India in the 1940's and 50's putting on plays for anyone who wanted and Chittagong was one of the places they appeared quite regularly. Their daughter, Susan, was born in Dacca on October 3rd 1956 followed by a son, Nigel, born in Chittagong on November 8th 1958. When Susan, and 2 years later, Nigel, reached the age of 8 it was no longer practicable to educate them in East Pakistan so they went to England to attend boarding school returning to Chittagong during most school holidays. In 1965 John and Betty purchased their first house, 48 Beverley Road, Redcar to use as a base when on leave.

In 1968 the political situation in the then East Pakistan worsened and by late 1969 the UK High Commission in Pakistan decided on evacuation by air of wives of British Nationals from Dhaka. Unfortunately, by the

time John, Betty and some other ladies were able to reach Dhaka, two aircrafts had already left and BOAC would not put in the last one, so they returned to Chittagong where a little lull prevailed. In early 1970 the Pakistan Army succeeded in putting down the risings in Dacca and sent troops to Chittagong to restore order there. A signal was sent from the Foreign Office directly to the Master of the MV. Clan McNair, a vessel under John's agency, instructing him to take on board all British "Non Essentials" and sail for Calcutta. Some 120 persons, including Betty, joined the ship and were evacuated. John was still Hony. Greek Consul and most of the remaining males were evacuated shortly after using Greek vessels. John finally left on a Japanese ship together with 3 remaining colleagues and remained in the UK until May.

In 1972 he was promoted to Area Manager and was awarded the Officers (Gold) Cross of the Order of the Phoenix of Greece for assisting a number of Greek vessels in distress during the Emergency period. He was extremely proud of this achievement as not many foreigners hold it. At this time he was also elected Chairman (and subsequently President) of the Chittagong Branch of the United Kingdom Citizens Association of Bangladesh until he retired in April 1980. In the January 1979 Honours List, John was appointed an Officer of the Most Excellent Order of the British Empire of which he was always very proud although he interpreted his OBE as "Other Buggers Efforts" ! John and Betty together with Nigel and Susan had a very memorable trip to Buckingham Palace where John was awarded his medal by the Queen. John was delighted to observe that both Frank Muir and Dennis Norden there to receive CBE's were as nervous as the rest of them and for once, surprisingly lost for words. Before John retired in 1980, he and Betty made the most of their remaining time in Chittagong. Some of the best memories he cherished were of times spent with friends and family on the newly created Kaptai Lake following the building of the dam. In 1972 John had a catamaran type boat built. It was officially

named the "Looless" for very obvious reasons. This was later replaced with a converted fishing boat called the "Spindrift". Camping holidays spent on the beach in Cox's Bazaar used to be one of the hi-lights of the Christmas holiday for all the family.

After John retired and returned to the UK the house in Beverley Road was sold and a new one bought in Green Lane. Having become unemployed for the first time in 39 years at the age of 55 John spent a difficult year job-hunting. Any replies he received either said he was over-qualified or too old. Fortunately, in March 1981 a Greek friend phoned and asked him to go to Piraeus as there was a job they felt might suit him. Needless to say he was on the first available flight, and so began his second career. The position was that of Maritime Industrial Relations Consultant to the Union of Greek Ship-owners comprising of more than 850 Shipping Lines. Over the next 15 years, whilst working for the UGS, John travelled to Bangladesh, Pakistan, Sri Lanka, Indonesia, the Philippines, Egypt, Honduras, Chile and Ghana in order to negotiate and administer Employment Agreements. He rented a flat in Piraeus returning to the UK every 3 months for 10 days. Occasionally Betty would go out to visit during which time they would try and spend a few days exploring more of Greece. Despite being there on and off for 15 years (and having been Greek Consul in Chittagong) he never did learn to speak much Greek.

John finally retired from active work and returned to the UK at the age of 70 although he was still consulted from time to time by the UGS and continued to keep in touch with them for many years. On his "retirement" he continued to paint a little and researched the family tree. In 1976 he had become a Life Member of BACSA – the British Association for Cemeteries in South Asia and in 1999 he (in collaboration with Sue Farrington) produced a booklet titled "Chittagong Christian Cemeteries" followed by "Tombs In Tea" in 2001. He was very proud of being a published author.

Having finally retired he and Betty enjoyed life in Green Lane catching up with family and friends. Betty was always the chauffeur as John never drove, although he was an excellent (vocal) backseat driver. He completed his Telegraph crossword every day. He wrote his life story entitled *The Scouse Cyclops?*

Almost learning to use the computer but never managing formatting or email. He took over the cooking once a week and his bandit chops were a particular favourite. They both loved the garden and John was especially proud of his roses.

They continued to keep in touch with friends from around the world. They attended Chittagong Reunions in London for many years and Pensioners Reunions in Glasgow until in John's words "there weren't enough of them any more because too many people had pegged it"! He was delighted to have been invited to the 50th Wedding Anniversary Celebration of Bill and Betty Petrie (ex-Finlays) in Pitlochry in December 2015. They had been married in Chittagong and Betty, John's wife had been their matron-of-honour. Spending time with the Grandchildren was a great pleasure. John and Betty were lucky to see 3 of them progress through school to University. Nigel also moved up to live with Betty and John and both were grateful for his help, John was especially appreciative of Nigel's company after Betty died.

John met many people during his long life. He made lots of friends and the family have had some wonderful comments, photos and shared memories from people he worked with whilst in Chittagong and in Greece. He charmed everyone he met on his recent holiday in Greece and will be remembered as a true gentleman. Raising a glass and saying "Here's tae us. Wha's like us? Damn few, & they're a'deid."

(Without Scottish accent: Here's to us; who's like us? Damn few, and they're all dead!) is well remember by all as his favourite toast.

My sincere thanks & acknowledgement to Ms. Susan Radford for providing most of the inputs chronologically of her father's life story from his early days. 🍷

Exploring Avenues for Boosting Trade



Bangladesh has drawn global attention and accolades for its impressive socioeconomic development over the last five decades since its independence. Steady economic growth coupled with achievements in the social fronts, including primary school enrolment rate, reduction in infant mortality rate are some of the accomplishments of the country which has set examples for many countries. Moreover, the economy of Bangladesh has integrated into the

global economy through exports, imports, remittances and foreign direct investment. Bangladesh is on the track of graduating from the LDC category and aiming for higher growth in the coming years. The country is getting ready for the next phase of development with massive mega projects – some of them have already been implemented while some are nearing completion. The mega projects taken by the government would significantly improve transport

connectivity in the country and accelerate trade by reducing cost of transportation and logistics. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA), being the apex trade body representing the RMG sector, is engaged with stakeholders including the government, port authority and international logistics companies on issues related to infrastructure required to meet the growing demand of industries including the



Recently a delegation comprising high officials of the ministries of foreign affairs and trade and industry of the Singapore government paid a courtesy call on First Vice President of BGMEA Syed Nazrul Islam at BGMEA's PR office in Gulshan, Dhaka.

RMG industry which aims to continue its growth in the coming years.


Recently a delegation comprising high officials of the ministries of foreign affairs and trade and industry of the Singapore government paid a courtesy call on First Vice President of BGMEA Syed Nazrul Islam at BGMEA's PR office in Gulshan, Dhaka.

They had discussion on possible avenues of expanding trade between Singapore and Bangladesh. Both sides also discussed potential

sectors of investment in Bangladesh. The delegation also talked about support and collaboration in developing infrastructure and logistics, especially enhancing capabilities and efficiency of ports in Bangladesh to facilitate export-import.

The delegation included Derek Loh, High Commissioner of Singapore to Bangladesh; Ms Sheela Pillai, Head of Mission, Singapore Consulate in Bangladesh, Nathanael Lee, Country Officer, South Asia; Ms Uma Muniandy, Deputy Director,

Emerging Markets Division and Arjun Jayaraman, Assistant Director, Emerging Markets Division at the Ministry of Trade and Industry; Jayakrishnan Gopalakrishnan, Executive Director, and Ms Audrey Tan, Director, Global Markets, Enterprise Singapore; and Lee Peng Gee, Vice President of PSA International PTE Ltd.

BGMEA Vice President Shahidullah Azim, Director Neela Hosne Ara, and Chair of BGMEA Standing Committee on Foreign Mission Cell Shams Mahmud were present on the occasion. 

Enhancing Productivity and Efficiency for Sustainable Growth



In this highly competitive global market, brands and retailers comprehensively calculate all costs associated to manufacture a garment by garment factories before placing their order to pick up the best bargain. Moreover, the industry is facing the challenges of technological evolution, especially the fourth industrial revolution (4IR). In such context, productivity and efficiency increase is essential for the sustained growth of Bangladesh's garment sector. The Apparel Story speaks to two young entrepreneurs to hear their thoughts on to how the industry can achieve this and what are the areas the industry needs to invest in and make improvements?



Mayeesha Mahmud

The way we live, work, and interact with one another is fundamentally changing as a result of the technological revolution that humanity is currently experiencing. The exponential pace of this revolution has essentially blurred the boundaries between the physical and digital realms, having a direct impact on three crucial areas: production, management, and governance of our RMG industry. Due to the unique adversities presented by COVID-19, our clientele is now more cautious than ever about the prices they offer with their orders. To meet this challenge head-on, we must work together to investigate approaches that will successfully increase our productivity and efficiency in terms of the sustainability of the value chain, including production output, worker well-being, and BGMEA member satisfaction, enabled through technology.

Best Practises:

1. Collaboration if we want to prosper as a whole, we must confront undercutting practices because they are not a long-term, viable solution. Instead, we must educate and train our employees and ourselves to ease the acceptance of technology with the help of our government and

constituents. In order to invest in employee readiness for technology adoption, we have to be mindful of the following perceptions: usefulness of the technology, ease of use, support from managers and overall enthusiasm.

2. Smart Supply Chain Management Technology can assist in more accurate demand forecasting to inform product flow and demand production. We should work towards embracing software solutions that combine artificial intelligence (AI), machine learning, and data analytics to accelerate decision-making and pave the way for autonomous planning. It is vital to have a well-defined selection of vendors while beginning with viable and achievable improvements. This can assist current supply chain management systems to proceed towards predictive modeling for intelligent demand planning. Most crucially, the key to overall success is a well-thought-out incremental implementation plan.

3. Industry Disruption : Due to shifting customer demands, our buyers have adopted innovative, consumer-centered strategies that emphasize sustainability. As a result, we must look for creative ways to draw in and maintain customer satisfaction as a value-added service. Augmented reality (AR) is one such example of

a disruptive breakthrough that our buyers may have used to build immersive experiences for those who can't be physically present to experience in-person tangibility. We can strengthen our ties with our buyers by investigating AR's potential applications for B2B companies like ours. To reduce the lead-time for sample production and to acquire contracts as quickly as possible, we can potentially employ AR to measure, size, and deeply feel our factories, infrastructures, and

people. We can encourage consumers to use AR/VR headsets to virtually participate without being physically present. Secondly, buyers have set out specific sustainability goals, and by using numerous technologies, we can empower our value chains. The triple bottom line is now more crucial than ever. Best practices mentioned above derive from deep aspirations in driving unparalleled growth in an industry that is the backbone of our nation. While these aspirations

require significant capital investments to bring forth change, I truly believe that incremental changes are within our scope keeping in line with the BGMEA members' respective operation size. Collaborative efforts can change our RMG landscape, but it must start, now.

Mayeesha Mahmud

Director,
Cotton Group



Raisa Hassan

The driving force behind the long-term success of any business is adaptability and knowledge. For any company it is essential to first be aware of the fast-growing technology spearheading the 4th industrial revolution. Updated and constant knowledge of available innovative solutions allows you to truly compare and elevate your current productivity and understand your company's true potential or in other words optimize the effect of the industrial revolution for your situation. After recognizing the bottleneck, it is important to understand what technology and practices can be applied to your set up, this is where adaptability is king, and where most of the industry struggles.

The challenge to adapt to technology isn't unique to just our industry, rather has hit many industries before us and there have been many examples of companies that have failed to adapt, such as blockbuster, General Motors and companies that tried because they used technology as their strength such as Netflix, Tesla. These companies used the advancement in technology to create a model that helps their purpose and allows them to optimize their resources for an edge in the market. That edge is very much required as the added challenge for us is the

current market. At a time where we would expect buyers to be more flexible, in this highly competitive capitalist world, brands and retailers comprehensively calculate all costs associated to produce a garment by garment factories before placing their order to a readymade garment (RMG) for the best price bargain.

At this rate, maybe not very soon but the threat of Bangladesh losing its competitive edge is very real. In 2021, Vietnam had already succeeded to temporarily out rank us in terms of RMG export. Although Vietnam might not do that again sometime soon, countries such as India, Pakistan etc. are well on their way to becoming a major threat, they are investing heavily in their future in RMG. Hence, it is essential that we advance in our practices and although that can be done in many ways like incorporating technological interventions, industrial engineering, training for professionals and workers and workers' health. I believe that a clear, long-term and sustainable advantage will be gained through a combination of training the current workforce and adapting to innovative technological advancements. **A**

Raisa Hassan

Director
Northern Tosrifa Group

Prospects of Direct Shipping Between Chattogram and Port of Koper



Bangladesh is one of the countries which has high lead time. Though the govt. of Bangladesh has taken a number of infrastructure development projects to support the trade and logistic systems of the country, still the exporters are facing challenges to manage the lead time due to the absence of direct shipment channel. To ease this process, direct shipment has been inaugurated through Bangladesh-Italy route and Port of

Koper located in Slovenia can be a good option for future usage. Europe is the biggest apparel export destination for Bangladesh RMG industry while Bangladesh is exporting more than 50% of its apparel to Europe. Currently, the lead time between Bangladesh and Europe is more than three to four months since the shipment needs to be transported via several transshipment ports. A container shipping service directly

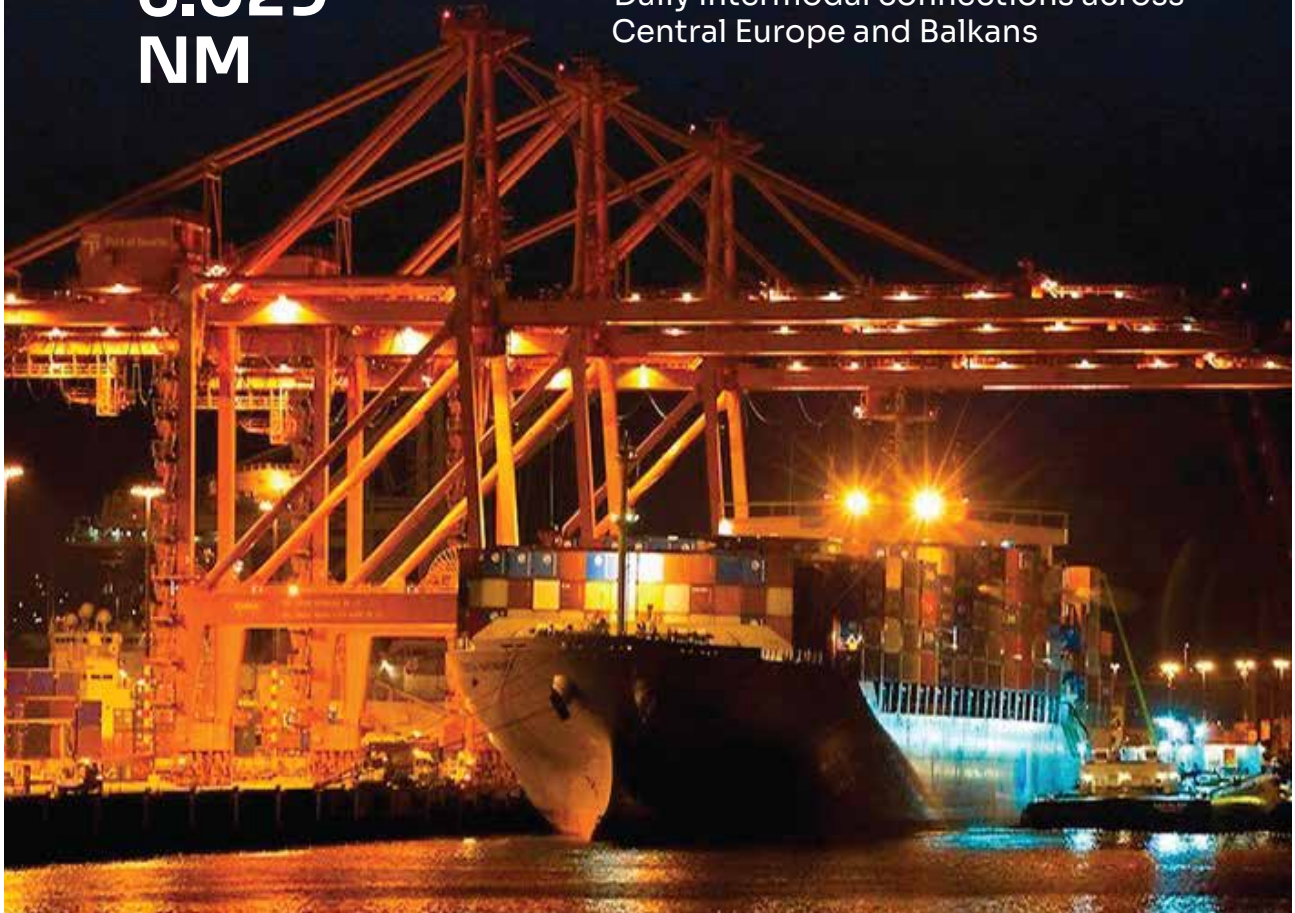
connecting Chattogram Port to the Port of Koper in Slovenia may open up prospects for faster and cheaper shipping from Bangladesh to Europe. Because the distance between the Chattogram port and Port of Koper is 6.029 nautical miles which is comparatively less than the Rotterdam (8.013 NM) and Hamburg (8.266NM) ports in Europe. The port of Koper will provide following services in case of shipping from/to Bangladesh port:

**Distance
between the
Chattagram
port and Port
of Koper**

**6.029
NM**

**Koper's services to/from
Bangladesh main ports**

- Daily connections with transshipments HUBs in Asia/Mediterranean ports
- Minimum 22 to 24 days transit times on export/import
- Daily intermodal connections across Central Europe and Balkans



Establishment
year
1957

Port area
690
acres

Number
of terminals
12


Employees
1700

Annual maritime
cargo handled
20.8
million
tons (2021)

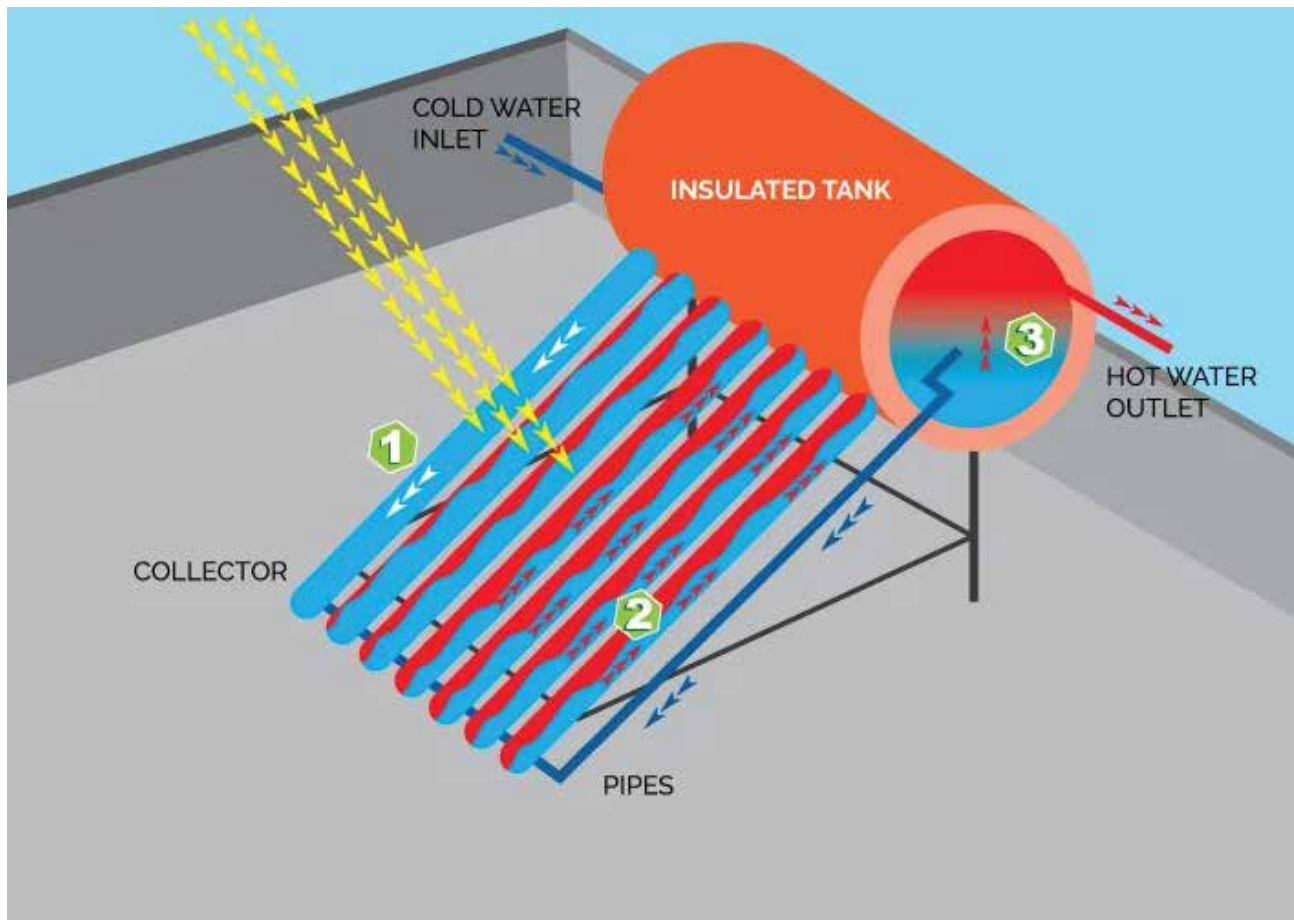
Annual
container
volume
997.570
TEU

Due to the fast entry of goods into Europe including flexible and smooth service of inspections and simplified customs clearance process, Koper is considered as a distribution center of EU. It also has a reduced energy consumption history and emits less CO2. The Port of Koper is situated in the northern part of the Adriatic Sea,

mainly connecting markets of Central and Southeast Europe with the Mediterranean Sea and Far East. It was established in 1957 as a public limited company listed on the Ljubljane stock exchange. This multipurpose port has 12 specialized terminals for container, car and Ro-Ro terminal, break bulk perishable goods, aluminum and

other minerals, project cargoes, livestock, Liquid Cargoes, cereals and fodder, and Passenger. The annual maritime cargo throughput of this port was 20.8 million tons in 2021 while around 58% of all cargo handled in the cargo is transported by rail. 

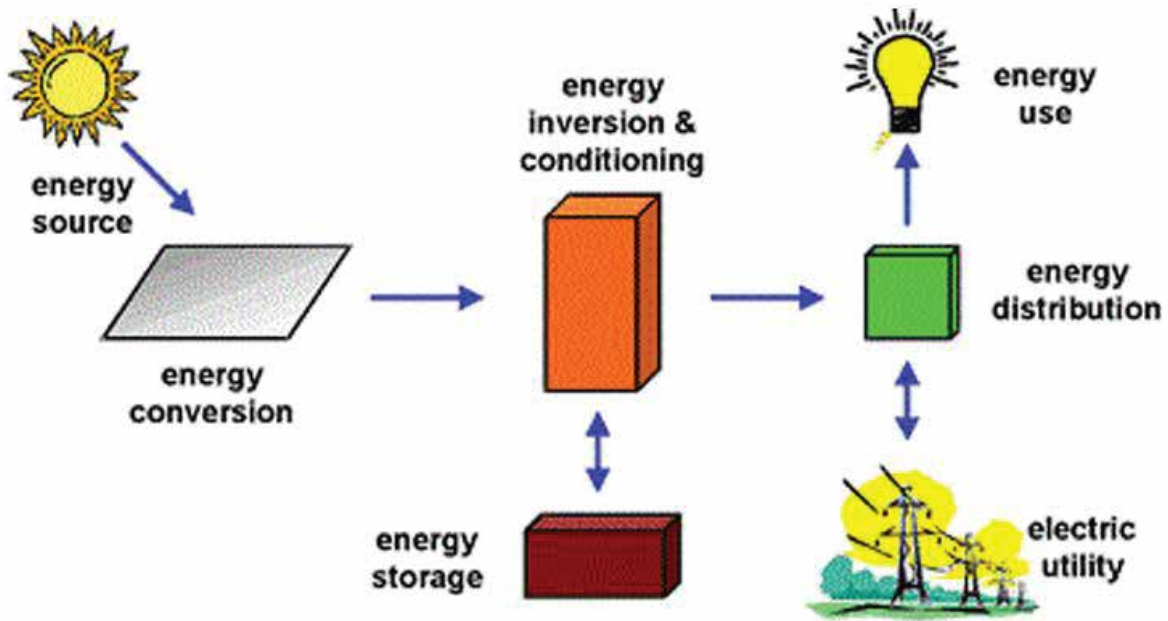
Conserving Energy through Solar Water Heating



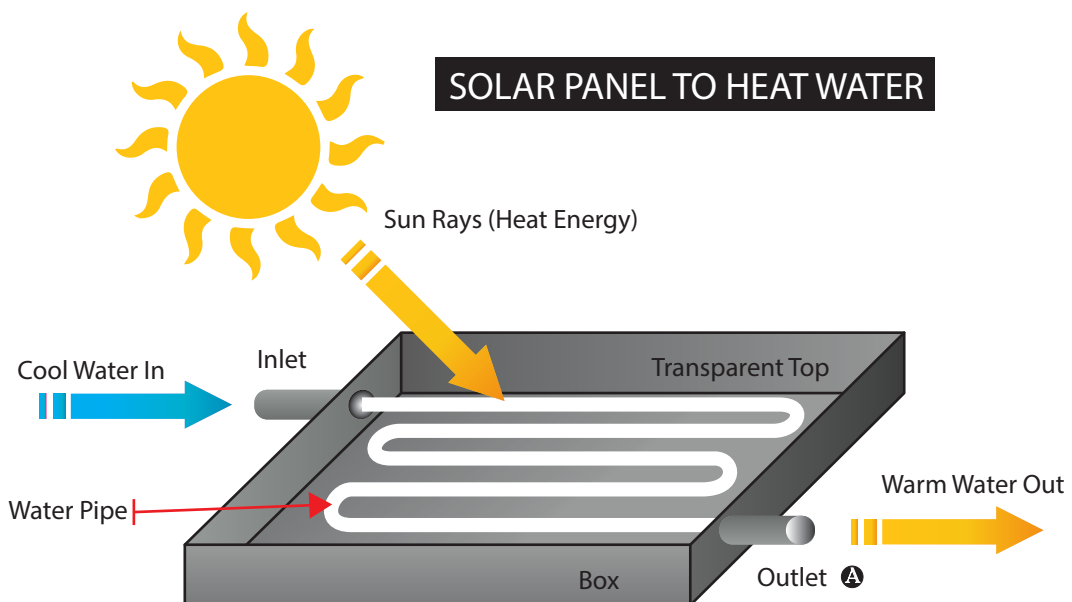
Solar water heating systems cost more to purchase and install than conventional water heating systems. However, a solar water heater can usually save you money in the long run. How much money you save depends on the following:

- The amount of hot water you use
- Your system's performance
- Your geographic location and solar resource
- Available financing and incentives
- The cost of conventional

fuels that your conventional water heater would otherwise use (natural gas, oil, or electricity) On average, if a factory installs a solar water heater, their water heating bills should drop 50%–80%. Heated water by using Solar can be used for various reasons like cleaning, disinfecting etc. If a factory invest around \$512 in the solar system, approximately \$700 could be saved annually with a payback period of nine months.



<p>Initial Investment \$512</p>	<p>Annual Savings \$700</p>		<p>Solar Heater type Evacuated Tube System</p>	<p>Capacity 200L/h</p>
<p>Simple Payback period 9 months</p>	<p>Annual GHG reduction 9.35 ton of Co2e</p>		<p>Annual Energy (Heating) Savings 50 MWh</p>	



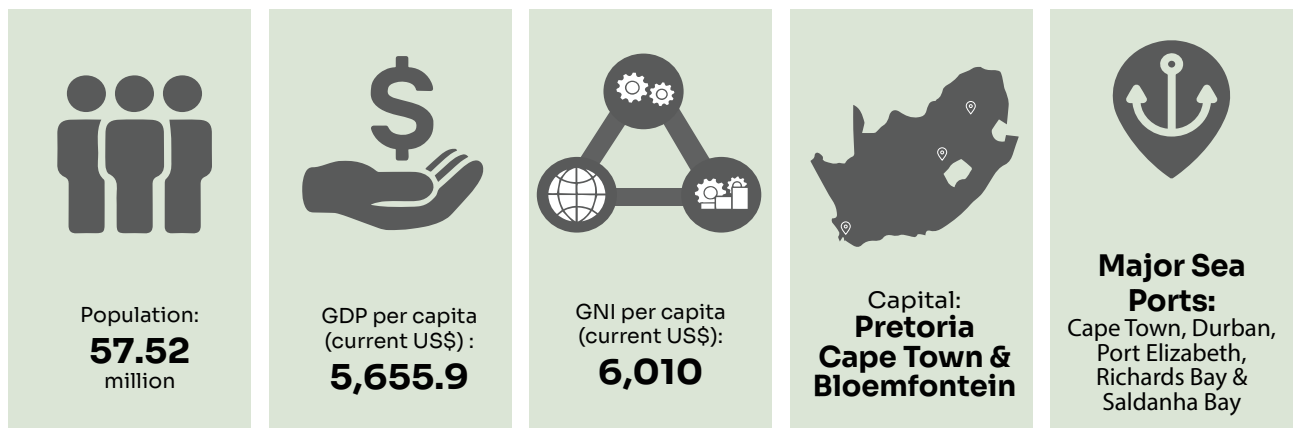
Tapping the Emerging Market: South Africa



South Africa is situated in the Southern part of Africa continent. It is 2nd largest economy in Africa and 33rd largest in the world. This country is renowned for its diverse topography, natural beauty and varied culture and all of these have made the country a favored destination for travelers. Currently South Africa is enjoying a stable mixed economy that draws

on its fertile agricultural lands, abundant mineral resources, tourist attractions, and highly evolved intellectual capital. South Africa is one of the emerging trading partners for Bangladesh, particularly for the RMG industry of Bangladesh. In the last few years the trade between two countries increased significantly. But despite a huge potential, there are many trade and investment areas which are still untapped.

Demographic and Economic Overview of South Africa



Source: The World Factbook – CIA & World Bank

Bilateral Trade

Table-1: Bilateral trade between Bangladesh and South Africa (Value in million USD)			
Year	BD's Export to South Africa	BD's Import from South Africa	Trade Balance
2016-17	68.26	147.11	-78.85
2017-18	84.49	181.84	-97.35
2018-19	116.68	188.67	-71.99
2019-20	90.20	154.14	-63.94
2020-21	110.40	134.01	-23.61

Source: Bangladesh Bank and Export Promotion Bureau (EPB)

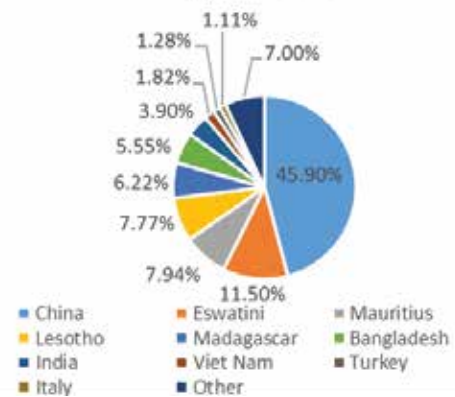


South Africa's Clothing Import from the World

In 2021, South Africa imported 1.91 billion worth clothing from the world where the share of Bangladesh was only 5.55%. China, being the top import source of South Africa holds 45.90% share of South Africa's total apparel import from the world.

Table-2: South Africa's Clothing Import from the World and share in 2021 (Value in million USD)				
Exporters	2019	2020	2021	Share
World	1862.63	1493.21	1905.14	100%
China	869.12	732.30	874.41	45.90%
Eswatini	198.35	160.66	219.19	11.50%
Mauritius	137.12	106.95	151.35	7.94%
Lesotho	145.56	102.02	147.99	7.77%
Madagascar	93.96	78.29	118.44	6.22%
Bangladesh	91.75	72.84	105.65	5.55%
India	91.23	62.77	74.39	3.90%
Viet Nam	35.28	27.66	34.71	1.82%
Turkey	26.39	18.97	24.47	1.28%
Italy	17.00	13.89	21.24	1.11%
Other	156.88	116.87	133.30	7.00%

Figure-1: South Africa's major source of apparel imports in 2021



Share of cotton and non-cotton apparel imported by South Africa

Following figures illustrate the share of cotton and non-cotton apparel imported by South Africa in 2021. The share of non-cotton items by South Africa from the world was around 48.50% of total apparel imports while the share of cotton items was 51.50%. South Africa imported USD 105.65 million worth of clothing from Bangladesh of which the share of non-cotton was only 28.55%.

Figure-2 South Africa's cotton & non-cotton clothing import share from world

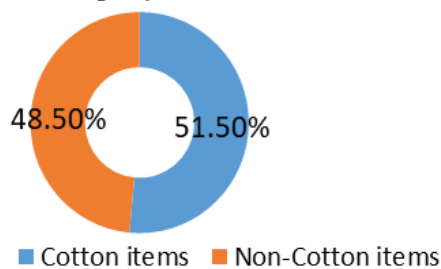
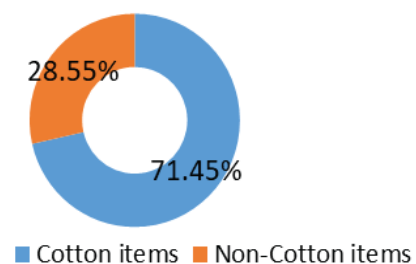


Figure-3 South Africa's cotton & non-cotton clothing import share from Bangladesh



South Africa's Apparel Import from Bangladesh

Bangladesh is one of the major apparel sourcing hubs for South Africa. South Africa's apparel import from Bangladesh has showed increasing trend during the last few years before Covid. Though in 2020 the growth was declined significantly due to Covid-19 but in 2021 the growth was higher than previous. South Africa's import from Bangladesh reached 105.65 million dollars in 2021 with 45.04% year-over year growth. The import of woven items was 61.94 million dollars while the import of knit 43.72 million.

Table 3: South Africa's Apparel import from Bangladesh (Value in MN USD)

Year	Knitwear	Woven	Total	Growth
2017	35.86	29.48	65.34	0.02%
2018	46.13	42.76	88.88	36.03%
2019	44.56	47.20	91.75	3.23%
2020	34.28	38.56	72.84	-20.61%
2021	43.72	61.94	105.65	45.04%

South Africa's Major Clothing Items Import from Different Countries in the World

Following table shows the top garments items imported by South Africa from the world and the competitors of Bangladesh.

Table-4: South Africa's top 20 imported items from the world and major countries in 2021 (Value in MN USD)

HS Code	Items	World	China	BD	India	Viet Nam	Turkey	Italy	CAGR of SA's import from world during 2016-2021
620342	M/B woven cotton trouser	238.54	58.32	16.59	3.14	1.87	1.70	1.22	4.96%
610910	Knitted cotton-shirts	170.27	19.50	20.71	16.37	3.75	3.71	2.57	5.21%
620462	W/G woven cotton trouser	143.67	48.84	9.50	0.79	0.54	1.66	0.69	4.34%
611030	Knitted MMF Jerseys and pullovers	71.99	43.95	12.27	0.50	1.08	0.77	0.48	2.01%
611020	Knitted cotton Jerseys and pullovers	60.12	15.38	6.19	1.85	1.55	1.94	2.13	15.68%
610990	Knitted MMF T-shirts	54.63	26.83	0.65	1.14	2.62	0.50	0.30	-4.98%
610510	M/B knitted cotton shirts	52.92	5.72	3.43	3.15	0.92	1.21	0.43	10.89%
621210	Brassieres	46.20	43.44	0.33	0.01	0.60	0.03	0.02	3.72%
611130	Knitted babies' garments and accessories	42.95	41.70	0.32	0.21	0.03	0.02	0.00	12.01%
620343	M/B woven MMF trouser	38.37	18.34	1.65	1.95	1.94	0.25	0.17	1.40%
610462	W/G knitted cotton trousers	37.43	9.05	1.95	1.25	0.55	0.36	0.10	20.40%
610343	M/B knitted MMF trousers	35.79	28.46	1.82	0.65	0.50	0.19	0.25	12.49%
610463	W/G knitted MMF trousers	32.36	18.51	1.18	1.00	2.47	0.20	0.15	11.73%
620520	M/B woven cotton shirts	30.66	7.57	2.59	2.82	0.14	0.86	0.58	-13.83%
620193	M/B woven MMF anoraks	30.56	25.48	0.58	0.02	1.20	0.05	0.42	9.41%
610822	W/G knitted MMF undergarments	28.10	27.33	0.19	0.02	0.12	0.01	0.01	7.18%
611120	Babies knitted cotton garments	27.57	20.02	2.38	1.82	0.04	0.48	0.03	5.24%
621010	Woven garments made up of felt	23.66	19.60	0.01	0.30	1.17	0.00	0.01	28.25%
610342	M/B knitted cotton trousers	23.14	6.11	2.73	2.00	0.26	0.35	0.36	5.96%
620293	W/G woven MMF anoraks	23.07	19.35	0.32	0.02	1.11	0.09	0.07	15.83%

Source: ITC Trademap



Table-5 illustrated some major apparel items imported by South Africa from the world in high volume. But the share of Bangladesh is those items was very poor. So Bangladesh has the potential to export these items to South Africa since they have higher demand of these products.

Table-5: Major apparel items imported by South Africa in 2021 & the share of BD (Value in MN USD)				
HS code	Products	South Africa's imports from world	South Africa's imports from Bangladesh	BD's share in South Africa's import
610990	Non cotton knitted T-shirts	54.63	0.65	1.19%
621210	Non cotton woven Brassieres	46.198	0.33	0.71%
611130	Babies garments of synthetic fibres	42.947	0.32	0.75%
620343	M/B synthetic woven trousers	38.37	1.65	4.31%
610462	W/G cotton knitted trousers	37.43	1.95	5.20%
610343	M/B synthetic knitted trousers	35.79	1.82	5.08%
610463	W/G synthetic knitted trousers	32.36	1.18	3.63%
620193	M/B MMF woven anoraks	30.56	0.58	1.91%
620442	W/G cotton woven dresses	18.80	0.51	2.70%
620349	M/B non-cotton woven trousers	17.87	0.41	2.30%

Market Access

Bangladesh Faces average 42% duty while exporting apparel to South Africa. For knitwear the average duty is 42.41% and for woven it is 42.92%. ⁴

KANTOJEW TEMPLE

KAHAROL, DINAJPUR

Kantojew Temple, commonly known as Kantaji Temple or Kantajew Temple at Kantanagar, is a late-medieval Hindu temple in Dinajpur, Bangladesh. Built by the Maharaja Pran Nath, this temple is one of the most magnificent religious edifices belonging to the 18th century, representing one of the biggest replica of terracotta work in Southeast Asia. The entire outer surface of the temple is exquisitely embellished with terracotta plaques which depict flora and fauna, geometric motifs and mythological scenes from the Ramayana as well as from the Mahabharata.





NAYABAD MOSQUE, KAHAROL, DINAJPUR

Nayabad Mosque is situated 1¼ km southwest of Kantajew Temple. It is believed that the architects from Persia, who were engaged in the construction process of Kantojew Temple, built this mosque to offer their prayer.



Baliya Masjid, Bhulli-Panchp ir Hat road, Thakurgaon

This 110 years old mosque is locally known as “Mosque of Jinn”. The engraved scribings on the walls depict, the mosque was built in 1317 BS, most of the work completed by Zamindar Meher Boks Chowdhury. An architect from Murshidabad in the Agra sect of Delhi was called upon. The mosque is an epitome of infrastructural excellence having three domes and eight minarets of the same size.

Palace of Raja Tonka Nath, Ranisankail, Thakurgaon

None of the ancestors of Raja Tonka Nath were Jamidar or Maharaja. According to local myth, his father Buddhinath used to work as a priest in the temple of an anciet Jamidar who used to reside at Katihar, which is 7 km away from the palace. Then after lots of incidents, Buddinath became the Jamidar and later his second son Tonkanath got awarded with the title “Chowdhury” from British empire. The palace is built following a mixture of modern era and Victorian style. Established on 10 acre land, this palace used to have a grand entrance which is almost destroyed now. 📍





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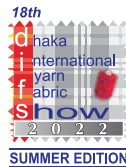
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News in Pictures



BGMEA President Faruque Hassan attended the inaugural ceremony of the Sustainable Apparel Forum (SAF) as a special guest and expressed the RMG industry's firm commitment to continuing its strides and efforts in retaining the fame of Bangladesh as a preferred choice of global buyers for sourcing apparels. Mayor of Dhaka North City Corporation Md. Atiqul Islam, Ambassador of the Netherlands to Bangladesh Anne Van Leeuwen, Founder and CEO of Bangladesh Apparel Exchange (BAE) Mostafiz Uddin and Director of BGMEA Md. Mohiuddin Rubel also spoke at the inaugural ceremony of SAF held in Dhaka.



A delegation of Aldi, a Germany based international retailer, called on BGMEA President Faruque Hassan at BGMEA's PR office in Gulshan, Dhaka. The delegation included Denise Hochreiter-Hamberger, Managing Director for Global Sourcing, Anke Ehlers, Managing Director for Corporate Responsibility International, Katharina Wortmann, Director Corporate Responsibility International, SM Nurul Azam, Director Corporate Responsibility, Md. Hasan-Uz-Zaman, Senior Manager, Corporate Responsibility, ALDI SOUTH Group. BGMEA Vice President Miran Ali and Director Abdullah Hil Rakib were also present at the meeting.



BGMEA President Faruque Hassan, Vice President Miran Ali, Director Abdullah Hil Rakib, Co-founder & Director of LightCastle Partners Zahedul Amin and others pose for photograph at the agreement signing between BGMEA and LightCastle Partners for conducting a feasibility study on "Establishing a Virtual Marketplace Platform for the RMG sector".



Yousuf Shahriar, President and Country Head of Adani Group Bangladesh, paid a courtesy call on BGMEA President Faruque Hassan at BGMEA's PR office in Gulshan, Dhaka. BGMEA Vice President Miran Ali, Director Abdulla Hil Rakib, Capt Mohit Chaturvedi, Head – India Container Sales Business Development, Adani Ports and SEZ Ltd were also present on the occasion.

A delegation of Huawei Technologies (Bangladesh) Ltd paid a call on BGMEA President Faruque Hassan at BGMEA's PR office in Gulshan, Dhaka and expressed willingness of Huawei to provide technical solutions and support to the RMG industry of Bangladesh in increasing capacity of renewable energy generation in the sector. delegation included Li Zongsheng (Jason), Board Member; Liang Weixing, Managing Director for Digital Power Business Group; Najia Samantha Islam, Manager, Public Affairs and Communications; and Md Nur Alam, Account Manager, Bangladesh Digital Power Business. BGMEA Vice President Miran Ali was also present at the meeting.



The 37th IAF World Fashion Convention will be held in Dhaka, Bangladesh in November 2022. The International Apparel Federation (IAF) will hosts the Convention in collaboration with the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA). The “Made in Bangladesh Week” will be held concurrently in Dhaka on 12-18 November. BGMEA President Faruque Hassan and Secretary General of IAF Matthijs Crietee made the announcement at a press conference in Dhaka.



Dr. Annalisa Primi, Head of Division, Economic Transformation and Development, Development Centre at the Organisation for Economic Co-operation and Development (OECD), paid a courtesy call on BGMEA President Faruque Hassan at his office in Gulshan, Dhaka. Daniel Robert Gay, Adviser on Trade and Economic Development, Structural Policies and Innovation Unit, OECD Development Centre, Dr. Manuel Toselli, Economist, Structural Policies and Innovation Unit, OECD Development Centre; Ms. Mereseini Bower, Inter-regional Adviser, Economic Analysis and Policy Division, Department of Economic and Social Affairs at the United Nations (UN); and Md. Mazedul Islam, Development Coordination Officer at UN Bangladesh were present at the meeting. BGMEA Vice President Miran Ali, Director Tanvir Ahmed and Chair of BGMEA Standing Committee on Foreign Mission Cell Shams Mahmud also attended the meeting.



The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Skills for Employment Investment Program (SEIP) signed a contract to develop skills of mid-level management and workers of the RMG industry through training. BGMEA President Faruque Hassan and Executive Project Director of SEIP Md. Ekhlashur Rahman inked the agreement on behalf of their respective sides. BGMEA Vice President Shahidullah Azim and Chairman of BGMEA Standing Committee on UD-Woven & Knit Md. Nurul Islam were present at the agreement signing ceremony.



BGMEA President Faruque Hassan paid a courtesy call on Lieutenant General Md Akbar Hossain, Commandant, National Defence College (NDC) in Dhaka. Faruque Hassan requested Lieutenant General Md Akbar Hossain to offer RMG entrepreneurs Capstone Course at the National Defence College to enhance their knowledge and widen understanding of challenges to national development.



BGMEA has launched its online-based 'Cash Incentive Automation System' to make application procedures faster, simpler, transparent and more convenient for garment factories. BGMEA President Faruque Hassan inaugurated the Cash Incentive Automation System. BGMEA Vice Presidents and Directors were present at the inaugural ceremony held at the conference of BGMEA in Uttara, Dhaka.

President of Brazilian Cotton Growers Association (ABRAPA) Julio Cesar Busato paid a courtesy call on BGMEA President Faruque Hassan at the latter's office in Gulshan, Dhaka. BGMEA Vice President Shahidullah Azim, Vice President (Finance) Khandoker Rafiqul Islam, Director of International Relations at ABRAPA Marcelo Duante Monteiro, Commercial Specialist at Brazil Embassy in Bangladesh Nahid Ferdousi were also present on the occasion. They had discussions on the present situation of global cotton market, price stability, demand and supply, challenges of supply chain.



Honorable Minister of Textiles and Jute Minister Golam Dastagir Gazi (Birpratik), MP, BGMEA President Faruque Hassan and Managing Director of Worldex India Rajesh Bhagat inaugurating the inaugural ceremony of the 9th edition of Intex South Asia organized Worldex India in Dhaka.



BGMEA Vice President Md. Nasir Uddin along with Chair of BGMEA Standing Committee on Foreign Mission Cell Shams Mahmud attended a meeting with Foreign Secretary Masud Bin Momen at the Ministry of Foreign Affairs in Dhaka.

A delegation of BGMEA led by President Faruque Hassan met with Bangladesh Bank Governor Fazle Kabir at BB office. The delegation members included BGMEA Vice President Md. Nasir Uddin, Directors Tanvir Ahmed, Neela Hosna Ara, Chair of BGMEA Standing Committee on NBR Md. Munir Hossain and Chair of BGMEA Standing Committee on Foreign Mission Cell Shams Mahmud. Deputy Governor of Bangladesh Bank Abu Farah Md. Nasser was also present.



A meeting was held between BGMEA President Faruque Hassan and Wahid Salam, Honorary Consul, Consulate of Slovenia in Bangladesh and Miha Groznik, Honorary Consul, Consulate of Bangladesh in Slovenia. Mitja Dujc, Commercial Director, Port of Koper and Borut Semrl, Representative for Hungary, Port of Koper also attended the meeting held at BGMEA's PR office in Gulshan, Dhaka. They made a presentation on the prospects, features and benefits of Port Koper for directing shipping from Bangladesh to Europe through Slovenia.



A delegation of Coats, a leading industrial thread company in the world, paid a courtesy call on BGMEA President Faruque Hassan at BGMEA's PR office in Gulshan, Dhaka. The delegation included Bill Watson, Managing Director of Coats China Cluster, Mohammad Al Kashem, Managing Director, Coats Bangladesh, Zahir Ahsan, Commercial Director and Md. Rajib Rayhan, Global Accounts Manager, Coats Bangladesh.

Margaret Scotti, Area Advisor for South Asia and Europe and Leena Z Khan, International Relations Officer at the U.S. Department of Labor paid a courtesy call on Faruque Hassan, President of BGMEA at the latter's office. Scott A. Brandon, Counselor for Political and Economic Affairs and Md. Saifuzzaman Mehrab, Labor Assistant at the Embassy of the U.S.A. to Bangladesh were also present on the occasion. BGMEA Directors Asif Ashraf, Abdullah Hil Rakib, Barrister Vidiya Amrit Khan and Chair of BGMEA Standing Committee on Foreign Mission Cell Shams Mahmud also attended the meeting.



BGMEA President Faruque Hassan and Managing Partner, PwC Bangladesh Mamun Rashid along with BGMEA Directors Asif Ashraf, Abdullah Hil Rakib, Barrister Vidiya Amrit Khan and Chair of BGMEA Standing Committee on Foreign Mission Cell Shams Mahmud pose for photograph at the agreement signing between BGMEA and PwC to conduct a study on Bangladesh's RMG sector roadmap to recovery. 

Statistics

Bangladesh's RMG export to world

Wovenwear

Value in Million USD

Month	2019/20	2020/21	2021/22	2021-22 VS 2020-21	2021-22 VS 2019-20
July	1632.32	1494.66	1228.77	-17.79%	-24.72%
August	1163.32	1103.52	1152.94	4.48%	-0.89%
September	1091.70	1064.54	1513.55	42.18%	38.64%
October	1151.69	985.50	1515.82	53.81%	31.62%
November	1240.03	1110.12	1459.55	31.48%	17.70%
December	1539.16	1261.05	1868.44	48.17%	21.39%
January	1625.00	1399.22	1972.17	40.95%	21.36%
February	1505.58	1272.65	1716.04	34.84%	13.98%
March	1200.37	1142.48	1881.22	64.66%	56.72%
April	194.55	1175.21	1811.49	54.14%	831.12%
May	622.16	1190.58	1415.29	18.87%	127.48%
June	1075.31	1297.17	1863.56	43.66%	73.30%
Total	14041.19	14496.70	19398.84	33.82%	38.16%

Source: EPB

Knitwear

Value in Million USD

Month	2019/20	2020/21	2021/22	2021-22 VS 2020-21	2021-22 VS 2019-20
July	1678.16	1750.28	1658.45	-5.25%	-1.17%
August	1242.69	1364.50	1600.44	17.29%	28.79%
September	1249.37	1348.88	1905.29	41.25%	52.50%
October	1368.13	1338.22	2045.89	52.88%	49.54%
November	1271.28	1334.47	1775.50	33.05%	39.66%
December	1396.17	1389.82	2176.06	56.57%	55.86%
January	1414.22	1462.94	2112.41	44.39%	49.37%
February	1278.70	1352.64	1795.68	32.75%	40.43%
March	1055.83	1312.43	2050.18	56.21%	94.18%
April	180.12	1341.77	2122.69	58.20%	1078.49%
May	608.38	1366.37	1743.29	27.59%	186.55%
June	1164.95	1597.71	2228.44	39.48%	91.29%
Total	13908.00	16960.03	23214.32	36.88%	66.91%

Source: EPB

Total (Woven + Knit)

Value in Million USD

Month	2019/20	2020/21	2021/22	2021-22 VS 2020-21	2021-22 VS 2019-20
July	3310.48	3244.94	2887.22	-11.02%	-12.79%
August	2406.01	2468.02	2753.38	11.56%	14.44%
September	2341.07	2413.42	3418.84	41.66%	46.04%
October	2519.82	2323.72	3561.71	53.28%	41.35%
November	2511.31	2444.59	3235.05	32.34%	28.82%
December	2935.33	2650.87	4044.50	52.57%	37.79%
January	3039.22	2862.16	4084.58	42.71%	34.40%
February	2784.28	2625.29	3511.72	33.77%	26.13%
March	2256.20	2454.91	3931.40	60.14%	74.25%
April	374.67	2516.98	3934.18	56.31%	950.04%
May	1230.54	2556.95	3158.58	23.53%	156.68%
June	2240.26	2894.88	4092.00	41.35%	82.66%
Total	27949.19	31456.73	42613.16	35.47%	52.47%

Source: EPB

Bangladesh's RMG export to world

(FY 2019-20, 2020-21 & 2021-22)

Export value in million USD

EU Countries	Woven			Knit			Total		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
Austria	6.06	8.87	11.90	24.13	23.06	32.35	30.19	31.93	44.25
Belgium	282.47	221.73	226.06	310.83	339.86	496.45	593.31	561.59	722.52
Bulgaria	0.13	0.44	0.28	2.14	1.35	1.23	2.27	1.79	1.51
Denmark	226.42	291.35	386.03	397.38	542.46	766.00	623.81	833.81	1152.03
Finland	6.49	7.14	5.27	24.46	23.66	31.03	30.95	30.80	36.31
France	618.26	659.39	849.32	950.99	1109.61	1541.67	1569.25	1769.00	2390.98
Germany	2136.11	2518.67	2987.71	2656.91	3094.01	4181.83	4793.03	5612.68	7169.53
Greece	7.47	7.53	11.54	27.16	25.43	43.45	34.63	32.96	54.99
Italy	425.49	381.68	506.14	770.55	834.72	1090.63	1196.03	1216.40	1596.77
Ireland	67.28	55.08	75.23	79.35	95.07	137.35	146.64	150.15	212.58
Netherlands	395.02	422.72	621.13	477.19	621.02	853.19	872.21	1043.74	1474.32
Portugal	23.13	17.55	26.50	45.26	41.03	59.07	68.39	58.59	85.57
Romania	3.66	3.41	3.89	9.21	11.92	16.87	12.87	15.33	20.76
Spain	936.40	927.40	1280.29	1082.81	1234.01	1738.24	2019.21	2161.41	3018.52
Sweden	198.50	215.61	257.54	350.95	393.94	527.47	549.45	609.55	785.01
Cyprus	0.44	0.21	0.19	1.83	2.03	1.42	2.27	2.23	1.61
Czech Republic	101.70	128.18	130.74	89.79	95.25	139.91	191.49	223.43	270.65
Estonia	0.05	0.09	0.07	1.03	0.95	1.21	1.08	1.04	1.28
Hungary	1.34	17.22	31.04	12.96	68.15	108.86	14.30	85.37	139.90
Latvia	0.05	0.13	0.21	0.60	0.70	0.83	0.65	0.84	1.04
Lithuania	0.42	0.31	0.18	1.42	0.93	0.23	1.84	1.24	0.41
Malta	4.47	0.04	0.06	1.97	0.69	0.21	6.43	0.73	0.27
Poland	448.55	512.48	744.08	629.43	867.92	1261.97	1077.98	1380.40	2006.05
Slovakia	25.13	26.04	21.96	40.20	51.67	58.64	65.33	77.71	80.60
Slovenia	12.24	15.58	23.46	42.47	54.32	91.80	54.71	69.90	115.25
Croatia	5.06	3.56	4.60	9.59	9.77	12.72	14.64	13.33	17.32
Luxembourg	0.04	0.04	0.23	0.68	0.85	1.58	0.72	0.89	1.81
Sub-Total (EU)	5932.38	6442.46	8205.66	8041.30	9544.39	13196.20	13973.68	15986.85	21401.85
EU % of World	42.25	44.44	42.30	57.82	56.28	56.85	50.00	50.82	50.22
Growth%	-19.12	8.60	27.37	-19.10	18.69	38.26	-19.11	14.41	33.87
USA	3772.93	3887.71	5892.92	1373.61	2058.69	3120.17	5146.53	5946.40	9013.09
% of USA	26.87	26.82	30.38	9.88	12.14	13.44	18.41	18.90	21.15
Growth%	-18.32	3.04	51.58	-9.31	49.87	51.56	-16.09	15.54	51.57
U.K.	1464.28	1331.02	1805.87	1708.94	2113.55	2691.35	3173.23	3444.57	4497.22
UK % of World	10.43	9.18	9.31	12.29	12.46	11.59	11.35	10.95	10.55
Growth%	-20.49	-9.10	35.68	-15.30	23.68	27.34	-17.77	8.55	30.56
Canada	480.63	502.99	646.90	395.64	492.60	679.46	876.27	995.59	1326.36
% of Canada	3.42	3.47	3.33	2.84	2.90	2.93	3.14	3.16	3.11
Growth%	-26.19	4.65	28.61	-25.09	24.51	37.93	-25.70	13.62	33.22
Non-Traditional Markets									
Japan	492.49	462.05	507.94	469.45	482.77	590.68	961.94	944.82	1098.62
Australia	260.33	300.74	312.06	340.81	430.38	500.18	601.14	731.13	812.24
Russia	178.76	220.41	207.54	262.12	373.25	376.24	440.88	593.66	583.78
India	272.21	253.49	399.84	148.51	168.37	315.57	420.73	421.86	715.41
Korea Rep.	135.49	143.09	204.27	157.94	179.22	235.48	293.43	322.31	439.75
China	192.33	145.55	138.13	137.63	125.73	84.20	329.96	271.28	222.33
United Arab Emirates	76.31	111.52	144.69	71.14	114.47	137.73	147.45	225.99	282.41
Mexico	90.16	75.69	132.79	76.29	83.01	142.31	166.45	158.70	275.10
Malaysia	62.56	47.88	55.75	92.80	107.21	153.57	155.36	155.09	209.31
Saudi Arabia	39.36	62.70	57.98	47.28	65.32	85.73	86.64	128.02	143.70
Turkey	104.20	73.27	98.28	54.06	43.88	95.41	158.26	117.15	193.69
South Africa	33.37	42.52	49.75	41.85	56.53	68.52	75.22	99.05	118.27
New Zealand	26.29	32.90	33.35	48.53	63.78	77.65	74.82	96.68	111.00
Chile	49.58	37.12	80.99	54.27	45.44	102.35	103.85	82.56	183.34
Brazil	50.96	34.97	38.93	55.67	35.76	54.56	106.63	70.73	93.49
Other Countries	326.56	288.61	385.22	330.16	375.67	506.97	656.73	664.28	892.20
Non-Traditional % of World	17.03	16.09	14.68	17.17	16.22	15.19	17.10	16.16	14.96
Non-Traditional Growth%	-14.56	-2.44	22.08	-17.29	15.17	28.22	-15.95	6.36	25.40
GRAND TOTAL	14041.19	14496.70	19,398.84	13908.00	16960.03	23,214.32	27949.19	31456.73	42613.16
% Growth	-18.58	3.24	33.82	-17.65	21.94	36.88	-18.12	12.55	35.47

Source: EPB

Bangladesh's top 30 apparel items export to world Value in Million USD

SL	HS Code	Products Description	FY 2020-21	FY 2021-22	Growth
1	610910	Cotton T-shirts	6255.17	8,446.56	35.03%
2	620342	M/B cotton woven trousers	4379.69	5,640.84	28.80%
3	620462	W/G cotton woven trousers	2711.13	3,596.63	32.66%
4	611020	Cotton Jerseys & pullovers	2347.15	3,250.97	38.51%
5	611030	MMF Jerseys & pullovers	1298.57	1,968.02	51.55%
6	610462	W/G cotton knitted trousers	1242.05	1,609.86	29.61%
7	620343	M/B synthetic woven trousers	1012.77	1,589.28	56.92%
8	620520	M/B cotton woven shirts	1165.13	1,513.81	29.93%
9	610510	M/B cotton knitted shirts	557.33	844.15	51.46%
10	620193	M/B MMF woven anoraks	553.92	713.09	28.73%
11	610342	M/B cotton knitted trousers	482.99	700.97	45.13%
12	610821	W/G cotton briefs & panties	513.82	682.32	32.79%
13	621210	Brassieres	508.96	645.70	26.87%
14	611120	Cotton Babies' garments	526.91	644.50	22.32%
15	610711	M/B cotton underpants	489.03	604.33	23.58%
16	620293	W/G MMF woven anoraks	465.69	487.01	4.58%
17	610990	Non cotton knitted T-shirts	360.31	444.27	23.30%
18	610442	Cotton knitted Dresses	320.88	413.31	28.80%
19	620463	W/G synthetic woven trousers	181.24	377.88	108.50%
20	611090	Non cotton Jerseys & pullovers	323.41	346.32	7.08%
21	610831	W/G cotton knitted nighties	206.75	308.21	49.07%
22	620630	W/G cotton woven blouses	197.24	271.04	37.42%
23	610463	W/G synthetic knitted trousers	154.75	267.03	72.55%
24	620442	Cotton woven Dresses	191.55	255.62	33.45%
25	620920	Cotton woven Babies' garments	192.07	250.96	30.66%
26	620469	W/G non cotton woven trousers	193.17	240.40	24.45%
27	620530	M/B MMF woven shirts	151.99	237.78	56.44%
28	620640	W/G MMF woven blouses	189.44	228.19	20.45%
29	620192	M/B cotton woven anoraks	168.46	196.74	16.79%
30	610343	M/B synthetic knitted trousers	105.03	191.67	82.49%
		Total	27446.63	36967.45	34.69%

Source: EPB

Note: M/B= Men's or boys| W/G= Women's or girls

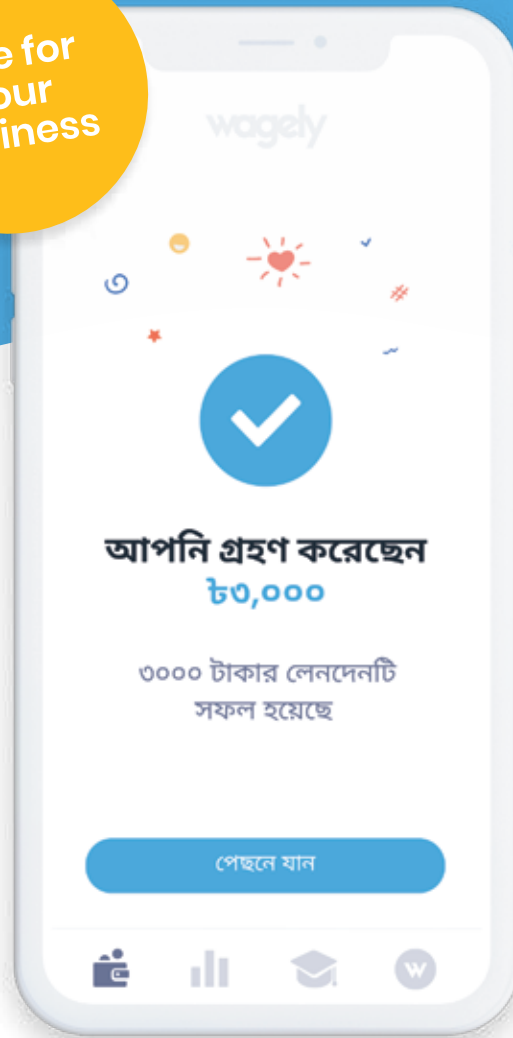
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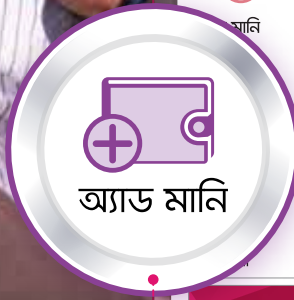


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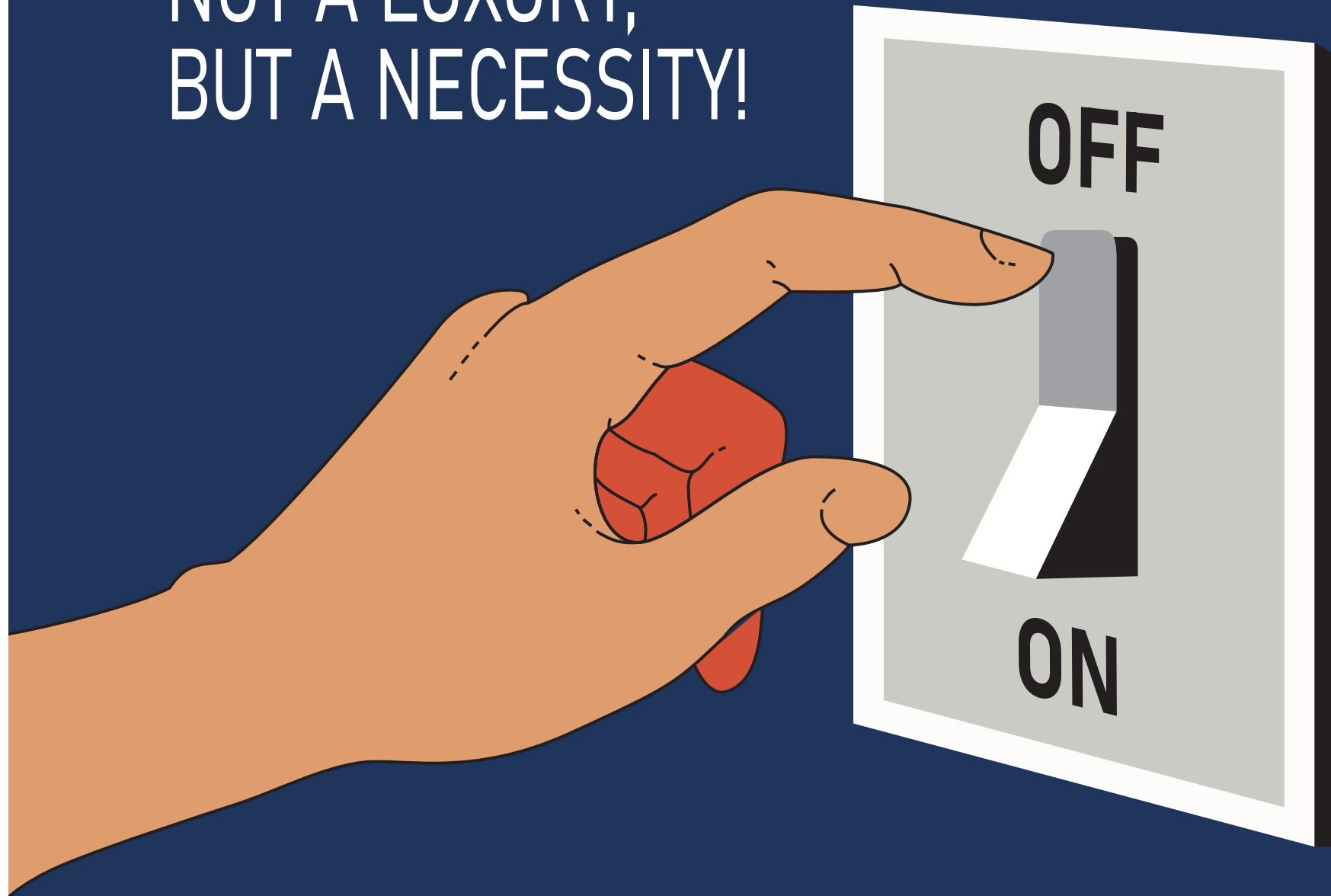
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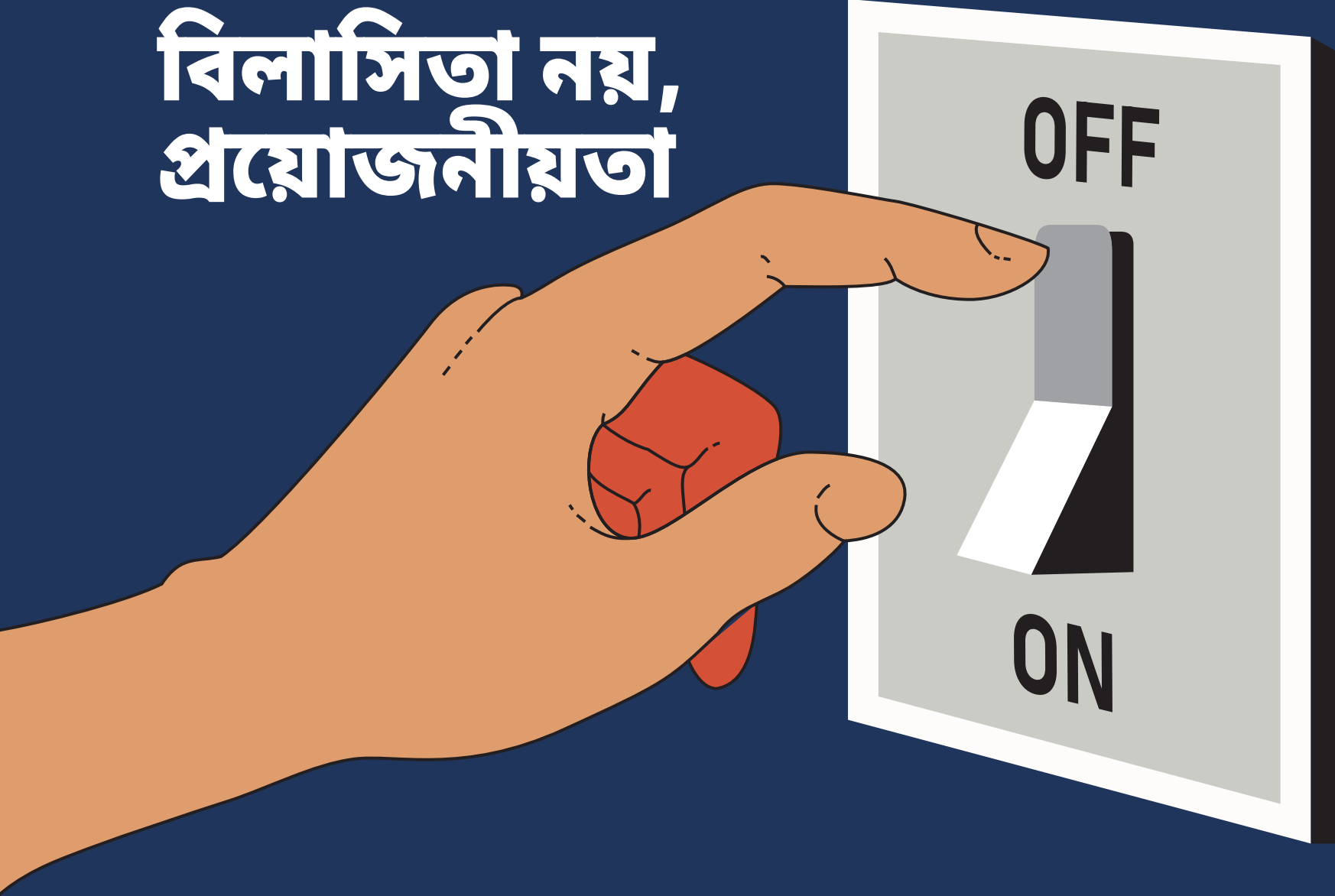
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