

**RMG & TEXTILE SECTOR:
THE CHANGE MAKER OF BANGLADESH ECONOMY**



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INSEE OPC
Ordinary Portland Cement

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INSEE PCC
Portland Composite Cement

Saving ~1200 trees



INSEE PPC
Portland Pozzolana Cement

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Saving ~1500 trees



INSEE Eco plus
Portland Composite Cement

Saving ~2000 trees

Trees saved in per ton production of these cement

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The Ready-Made Garments (RMG) and Textile industry in Bangladesh has showcased exceptional growth, overcoming numerous challenges to solidify its position as the world's second-largest garment exporter. This remarkable success reflects the sector's adaptability, resilience, and relentless drive for innovation.

In this edition of the FICCI Monthly Bulletin, we spotlight the RMG & Textile sector, a crucial driver of Bangladesh's economy. Over the decades, the industry has developed strategies that have positioned it as a global sourcing hub. Today, the "Made in Bangladesh" label is synonymous with quality, affordability, and reliability in the global fashion market.

The success of Bangladesh's RMG and textile industry is due to its manufacturing strength, competitive pricing, high-quality standards, green factories, and improved compliance. Supportive policies, favorable banking, and robust backward linkages have sustained growth. Vertical integration has enhanced supply chain transparency and strengthened global partnerships.

As a business chamber at FICCI, we promote the adoption of technology, innovation, and ESG principles. We believe responsible business practices drive inclusive economic development and long-term sustainability. Through our seminars and meetings, we share strategies to enhance productivity and ensure sustainable growth in the world of smart manufacturing and transparent value chains.

The FICCI Monthly Bulletin addresses topics of national significance, and this edition's focus on the RMG & Textile sector is no exception. We believe this will capture the attention of industry players and stakeholders.

Despite facing external challenges such as global economic recessions, trade tensions, and the lasting impact of the Covid-19 pandemic, the RMG & Textile sector in Bangladesh is not without its obstacles. The impending graduation from Least Developed Country (LDC) status could result in the loss of trade preferences, presenting a new challenge.

However, by embracing Industry 4.0 technologies such as automation, artificial intelligence, and data analytics, the sector can enhance efficiency, reduce costs, improve quality, and minimize environmental impact. Investments in eco-friendly materials and production methods can position Bangladesh as a leader in sustainable manufacturing.

Looking ahead, Bangladesh's apparel manufacturers must continue to diversify their product offerings to stay ahead of consumer trends and maintain competitiveness in the fast-paced fashion industry. With a clear vision, the sector can achieve its ambitious \$100 billion export target in the coming years, further solidifying its role as a global leader in sustainable and innovative textile production.

Wishing you Season's Greetings and a Happy New Year 2025!

T. I. M. Nurul Kabir

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Zaved Akhtar
President, FICCI and
Chairman & Managing Director,
Unilever Bangladesh Ltd.

MESSAGE FROM THE PRESIDENT

Dear Fellow Members, Colleagues, and Stakeholders,

I am excited to share with you our December and final bulletin of the year, which highlights one of the key drivers of Bangladesh's economic growth—the Ready-Made Garments (RMG) and Textile Sector. Themed on **RMG & TEXTILE SECTOR: THE CHANGE MAKER OF BANGLADESH ECONOMY**, this edition explores the transformative impact of this industry and its pivotal role in shaping the future of the nation's economy.

For many years, the RMG and textile sector has been a cornerstone of Bangladesh's economic success. It's more than just an industry; it is a genuine engine of transformation, creating millions of jobs, fostering inclusive growth, and enhancing our global competitiveness. Thanks to the resilience and innovation within this sector, Bangladesh has become a significant player in the global market, making substantial contributions to our GDP and export earnings.

In this bulletin, we have included valuable insights and analyses from industry leaders, policymakers, and experts, who offer their perspectives on the latest trends, challenges, and opportunities in the RMG and textile sector. Their contributions underscore the critical role the industry plays in advancing Bangladesh's economic prosperity and long-term sustainability.

Looking ahead, let's continue to support and invest in this key sector. By fostering innovation, adopting sustainable practices, and empowering our workforce, we can ensure that the RMG and textile industry remains a powerful catalyst for both economic growth and social progress.

As we end the year, I am thrilled to wrap up the first year of our incredible journey as the FICCI Board. I would like to extend my heartfelt gratitude to each member of the FICCI Board and to all our member companies for their unwavering support throughout this journey. I hope this bulletin will be both insightful and motivating as we work together to unlock the full potential of Bangladesh's RMG and textile sector. I also deeply appreciate the patrons, sponsors, and the FICCI Secretariat for their significant efforts in bringing this bulletin to fruition.

Thank you once again for your unwavering support and dedication to FICCI.

Happy Holidays & Warm Regards,

Zaved Akhtar
President, FICCI

YOUNGONE

Kihak Sung
Chairman and CEO
Youngone Corporation



Kihak Sung, Chairman of Youngone Corporation, is a pioneer in Bangladesh's readymade garments and textile sectors, significantly contributing to its rise as a leading global exporter. Born in Seoul in 1947, Sung earned a degree in international economics from Seoul National University. His career in international trade with Seoul Trading fueled his entrepreneurial ambitions, leading to the **founding of Youngone Corporation in 1974**. In **1980**, he established **Bangladesh's first foreign-owned apparel manufacturing plant** in Chattogram, marking the start of Bangladesh's transformation into a major garment production hub.

In this interview, **Kihak Sung** discusses **Youngone Corporation's journey in Bangladesh**, future expansion plans, expectations from the Interim Government to enhance FDI, current policies, advice for foreign investors, and strategies for Bangladesh to become a leading apparel-sourcing destination.

Q1. Can you share the journey of Youngone Corporation in Bangladesh and how it has evolved over the years? What were the key factors that influenced your decision to invest in Bangladesh initially?

In May 1980, Youngone started with a small factory with mostly 250 female workers in Agrabad, Chattogram. We were the first foreign investor in the apparel export industry, as well as one of the first foreign direct investors in Bangladesh before a proper export system had developed in the 1980's.

We moved to the Chattogram Export Processing Zone (CEPZ) in 1986 and began by importing raw fibers such as polyester for carding and processing, then filled them into nylon outerwear for export in volume to the Swedish markets.

In the late '80s, we manufactured polyester padding for winter garments and supplied it to Youngone and other garment manufacturers in Chattogram.

That was the first manmade fiber (MMF) backward linkage industry in Bangladesh. By the late 1990s, we started supplying raw materials including nylon and polyester fabrics to apparel manufacturers. We also established weaving, dyeing and finishing facilities in Bangladesh.

We chose Bangladesh because it gave us first-mover advantage in the ready-made garment industry, as well as its GSP status for exports to Europe and the USA.





Q2. How has the investment climate in Bangladesh changed since you first started operations here? What are the main challenges you have faced while operating in Bangladesh, and how have you overcome them?

It was very difficult for us to set up a sewing factory. There was no infrastructure and no supporting facilities. Back then, no-one hired women for sewing so we became the first company to do so. We brought hundreds of technicians and management to Korea for training. Foreign experts taught Bangladeshi middle management how to run modern sewing factories and workers how to make high-quality garments.

In the mid 1980's, the import of all raw materials was blocked for 100 days to prevent the illegal trafficking of materials, causing us to lose many customers at that time. Furthermore, there was a devastating cyclone in 1991, which destroyed most of our production and machinery in our main factory. It was incredibly disheartening, but we all pulled together and rebuilt the factory, despite suffering great losses. Many of our customers remained loyal recognizing how hard we worked to get back on track.

The resilience our works showed has moved us resulting in investment to build multi-storied factories which may be safe even through same level of cyclones.

Compared with other countries that manufacture garments, there are various challenges, which negate the low labour rate advantage of the country. These challenges can become impediments to investments and economic development.

Despite those challenges with the help of a dedicated workforce and favorable trade conditions like GSP status for exports to the EU, our Bangladesh operations have evolved steadily. Over the years, our commitment to invest in new technologies and innovation, strong supply chain management, sustainable business practices and community development have shaped our operations and growth in the country. Youngone has helped Bangladesh to become one of the world's leading ready-made garment exporter.



Q3. In light of recent mass uprisings, what are your expectations from the Interim Government of Bangladesh to enhance foreign direct investment?

We believe that restoring the confidence of foreign investors is a priority task for the Interim Government.

As a foreign investor, our primary expectations revolve around stability, transparency, and conducive policies that foster a sustainable business environment. Specifically, I would highlight the following areas:

Political Stability: Ensuring a stable political climate is crucial for attracting and retaining foreign direct investment. A commitment to peaceful dialogue and resolution of conflicts will instill confidence in investors.

Transparent Governance: Transparency in governance and regulatory processes will enhance trust among foreign investors. Clear communication regarding laws, regulations, and any changes to policies is essential for informed decision-making.

Supportive Economic Policies: We expect the Interim Government to implement policies that promote economic growth, such as equal treat for foreign investors, streamlined processes for business registration, and support for industries that align with global sustainability goals. Besides easing policy support, the government must prioritize the long-time foreign investors who have already invested in the country - like Youngone - rather than always looking for FDI's from new sources. New investors need much more time to assess and invest in a country. Whereas, long-term investors always reinvest, which is of course a pivotal plus point for a sustainable FDI in the country.

Infrastructure Development: Continued investment in, for the sake of effective FDI inducement customs, infrastructure – such as transportation, power supply, and logistics—will facilitate smoother operations for businesses and improve overall competitiveness.

Promotion of Social Stability: Addressing social issues and ensuring the protection of human rights will contribute to a more stable environment for business operations, ultimately benefiting both local communities and investors alike.



Q4. What future plans does Youngone Corporation have for expansion and diversification in Bangladesh?

Today, in the Korean EPZ, we have already established facilities of over 650,000 square meters of which 120,000 square meters are used for producing MMF with circular knitting, warp knitting, weaving, dyeing, finishing, and lamination works. We have commenced work on an additional 80,000 square meters, which will become a milestone in the Bangladesh MMF backward linkage industries. We have already employed over 72,000 people in Bangladesh from Dhaka to Chattogram including Korean EPZ. We are in the process of establishing a medical complex that includes 500-bed hospital, medical college and nursing college on the site of our KEPZ, as well as a textile and fashion college for the long-term growth and development of the ready-made garment industry in Bangladesh. And we have the largest rooftop solar array in Bangladesh, generating around 40 megawatts to support our sustainability goals, eventually will increase to 60 megawatts.

Our upcoming investment project in MMF backward linkage is planned for 'recycled' fiber production. This fiber production business will require a large-scale investment and most importantly, conducive administrative support by Bangladesh Government.



Q5. What are your views on the current policies and regulations in Bangladesh regarding foreign investment? Are there any areas that need improvement?

From our perspective, this is a highly competitive industry and there are many other countries that would like to attract FDI. In order to stay ahead of the competition, the Interim Government should focus on speed, simplicity and transparency. Both for existing investors and potential future investors. Bangladesh has many advantages, but removing barriers and uncertainty will help to encourage ongoing FDI. Clear, prompt communication and consultation with investors about changes or new policies is also essential for smooth operations resulting in better performance and further investment.

Q6. What advice would you give to other foreign investors to consider Bangladesh as an investment destination?

We are deemed to have a successful business in Bangladesh but it has taken patience and perseverance. We would advise potential investors to conduct their due diligence to fully understand the opportunities and the challenges. We would also advise investors to be patient and flexible. Above all, we recommend taking a long-term approach and ensure sustainability is at the center of everything you do.



Q7. How can Bangladesh position itself as a leading apparel-sourcing destination while addressing existing challenges?

Although the Ready Made Garments (RMG) industry is well-established under weak administrative laws and physical infrastructure, other industries will have difficulties competing regionally and globally due to the declining image of the country, complicated administrative procedures, discriminative incentives for investment, and the lack of infrastructure e.g. port and electricity. First and foremost, Bangladesh needs to have more market-oriented and investment-friendly policies and practices.

Bangladesh should never abandon cotton-based garments, rather it should go for R&D to improve its strength here as demand for cotton will never run dry. At the same time, the industry should diversify other high-end apparel products adding man-made fiber components to cotton products, which will give it an advantage in the global readymade garment market.

The RMG industry cannot afford to become complacent. Entrepreneurs must realize that cotton is not the leading fiber in the market anymore. Rather MMF products like polyester is taking the lead in global fashion trends and growing faster.

Local manufacturers have been producing polyester and cotton blends for same time, but they can improve further. There are other man-made fibers like nylon, acrylic, natural fibers, viscose, rayons, etc. We must continue to innovate to protect and expand our position with global brands in the international market.

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SEMINAR ON

**JAPAN-BANGLADESH COLLABORATION: ENHANCING
FDI & ECONOMIC PARTNERSHIP**

The Foreign Investors' Chamber of Commerce and Industry (FICCI), in collaboration with JETRO, the Japan Chamber of Commerce & Industry Association in Dhaka (JCIAD), and HSBC Bangladesh, organized a seminar titled "Japan-Bangladesh Collaboration: Enhancing FDI & Economic Partnership" on 26th November 2024 at The Sheraton Dhaka. The event was further supported by the Embassy of Japan in Bangladesh, JICA, and JBCCI. The seminar aimed to foster deeper economic ties between Japan and Bangladesh, focusing on enhancing Foreign Direct Investment (FDI) and strengthening economic partnerships.

Lutfey Siddiqi, Special Envoy on International Affairs to the Chief Advisor of Bangladesh, graced the event as the Chief Guest. Chowdhury Ashik Mahmud Bin Harun, Executive Chairman of BIDA & BEZA, and H.E. IWAMA Kiminori, Ambassador of Japan to Bangladesh, attended as Special Guests.

The seminar featured a range of prominent keynote speakers and discussants from Japan, Bangladesh, and various international organizations, who shared insights into the potential for collaboration between the two nations.



Yuji Ando, Country Representative of JETRO Bangladesh, delivered the first keynote presentation on "Business Opportunities and Challenges of Doing Business in Bangladesh", shedding light on the growing interest of Japanese SMEs in expanding their businesses in Bangladesh. He reported that 45.5% of companies in the region plan to expand operations within the next 1-2 years, with Bangladesh emerging as a top destination at 61.2%.

However, Ando also highlighted significant challenges, such as high dissatisfaction with the business environment, with 70.8% of respondents pointing to areas for improvement. He emphasized the need to address issues such as customs clearance procedures, transparency, and local procurement practices. Additionally, he noted that the production costs in Bangladesh were competitive, being less than 60% of those in Japan.

The second keynote on "Investment Promotion in Bangladesh and JICA's Engagement" was presented by ICHIGUCHI Tomohide, Chief Representative of JICA Bangladesh, who discussed JICA's initiatives to support Bangladesh's economic growth. He outlined ongoing projects such as the Bangladesh Special Economic Zones (BSEZ) and the Multi-layered Connectivity in the Bay of Bengal (MIDI), which he identified as pivotal for enhancing Bangladesh's investment climate.

ICHIGUCHI emphasized that JICA's efforts are focused on diversifying industries and improving institutional frameworks, particularly in terms of permissions, regulations, and logistics. His presentation underlined the significant role of infrastructure projects, such as the Matarbari deep seaport, in reshaping Bangladesh's manufacturing and logistics sectors.

The seminar also featured a vibrant panel discussion, moderated by Hiroshi Uegaki, GM & Country Representative of Mitsubishi Corporation. The panelists included: Tareq Rafi Bhuiyan (Jun), President of JBCCI; Mohammad Shariful Alam, Country Manager of Mitsui & Co. Asia Pacific PTE Ltd.; Manabu Sugawara, Director of FICCI and General Manager of Marubeni Corporation and Gintautas Dirgela, Director of Corporate Affairs & Communications at JTI and Member of JCIAD. The panel discussed ongoing challenges and opportunities for enhancing Japan-Bangladesh economic collaboration, particularly in the areas of FDI, industrial development, and infrastructure improvements.



FICCI President Zaved Akhtar said, "This seminar is a landmark event that underscores the deep economic ties and potential between our two nations. I would like to express my gratitude to JETRO, JCIAD, and HSBC Bangladesh for their collaboration with FICCI, as well as to the Embassy of Japan, JICA, and JBCCI for their support. This partnership is pivotal for fostering greater foreign direct investment and economic growth. By working together, we can create a robust and forward-looking economic cooperation model that will benefit both Japan and Bangladesh."

Atsushi Hirakuru, President of JCIAD, stated, "This seminar marks a significant milestone in strengthening the economic relationship between Japan and Bangladesh. The collaborative efforts reflect our shared commitment to fostering sustainable economic growth. I am confident that the insights and discussions from this seminar will pave the way for increased foreign direct investment and a mutually beneficial economic partnership."



The seminar provided a significant platform for fostering dialogue between key stakeholders, including the private sector, government officials, and international organizations, to enhance economic cooperation between Japan and Bangladesh. The discussions underscored the importance of collaborative efforts to drive sustainable development and create an environment conducive to foreign investment. The event was attended by FICCI Board of Directors, CEOs of member companies, representatives from various embassies, and other key stakeholders.

THE GARMENTS AND TEXTILE SECTOR: A CHANGE MAKER FOR BANGLADESH'S ECONOMY



Faisal Ahmed Chowdhury
Chairman
Baraka Group

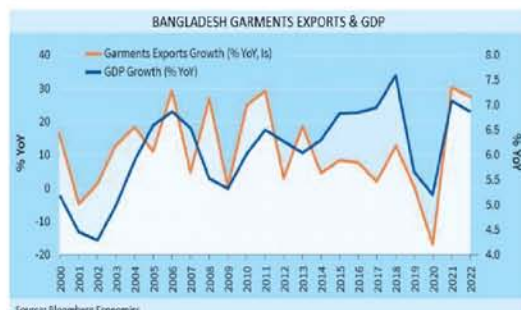
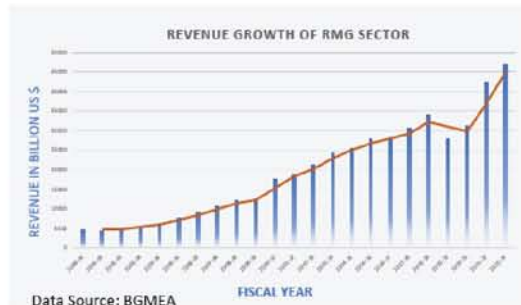


The economic growth of Bangladesh has historically been backed by the garment and textile industry, that propels its development and advancement. With an extensive amount of accomplishment and a spirit of entrepreneurship, this sector has established itself as a world leader in clothing production, contributing significantly to the GDP of the country and giving millions of people jobs. The garment and textile industry is still essential to Bangladesh's future success as it continues to overcome obstacles and take advantage of possibilities.

Bangladesh's garment industry began to gain momentum in the late 1970s, taking advantage of its low labour costs and skilled workforce. By the 1990s, the country had established itself as one of the largest exporters of textiles and garments in the world. Today, it is the second-largest exporter of ready-made garments (RMG) globally, after China. This success can be attributed to competitive pricing, a large pool of skilled labour, and a favourable government policy supporting the sector's growth.

The Garments and Textile sector contributes for an amount exceeding 84.58% of Bangladesh's overall export revenue. The country's clothing and textile exports totaled more than \$43 billion in fiscal year 2023-2024, establishing it as an essential participant in global supply chains. This strong export performance has helped Bangladesh maintain a consistent GDP growth rate, despite global obstacles like as the COVID-19 epidemic, the Russia-Ukraine conflict, and inflationary pressures. The RMG sector's strong export volume enables a consistent input of foreign currency, strengthening the country's balance of payments and foreign reserves.

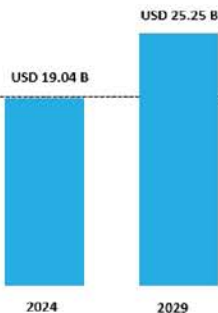
The Garments and Textile sector contributes more than 13% of Bangladesh's GDP. The country invested around USD 15 billion in the primary textile sector. The Primary Textile Sector (PTS) meets approximately 85-90% of the yarn demand for knit RMG and 35-40% for woven RMG.



Bangladesh Textile Manufacturing Market & Growth

Market Size in USD Billion
CAGR 5.81%

| | |
|--------------------------|-------------------|
| Base Year for Estimation | 2023 |
| Market Size (2024) | USD 19.04 Billion |
| Market Size (2029) | USD 25.25 Billion |
| CAGR (2024-2029) | 5.81% |
| Market Concentration | Competitive |



Source: Mordor Intelligence

The Bangladesh Textile Manufacturing Market is projected to experience significant growth over the forecast period, despite challenges posed by the COVID-19 pandemic and geopolitical tensions. The sector's resilience is highlighted by its contribution to GDP and export earnings, although exporters face hurdles due to international payment issues and logistical challenges.

The sector also plays a significant role in job creation, particularly for women. Over 4.4 million people, of which mostly are women, are employed in Bangladesh's garment factories. This provides a vital source of income for countless families, contributing to the reduction of poverty and the improvement of social mobility.

This industry directly and indirectly affects the living and livelihoods of nearly two crore people in this country. It also supports millions more through backward linkages industries in knitting, dyeing, accessories, logistics, services, etc., which is directly involved with the RMG sector. Its multiplier effect creates business opportunities in packaging, transport, and urban services, driving employment and economic growth across related sectors.



As the world increasingly focuses on sustainability and ethical business practices, the Garments and Textile sector in Bangladesh has begun to embrace these changes. The country is working towards adopting eco-friendly production methods, such as using sustainable materials, reducing waste, and minimizing water usage.

Technology is rapidly reshaping the Garments and Textile sector. Automation, AI, and the use of digital tools in design, manufacturing, and supply chain management are transforming the way garments are produced. Bangladesh, with its large, youthful workforce, is well-positioned to adopt these technologies.

Moreover, the rise of e-commerce has opened up new sales channels for Bangladeshi manufacturers. Direct-to-consumer platforms allow manufacturers to sell their products globally without the need for intermediaries, which could lead to better margins and increased market reach.



The garments and textile sector in Bangladesh faces rising labour costs, global market fluctuations, and demands for sustainability. Balancing cost-effectiveness with improved labour rights and environmental standards is essential. Diversifying markets and products while ensuring compliance with global standards can mitigate risks and sustain the sector's transformative role in the economy.

As Bangladesh enters the next phase of growth, the Garments and Textile sector remains a critical pillar of the economy. To ensure its continued success, the country must focus on diversifying its product offerings, improving labour conditions, and adopting sustainable practices. Strengthening international trade relationships, encouraging innovation, and building a skilled workforce will also be crucial in maintaining global competitiveness.

In conclusion, the Garments and Textile sector is not only a change-maker but a key driver of Bangladesh's economic future. With its resilience, innovation, and commitment to sustainability, the sector is ready to continue contributing to the country's growth and development for years to come. The sector's ability to adapt to changing global trends will determine how well Bangladesh can leverage its strengths and remain competitive in the global marketplace.

Source:

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5G PRIVATE NETWORKS: THE FUTURE OF BANGLADESH'S GARMENTS INDUSTRY



Sunil Isaac
Country Managing Director
EDOTCO Bangladesh



The Ready-Made Garments (RMG) sector is the backbone of Bangladesh's economy, contributing significantly to national growth. However, despite this success, the industry is at a crossroads. Global competition, increasing demands for faster production, and stricter requirements for sustainability and traceability are pressuring Bangladeshi factories to modernize. Compounding this challenge is the industry's reliance on traditional Wi-Fi networks, which are slow, unstable, and prone to disruptions. To meet these challenges head-on, private 5G networks offer an innovative solution that can transform the industry's future.

What is a Private 5G Network?

A **private 5G network** is a dedicated, high-speed internet network designed for specific locations like factories, schools, or hospitals. Unlike normal cellular networks shared by the public or open Wi-Fi prone to instability, a private 5G network provides faster speeds, better security, and reliable connections.

Imagine this: if normal cellular networks and Wi-Fi are like public roads filled with traffic, a private 5G network is your exclusive, well-paved highway. It ensures devices like robots, sensors, and automated systems in a factory can communicate without interruptions, enabling smooth operations.

This specialized connectivity is a game-changer for industries like garments, where speed, accuracy, and security are critical.

Why Connectivity Matters in Bangladesh's Garments Industry?

In many Bangladeshi factories, unstable Wi-Fi connections create bottlenecks in operations, limiting the potential for adopting automation. This affects the entire production process, from cutting and sewing to material handling and quality control. For example:

- Automated machines need fast, reliable networks to function optimally.
- Sensors used for real-time quality control and inventory tracking depend on uninterrupted communication.
- Security risks associated with open Wi-Fi expose factories to cyber threats, endangering sensitive data and operations.

In contrast, private 5G networks can overcome these limitations by offering reliable, secure, and high-speed connections tailored to the needs of the garments industry.

How 5G Can Revolutionize the Industry?

Here's how private 5G networks can transform Bangladesh's RMG sector:

1. Faster and Smarter Automation

Automation is key to modernizing garments production. Private 5G networks enable factories to adopt advanced technologies like automated sewing and cutting machines, real-time quality control systems, and IoT-powered material handling. These systems can operate seamlessly, increasing production speed, reducing waste, and ensuring high-quality output.



2. Enhanced Worker Safety and Training

Workers in garment factories often face safety risks. Private 5G networks can power wearable safety devices that alert workers to hazardous conditions. Training programs can also leverage augmented reality (AR) tools, allowing workers to practice complex tasks in virtual environments, making learning faster and safer.

3. Improved Supply Chain Transparency

Global buyers are increasingly focused on ethical sourcing and sustainability. Private 5G networks enable blockchain technology to track every stage of production, from sourcing raw materials to delivering finished goods. This transparency builds trust with international buyers and secures long-term contracts.

4. Seamless Communication Between Machines

Private 5G networks can connect thousands of devices on a factory floor, ensuring real-time communication between machines. For example, a sensor detecting a material shortage can instantly alert an inventory system to replenish supplies. Such seamless integration reduces delays and enhances productivity.



Learning from Global Leaders

Bangladesh can draw inspiration from other countries that have successfully adopted 5G to modernize their industries:

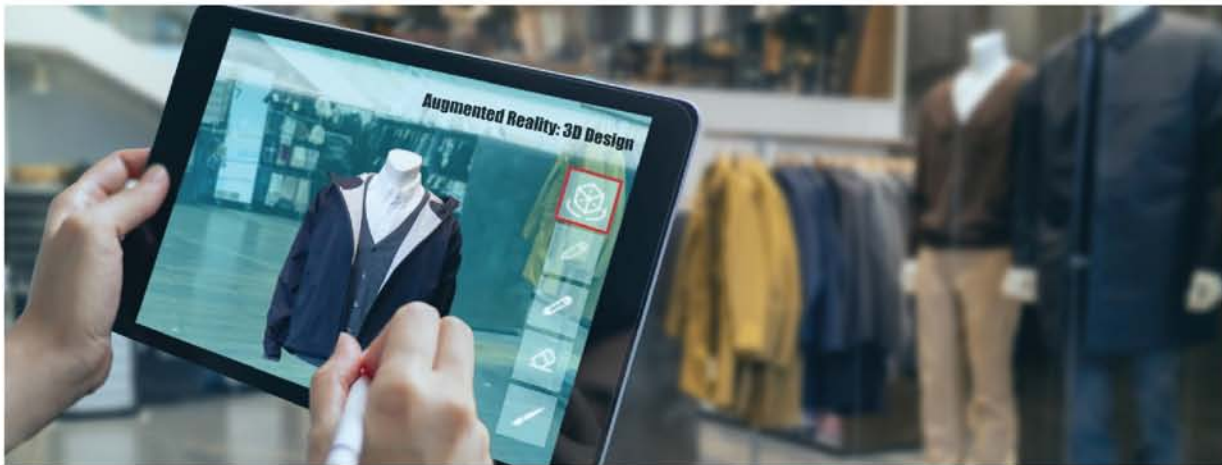
- In **China**, factories powered by private 5G networks have achieved remarkable gains in efficiency and cost reduction. For example, Hikvision's smart factory uses IoT and 5G to boost productivity by 25% and cut operational costs by 20%.
- **Vietnam** has started implemented private 5G networks in its industrial parks, enabling factories to produce faster and more efficiently.

Bangladesh, despite being a global leader in export volume, still relies heavily on labor-intensive methods. By adopting 5G, it can bridge this gap and remain competitive.

The Bigger Picture: Economic and Social Benefits

The adoption of private 5G networks could unlock immense benefits for Bangladesh:

- **Boosted Export Revenue:** By increasing productivity and reducing errors, private 5G networks could help factories generate an additional \$10-12 billion in export earnings by 2030.
- **Job Creation and Upskilling:** Automation will create new roles for skilled workers to manage advanced systems, offering higher-paying, technology-driven jobs.
- **Energy Efficiency:** Smart systems powered by 5G can reduce energy consumption, aligning with global sustainability goals while lowering costs.
- **Strengthened Global Reputation:** By delivering high-quality, traceable products, Bangladesh can secure stronger partnerships with global brands.



Challenges and How to Overcome Them

While the benefits of 5G are clear, its implementation comes with challenges. Deploying private networks requires significant investment, and factory systems must be upgraded. Additionally, workers will need training to operate and manage new technologies.

To overcome these barriers, the government and private sector must collaborate. Policies that encourage investment in technology, such as tax incentives and subsidies, can ease the financial burden on factories. Public-private partnerships can also help scale 5G adoption across the industry.

A Vision for the Future

Bangladesh's garments industry has always been a story of resilience and growth. From modest beginnings, it has risen to global prominence. But to sustain its success in an increasingly competitive world, the industry must embrace change.

Private 5G networks offer more than just faster connectivity—they represent an opportunity to redefine how garments are made, how workers are empowered, and how factories compete on the global stage. With the right investments and vision, Bangladesh can transform its garments sector into a model of innovation and sustainability, securing its place as a global leader for decades to come.



WOVEN INTO THE WORLD: THE RISE OF BANGLADESH'S GARMENT SECTOR



Asif Ibrahim
Managing Director
Newage Garments Limited



The Readymade garments (RMG) sector in Bangladesh is a remarkable testament to resilience, innovative and economic transformation. Over the past five decades, the industry has evolved from humble beginning to becoming a global powerhouse, significantly shaping the nation's economic and social landscape. Today, Bangladesh stands as the second largest exporter of garments worldwide and the RMG sector continues to be a cornerstone of its development. Since a very early era of the Bangladesh's birth the ready-made garments sector constructed in a remarkable way. However, throughout the era it had prominent evaluation and through the time the progress of Bangladeshi RMG sector reached in a significant level.

To evaluate the rise of Bangladeshi ready-made garments sector first of all we have to start from the very beginning which is laying out the foundation in 1970s. The main industrial sector in East Pakistan (now Bangladesh) was mostly concentrated on jute in the 1970s, with minimal involvement in textiles and clothing. With an agrarian economy, the newly created Bangladesh faced an economic crisis after gaining independence in 1971. The RMG sector officially began in the late 1970s when Desh Garments, along with Daewoo of South Korea, brought improved production techniques, worker training, and technology into Bangladesh by training a number of Bangladeshi persons in Korea.



In the 1980s the time was about building or creating the outline of the plan for gradual growth of the sector. Nonetheless, due to the Multi-Fibre Arrangement (MFA), which gave export quotas to developing nations, there was slow increase in growth in the 1980s. But because of MFA, and being allocated quotas, Bangladesh was able to make a name for itself in international markets, especially in North America. The value of clothing exports was \$31.57 million by 1983. Low labor costs gave this new industry a competitive edge and drew in foreign buyers. Also two key policy decisions namely back to back letter of credit and bonded warehouse facility made many entrepreneurs go into the industry with relative low start up capital.



In 1990s, there was rapid expansion of the RMG sector. In the 1990s Bangladesh's economy was anchored on the RMG sector and exports of clothing accounted for 75% of overall export revenue. On a significant note, millions of women were empowered by the industry, which changed societal conventions and advanced gender equality. As demand increased, Bangladesh increased its global presence by taking advantage of the MFA quota system.

Following this, in 2000s the MFA expiration in 2005 sparked concerns about losing market share to bigger producers like China and India. But Bangladesh adjusted by increasing output, broadening its range of products, and following global labour laws. During this adaptation and diversification era, the industry strengthened its position in international markets by branching out into higher-value goods like suits and jeans. Which led to Bangladesh in a self-dependent zone in terms of individuality and quality.

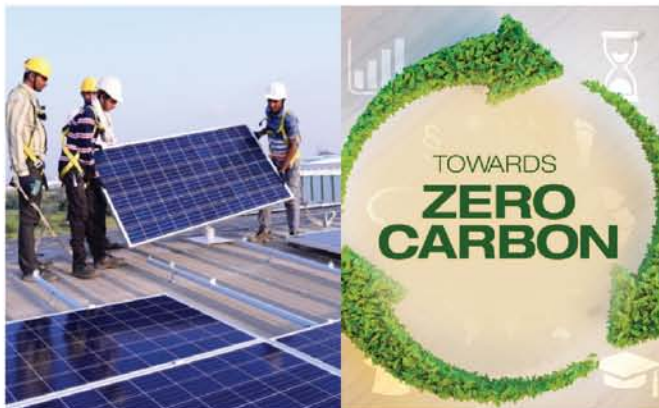


Since then, Bangladesh RMG sector had to face challenges and had to go through many reforms. The most tragic incident for the RMG sector was the Rana Plaza collapse and the Tazrin Fashion fire. It brought unsafe working conditions to the attention of the world. No wonder these events sparked important reforms. The Alliance for Bangladesh Worker Safety and the Accord on Fire and Building Safety are two initiatives that have raised worker safety and factory compliance standards. Despite these obstacles, Bangladesh rose to prominence in the area of environmentally friendly clothing production, with some of its factories being named the greenest in the world.

After versatile challenges, adaptation and diversification in 2020s Bangladesh had to face a new challenge of global pandemic. The COVID-19 epidemic caused short-term setbacks by upsetting global supply networks. nevertheless, the RMG industry showed incredible tenacity, rebounding by the end of 2020. It employed about 4 million people, mostly women, and contributed 80% of Bangladesh's export revenue by 2021. The sector prioritized sustainability, including water-efficient processes and circular fashion, used automation, and looked out new markets.



Today, Bangladesh remains the second-largest garment exporter globally. Its RMG sector is recognized for embracing eco-friendly practices and green manufacturing, with many factories achieving international certifications. While challenges persist, including rising labor costs and competition from emerging markets like Vietnam and Ethiopia, the sector's focus on diversification, innovation, and ethical practices positions it for sustained growth.



The path of Bangladesh's RMG sector is a tale of determination and advancement. From its early start in the 1970s to its present status as a worldwide leader, the industry has not only fueled economic expansion but also encouraged social change. As it progresses, the RMG industry stays crucial to Bangladesh's growth, aiming for enhanced sustainability, worker well-being, and international competitiveness. Its journey acts as a motivator, demonstrating how an emerging country can gain recognition worldwide through thoughtful innovation and resolve.

OMERA LPG: EMPOWERING THE RMG AND TEXTILE SECTOR WITH CUTTING-EDGE INDUSTRIAL LPG SOLUTIONS

Omera
LPG

Tanzeem Chowdhury
Chief Executive Officer
Omera Petroleum Limited



The Ready-Made Garments (RMG) and Textile sector, the backbone of Bangladesh's economies, has been thriving on the pillars of efficiency, innovation and sustainability. However, persistent natural gas shortage have posed significant challenges for this energy-intensive sector, jeopardizing production efficiency and profitability. With increasing global demand for eco-friendly manufacturing and energy-efficient processes, the industry faces an urgent need to modernize its energy systems. Omera LPG, a leader in energy solutions, has stepped up to meet this demand, offering tailored Industrial LPG solutions that drive growth and sustainability in the RMG and Textile sector.

Natural gas has long been the primary fuel for Bangladesh's industrial operations, powering boilers, dyeing machines and other critical processes. However, declining gas reserves and rising demand have led to frequent supply disruptions, forcing RMG and textile manufacturers to seek alternative energy sources. Omera LPG, a leader in the energy sector, has introduced robust and scalable industrial solutions to mitigate these challenges. Recognizing the unique energy requirements of the RMG and textile sector, Omera offers Liquefied Petroleum Gas (LPG) as a dependable and efficient alternative to natural gas.



Key Benefits of Omera LPG for the RMG Sector

1. Uninterrupted Energy Supply

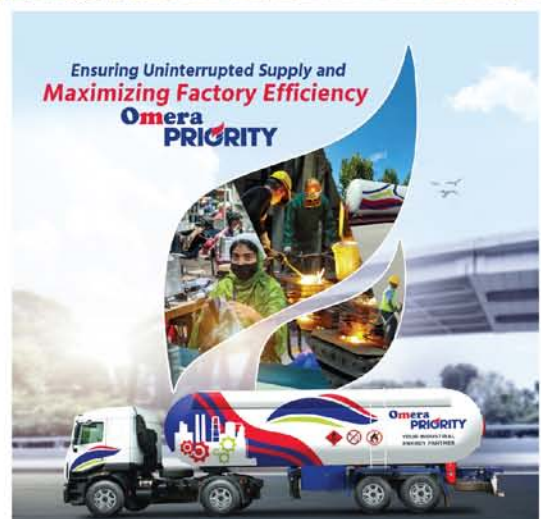
Omera LPG ensures a consistent energy supply, enabling manufacturers to maintain smooth production processes without the interruptions caused by natural gas shortages.

2. Cost-Efficiency

Omera's advanced distribution network and competitive pricing strategies make LPG a cost-effective energy source. Moreover, its high energy efficiency reduces overall fuel consumption.

3. Customizable Solutions

Omera offers tailored solutions to meet the specific needs of factories, including bulk LPG supply, on-site storage systems and optimized fuel delivery schedules.



4. Eco-Friendly Option

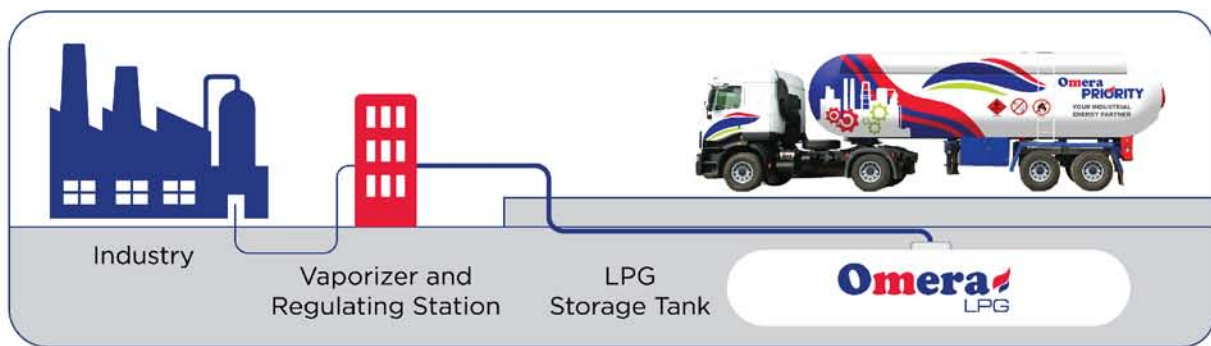
LPG is a cleaner-burning fuel compared to traditional alternatives, i.e. diesel, furnace oil etc., contributing to reduced greenhouse gas emissions and aligning with the industry’s sustainability goals.

5. Ease of Transition

Omera provides technical support to facilitate a seamless transition from natural gas to LPG, including infrastructure setup, system integration and staff training.

6. Safety Audit

Omera LPG offers a comprehensive Safety Audit Service to ensure the highest standards of operational safety for its industrial LPG customers. This service is conducted after installation of the industrial LPG setup, providing a meticulous evaluation of the system’s integrity, efficiency and compliance with safety regulations.



Success Stories in the RMG and Textile Sector

Several leading RMG and textile manufacturers in Bangladesh have already adopted Omera LPG’s solutions, reaping significant benefits. For instance, a major garment factory in Narayanganj that integrated Omera’s bulk LPG system, allowing it to meet production targets even during peak natural gas shortages.

Another notable example is a textile mill in Gazipur reported a 25% increase in operational efficiency and a substantial reduction in downtime after switching to Omera LPG. These success stories underscore the transformative impact of Omera’s industrial solutions on the sector.

Building Resilience for the Future

As Bangladesh continues to face energy challenges, Omera LPG remains committed to empowering the RMG and textile industry with reliable, sustainable and efficient energy solutions. By reducing dependence on natural gas and enhancing energy resilience, Omera is playing a pivotal role in safeguarding the growth and global competitiveness of this vital sector.

In a world where energy security is critical to industrial success, Omera LPG stands out as a beacon of innovation and reliability, fueling the ambitions of Bangladesh’s RMG and textile sector. Omera LPG is a trusted name in the energy sector, specializing in comprehensive LPG solutions for industries, households and automotive applications. With a robust supply chain, state-of-the-art infrastructure and commitment to sustainability, Omera continues to drive energy transformation across Bangladesh.



Together, let’s fuel growth responsibly.

APPAREL INDUSTRY: COMPANION TO ECONOMIC PROGRESS



Md. Fazlul Hoque
Ex-President, BKMEA and
MD, Plummy Fashions Limited



The garment industry, particularly Bangladesh's garment export sector, has quietly established itself as a key driver of the nation's economic development, playing a major role in its continued growth and prominence in the global market. The use of the term "quietly" is intentional, as there has been a noticeable absence of widespread public discussion regarding the positive economic impact that garment exports continue to have on the country's overall progress.

Recently, there has been a notable shift away from the long-standing emphasis on the ready-made garment sector, with external discussions increasingly focusing on the industry's negative aspects. Despite these challenges and the dynamic socio-economic and political landscape, these factors have not substantially hindered the growth of the garment industry over the years. Fueled by the determination of countless entrepreneurs, along with the efforts of millions of workers and professionals, the industry has continued to advance and thrive.

Since its inception in the early 1980s, the garment industry in Bangladesh has shown remarkable resilience and growth. Fueled by unwavering enthusiasm and a constant focus on skill development, Bangladesh has surpassed major competitors such as Pakistan, India, Indonesia, Turkey, and Vietnam, with the only exception being China. Weak infrastructure, the absence of domestic production of (essential) raw materials, bureaucratic hurdles, insufficient electricity and fuel supply, high interest rates, frequent fire accidents, flood outbreaks, internal political instability, industrial unrest, a relatively unskilled workforce, and the adverse impacts of both the first and second waves of the COVID-19 pandemic—despite all these challenges, the garment industry has continued to progress over the past four decades. When reflecting on this journey, one can't help but be astonished at the resilience and determination that have sustained its growth.



Beyond the list of ongoing challenges, the foundation of Bangladesh's garment industry was severely shaken by the tragic **Rana Plaza collapse** in 2013. Just months earlier, the devastating **Tazreen Fashions fire** had claimed many lives, and together, these incidents drew intense global scrutiny to the industry's safety standards. The loss of thousands of lives not only underscored critical safety concerns but also sparked widespread global sentiment against Bangladeshi-made garments. In response, many Western organizations called for a boycott, exacerbating the crisis. Confronted with this dire situation, the industry, backed by a coalition of allies and stakeholders, implemented a robust action plan aimed at restoring trust and ensuring worker safety. This effort culminated in the creation of **ACCORD** and **ALLIANCE**. They also developed a comprehensive action plan aimed at ensuring a safe working environment and continuing the industry's progress despite the setbacks. Although implementing these reforms proved to be a highly complex, time-consuming, and expensive task, the entrepreneurs in the industry displayed extraordinary resilience and determination in overcoming these challenges.

At the same time, in 2013-14, the "Green Revolution" quietly began within the garment industry. It is noteworthy that our very own "Plummy Fashions Ltd." was one of the pioneers of this Green Revolution and perhaps its most influential advocate. As of today, 230 certified green factories have begun operations in Bangladesh, a number likely far greater than in any other garment-exporting country. Almost all of the world's leading green factories are now located in Bangladesh, showcasing the country's commitment to sustainable and environmentally responsible manufacturing practices.



Under the guidance of ACCORD and ALLIANCE, the safety standards and working conditions within Bangladesh's garment industry have reached world-class levels, and the country has firmly established itself as 'The Country of Green Factories'. Despite facing numerous challenges, including unfair pricing from buyers and the devastating Tazreen Fashion and Rana Plaza accidents in 2013, Bangladesh's garment exports have soared from \$21 billion to the highly coveted \$50 billion milestone. The garment industry has not only advanced alongside the country's broader economic development but has also played a key role, both directly and indirectly, as a major influencer in this process.

The government, along with relevant stakeholders, has consistently supported the growth of Bangladesh's ready-made garment industry, providing essential assistance. However, there has yet to be a specific long-term policy or strategic plan designed to secure the continued success of this vital sector, which has been instrumental in the country's socio-economic development. Despite facing internal and global challenges, Bangladesh has risen to become the second-largest exporter of ready-made garments in the world. To ensure sustainable growth and mitigate potential risks moving forward, it is imperative for the government to develop a comprehensive 10-year roadmap, addressing both national and international obstacles. To safeguard and build upon our successes, we must focus on expanding the industry's capacity through diversification of products, fibers, and markets, as well as strengthening backward and forward linkages across the sector. At the same time, it is crucial to focus on fostering innovation, technological upgrades, skill development, and enhancing overall business capacity within the industry. It is essential to ensure that tax and customs policies remain supportive and stable throughout the ten-year plan period. We must also accelerate and strengthen industry initiatives towards green transformation. If these strategies are put into action, Bangladesh will strengthen its position in the global garment market, enhancing its competitiveness and potentially emerging as the world's top garment exporter.



Many have expressed concerns that Bangladesh's progress may slow when it attains the status of a developing country by the end of 2026, particularly due to the reduction in duty-free benefits. However, I strongly believe that Bangladesh will continue its upward trajectory, as it has in the past, by leveraging its inherent strengths. This belief is not driven by emotion, but rather by a thorough analysis of the sector's resilience and capacity to adapt. In the coming years, the ready-made garment industry will remain a cornerstone of the nation's economic progress, consistently playing a crucial role in driving growth and development.

FUTURE OF RMG: IMPORTANT PRIORITIES AND IMPERATIVES FOR FDI



POLICY ExCHANGE
Catalyzing Growth Solutions

Dr. M. Masrur Reaz
Chairman and CEO
Policy Exchange Bangladesh

1. Success of the Ready-Made Garments (RMG) Sector of Bangladesh and the Contribution of Foreign Direct Investment (FDI)

The Ready-Made Garments (RMG) sector of Bangladesh has come a long way. Over the last few decades, the RMG sector has established itself as the second-largest apparel exporter globally, thriving in the low-value market segment, with export earnings surging to an impressive USD 46.99 billion in FY 2022-23. This success is reflected in the compound annual growth rate (CAGR) of 10.27%, accentuating the sector's resilience and ability to compete internationally. Additionally, the industry directly employs more than four million workers, with women comprising approximately 60% of this workforce which demonstrates the sector's critical contribution in driving both financial inclusion and societal progress.

The RMG sector played a crucial role in driving both economic and social development in Bangladesh by promoting financial inclusion, women empowerment and societal progress



The synergy between local efforts and foreign investment is the reason behind the sector's remarkable achievements and its ability to adapt and thrive in an ever-evolving global landscape. Beginning with the Desh Garments joint venture with Korea's Daewoo Corporation, FDI has been pivotal to Bangladesh's RMG growth. A \$1.3 million investment introduced advanced technology, marketing strategies, and training for 130 workers, many of whom later established factories, spurring rapid expansion. Today, RMG exports account for over 80% of the country's total earnings, demonstrating the perpetual impact of this collaboration and the industry's resilience through the global COVID-19 pandemic.

2. Key Transitions Shaping the Future of Bangladesh's RMG Sector: GSP, Automation, and Circularity

Future direction of this sector points towards three crucial transitions, presenting both opportunities and challenges. The first is the phase-out of the Generalized System of Preferences (GSP) by 2029, marking the end of preferential trade benefits because of its transition out of Least Developed Country (LDC) status in 2026. This change will raise export costs to key markets like the European Union, potentially diminishing the sector's competitiveness. The second transition is the rapid advancement of automation, offering a significant opportunity for enhanced efficiency. However, with only **15 percent of RMG operations** currently mechanized, there remains substantial room for improvement, and the sector must adapt quickly to keep pace with global industry trends.

The third transition involves the imperative of embracing circularity, with global markets increasingly demanding sustainable practices and improved working conditions. This shift requires the sector to invest in environmental upgrades and labor rights enhancements to stay competitive. Additionally, rising labor costs and growing competition from other low-cost manufacturing countries will further challenge the sector's growth. With the global markets placing a stronger emphasis on improved working conditions and sustainable practices, the country will require substantial upgrades.

Figure 1: The Triple transition confronted by the RMG Sector



3. GSP Loss May Adversely Impact Trade and Increase Price Sensitivity

The RMG sector's over-reliance on exports to the European Union (EU) exposes it to numerous threats especially with upcoming changes in trade policies, such as the loss of Generalized System of Preferences (GSP), new EU regulations like the Carbon Border Adjustment Mechanism (CBAM), due diligence laws, and the EU Green Deal's sustainability requirements. Currently, the EU accounts for about 50% of the sector's total exports, making it highly vulnerable to fluctuations in the market.

The GSP currently allows Bangladesh RMG exports to enter the EU market without tariffs. However, the removal of these privileges would make RMG products more expensive due to the imposition of tariffs. This increase in costs could make Bangladeshi products less competitive, especially in the low-value segment where price sensitivity is high. Even minor price changes in this sector could lead to a significant loss of orders, highlighting the potential challenges the sector could face without GSP benefits. Such price increases may cause price disparities and erode the industry's ability to compete effectively in the market. This potential vulnerability requires exploration of new markets, diversification of products, investment in sustainability, improvement of worker conditions, and strengthening trade agreements to maintain its competitive edge.

4. The Risk of Job Displacement from Automation in RMG Can Be Offset by Enhancing Workforce Skills while Boosting Efficiency

The integration of automation in Bangladesh's Ready-Made Garment (RMG) industry presents a mix of challenges and opportunities. One of the primary concerns is the potential displacement of workers, especially as automation replaces certain tasks. This could lead to a substantial shift in employment patterns, **with an estimated 60 percent of garment workers at risk of losing their jobs by 2030.** This shift also threatens to diminish workers' bargaining power, with women workers potentially bearing the weight of the impact.

Despite these challenges, automation holds the promise of increased productivity and efficiency, shortening production cycles and enhancing overall output. However, this may not necessarily translate into higher wages or improved job security for workers, particularly women, who remain at high risk of losing their jobs.

In response to these threats, the RMG sector can capitalize on the opportunity to invest in skill development and training to ensure workers are equipped to operate and maintain automated systems. This would help mitigate unemployment risks by preparing the workforce for emerging roles, particularly in the service sector. While automation may reduce the number of jobs, it can also lead to higher-quality roles, offering safer working conditions and more specialized positions. Furthermore, enhanced efficiency through automation can result in greater profitability for businesses, potentially improving wages and job stability for workers if these gains are shared. Finally, automation provides an avenue for economic diversification, encouraging the RMG sector to explore higher-value industries such as pharmaceuticals and electronics, creating new employment opportunities and expanding the country's export base.

5. Barriers Remain in Implementation of Circular Economy Despite Numerous Benefits

Bangladesh is making progress in environmental protection, but significant hurdles remain in fully adopting circular economy principles. Key challenges include limited capacity for urban landfills, inadequate hazardous waste disposal infrastructure, and the absence of robust incentives and guidelines to promote cleaner production and effective municipal waste management. Moreover, factory compliance monitoring and policy enforcement are areas that require substantial improvement. Despite these obstacles, embracing circular economy principles is essential for ensuring long-term sustainability, optimizing resource use, and addressing the rising concerns about global waste management.

Key Challenges in Implementation of Circular Economy

- o Limited capacity for urban landfills
- o Inadequate hazardous waste disposal infrastructure
- o Absence of robust incentives and guidelines to promote cleaner production and effective municipal waste management.

6. The Transition to Circularity Presents Significant Benefits, but Bangladesh Must Overcome Key Challenges to Realize the Benefits

Circularity offers considerable opportunities for Bangladesh to reduce waste generation and enhance resource efficiency. By integrating circular economy practices, the country can shift towards a more sustainable and resource-efficient economic model, fostering long-term resilience. This transition could also help minimize environmental impacts and encourage responsible resource management, ensuring that the nation remains stable and sustainable in the face of global challenges. However, to fully realize the potential of circularity, Bangladesh must overcome several hurdles. These include the lack of incentives for cleaner production methods, insufficient hazardous waste disposal facilities, and the absence of clear guidelines for managing municipal waste. Addressing these challenges will be crucial for the successful implementation of circular economy practices and the country's transition to a more sustainable economic future.

Opportunities from Transition to Circular Economy:

- o Opportunities for Bangladesh to reduce waste generation and enhance resource efficiency.
- o By integrating circular economy practices, the country can shift towards a more sustainable and resource-efficient economic model, fostering long-term resilience.
- o This transition could also help minimize environmental impacts and encourage responsible resource management, ensuring that the nation remains stable and sustainable in the face of global challenges.

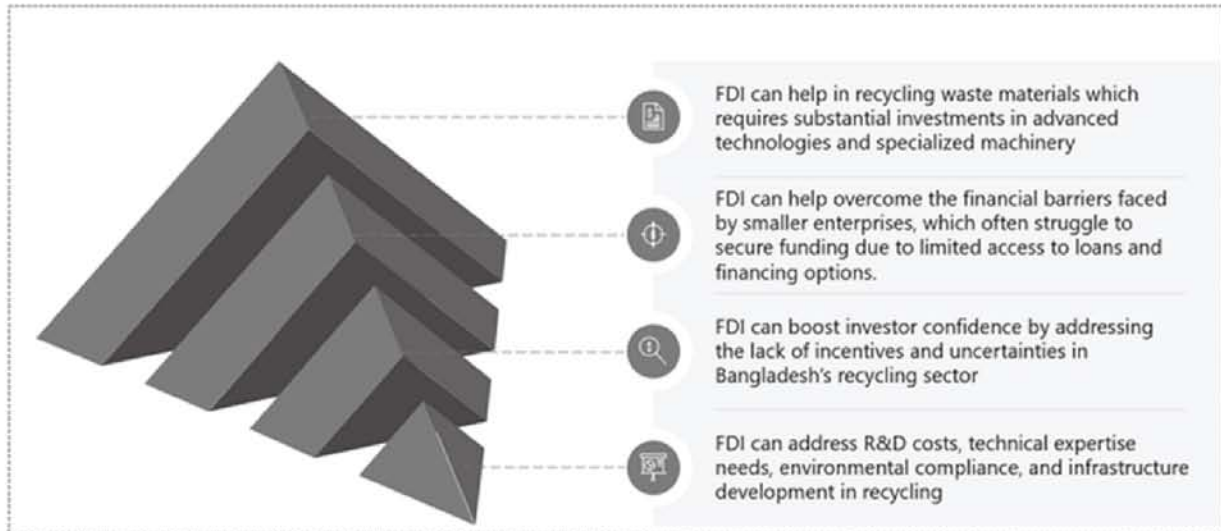
However, to fully realize the potential of circularity, Bangladesh must overcome several hurdles.

7. FDI Remains Paramount for Circular Economy Transition: Important to Overcome Bureaucratic Hurdles to Attract FDI

Going forward, the importance of Foreign Direct Investment (FDI) will remain paramount in addressing these challenges by offering both the financial resources and cutting-edge technology and driving Bangladesh's circular economy, especially in recycling waste materials. Recycling waste materials requires substantial investments in advanced technologies and specialized machinery, making it a highly capital-intensive industry. The financial barrier is particularly challenging for smaller enterprises, which often struggle to secure funding due to limited access to loans and financing options. The lack of incentives for adopting circular practices, combined with informality and uncertainties surrounding returns on investment, further undermines investor confidence in Bangladesh's recycling sector.

Additionally, high research and development (R&D) costs for non-cotton materials, such as synthetic fibers and blended fabrics, coupled with the need for technical expertise to operate and maintain advanced machinery, pose significant hurdles. Compliance with stringent environmental standards and the development of supporting infrastructure, such as waste transportation and storage facilities, require further investments. For instance, Jinnat Knitwears Limited, part of DBL Group, invested \$2.4 million under the IFC-led Partnership for Cleaner Textile initiative to adopt cleaner energy and recycling technologies, reducing resource consumption and promoting sustainability. However, the absence of standardized criteria for evaluating sustainable investments and approaches continues to hinder progress.

Moving forward, attracting Foreign Direct Investment (FDI) will be crucial for a circular economy



However, restrictions and the conservative mindset within the bureaucracy surrounding profit repatriation act as a significant deterrent to FDI inflows. Regulatory authorities impose frequent barriers on profit repatriation which further hinder the smooth flow of FDI, creating challenges for investors. Foreign investors face difficulties in accessing earnings and dividends, whereas neighboring countries such as India, Vietnam, and Indonesia have streamlined their investment regulations to create a more attractive environment for FDI. Bangladesh would greatly benefit from adopting similar strategies to enhance its investment appeal and foster long-term economic growth which will help transit to a circular economy as well.

Current Challenges in FDI:

- × **Bureaucratic Restrictions:** The conservative mindset within the bureaucracy surrounding profit repatriation acts as a significant deterrent to FDI inflows.
- × **Obstacles from Regulatory Authorities:** Frequent barriers on profit repatriation hinder the smooth flow of FDI, creating challenges for investors.
- × **Difficulties in Accessing Earnings:** Foreign investors face challenges in accessing earnings and dividends, discouraging investment.
- × **Comparative Disadvantage:** Neighboring countries like India, Vietnam, and Indonesia have streamlined investment regulations, making their markets more attractive for FDI.
- × **Need for Policy Reform:** Bangladesh would benefit from adopting similar strategies to enhance its investment appeal and foster long-term economic growth, supporting the transition to a circular economy.

8. Policy Priorities Going Forward

GSP Loss, Price Sensitivity, and Market Diversification

- ✓ **Support SMEs:** Encourage SMEs in the RMG sector to diversify into eco-friendly and man-made fiber-based apparel, aligning with sustainability trends and reducing dependency on low-value segments.
- ✓ **Explore New Markets:** Diversify export markets by targeting regions like Australia, Southeast Asia, South America, and Africa to reduce reliance on the EU market.
- ✓ **Compliance with GSP+:** Align with the European Commission's proposed GSP+ framework, emphasizing climate protection, governance, human rights, and labor rights compliance to maintain preferential access.

Job Displacement from Automation and Workforce Adaptation

- ✓ **Invest in Training:** Implement education and training programs to upskill and reskill workers, focusing on automation technologies and promoting gender-sensitive managerial roles.
- ✓ **Revamp Education Framework:** Align the education system with industry demands to produce skilled graduates, reducing reliance on expatriates.
- ✓ **Social Protection:** Establish a robust framework with unemployment benefits, retraining initiatives, and financial support for workers transitioning due to automation.

Improving Logistics and Supply Chain Efficiency

- ✓ **Infrastructure Development:** Invest in logistics and transportation infrastructure to improve supply chain efficiency, reduce lead times, and enhance competitiveness.

Embracing Circularity and Overcoming Barriers in Circular Economy

- ✓ **Circular Economy Policy:** Develop a comprehensive policy framework, supported by a dedicated steering committee, to guide circular economy initiatives
- ✓ **Waste Management Framework:** Establish clear waste ownership policies, standardized EIAs for apparel factories, and robust worker protection guidelines in waste management
- ✓ **Recycling Incentives:** Create waste taxation policies to incentivize resource efficiency and domestic recycling efforts
- ✓ **Balance Waste Export:** Formulate policies that balance waste export restrictions with domestic recycling for complex waste types

Addressing FDI Constraints and Bureaucratic Hurdles

- ✓ **Reform Profit Repatriation Rules:** Implement clear policies for repatriating profits and dividends, offering incentives to attract FDI in circular economy initiatives
- ✓ **Investor Aftercare:** Strengthen institutional support for existing investors to retain and expand FDI, emphasizing investor-friendly practices
- ✓ **Predictable Taxation:** Establish a transparent, globally competitive taxation system to ease compliance and instill confidence among investors

Enhancing Transparency and Simplifying Processes

- ✓ **Traceability and Transparency:** Leverage digital tools to enhance traceability and accountability in textile waste supply chains.
- ✓ **Streamline Trade Regulations:** Simplify import/export procedures for waste materials and garments, reducing barriers to circular trade practices.
- ✓ **Consolidate Approvals:** Introduce a one-stop digital platform to coordinate approvals for green and circular projects, reducing regulatory complexity

READY-MADE GARMENT & TEXTILE SECTOR: THE CHANGE MAKER OF BANGLADESH ECONOMY



SGS

Engr. Abdur Rashid
Country Managing Director
SGS Bangladesh Limited

Bangladesh has emerged as a significant player in the global garment industry, securing its position as the second-largest garment exporter worldwide. The country's remarkable journey from economic struggles to becoming a key player in the textile and apparel sector is a testament to its resilience and adaptability.

The roots of Bangladesh's garment industry can be traced back to the 1970s, a period when the country was grappling with the aftermath of its Liberation War and the challenges of establishing a stable economy. Initially, the industry was primarily focused on meeting domestic demand, with limited international exposure. However, a series of economic reforms and strategic decisions enabled Bangladesh to enter the global market.

The country's high population density and competitive wage rates attracted international apparel brands and manufacturers seeking to optimize production costs. This advantage allowed Bangladesh to offer affordable clothing to consumers worldwide, fostering sustained demand for its products.

In the early 1980s, the Bangladesh government issued licenses for the duty-free import of garment machinery to manufacture export products. Consequently, the number of garment factories in Bangladesh grew rapidly. In 1984-85, there were 632 factories, whereas in 2024, this number has increased to approximately 4,000.



Industrial revolutions have consistently driven advancements in industries and improved human lives. The Fourth Industrial Revolution (4IR) is reshaping traditional operational methods through automation, artificial intelligence, 3D printing and knitting, robotics, intelligent manufacturing, and augmented reality. In the apparel industry, these innovations are influencing consumer trends and increasing competition. To maintain and expand its share in global garment exports, it is imperative to embrace and adopt 4IR technologies for Bangladesh.

The ready-made garment (RMG) sector in Bangladesh has made significant progress in integrating sustainability and environmental responsibility. The country now boasts 230 LEED (Leadership in Energy and Environmental Design)-certified green factories and is home to 61 of the top 100 highest-rated LEED-certified factories in the world.





Since its inception in the late 1970s, the 100% export-oriented RMG industry has witnessed remarkable growth. Exports of RMG products have increased from USD 40,000 in 1978-79 to USD 47.38 billion in 2023-2024. The industry provides employment to nearly 5 million workers, the majority of whom are women from rural areas, significantly contributing to social and economic development. The livelihoods of nearly 20 million people in Bangladesh are directly or indirectly linked to this sector.

As of 2024, the garment industry contributes approximately 11% to Bangladesh's GDP and accounts for around 82% of the country's export revenue. This sector's ongoing growth and commitment to innovation underscore its critical role in shaping Bangladesh's economic future.

In parallel to the growing export industry of Bangladesh, SGS Bangladesh began its quality and sustainability journey around 1974. Following liberation, the company was uniquely positioned to provide the necessary expertise that was crucial to the nation's economy. Over the past five decades, SGS Bangladesh has established itself as a trusted name with 50 years of prosperous journey in the country. It offers a comprehensive range of services, including Testing, Inspection, Certifications and social compliance assessments, Technical assistance for manufacturers, traders, and retailers in Softlines, Hardlines, Food, and Industrial Services.



SGS Bangladesh's state-of-the-art laboratories provide testing services for various commodities such as textiles, garments, home textiles, leather goods, ceramics, hard goods, electronics, environmental samples, agri-food products, water, and many more. These labs are staffed by over 700 dedicated professionals, including chemists, engineers, environmentalists, and marketers, ensuring high-quality services and support for the nation's growing industries.

SGS Group was founded in Rouen, France, by Henri Goldstuck in 1878. During the mid-20th century, the company began to diversify, offering inspection, testing, and verification services across various sectors,

including industrial, minerals, oil, gas, and chemicals. Today, SGS is a globally recognized leader in testing, inspection, and certification services. Its reputation as a benchmark for sustainability, quality, and integrity is well-established. Wherever you are, whatever your industry, SGS experts worldwide provide specialized solutions to make your business faster, simpler, and more efficient.

The company is committed to increasing sustainability through an integrated leadership approach. Its stakeholders—employees, suppliers, investors, customers, governments, industries, consumers, communities, and the planet—are the ultimate beneficiaries of this effort. To evaluate its success in creating societal value, SGS is in the process of developing an innovative impact valuation model, which will quantify its contribution to society.

The brand promise—"when you need to be sure"—underscores SGS's commitment to trust, integrity, and sustainability, enabling businesses to thrive with confidence.

TURNING CHALLENGES INTO TRIUMPHS: THE INCREDIBLE JOURNEY OF BANGLADESH'S GARMENT INDUSTRY

TEAM

Abdullah Hil Rakib
Managing Director
TEAM Group



It goes without saying readymade garment industry is the backbone of the economy of Bangladesh. Once termed as bottomless basket Bangladesh now is a box full of wonders. In its path of economic and social development the readymade garment industry played a pivotal role. Bangladesh readymade garment industry emerged as the 2nd largest apparel exporting country of the world within just four decades. Bangladesh's apparel exported to over 167 countries of the world predominantly to EU and US. The apparel industry contributes around 11% of the GDP of Bangladesh and employs around 4 million workers. The industry caters to almost all the major apparel brands of the world.

But the journey was never easy till date, over the 4 decades the industry faced several challenges and every time the industry overcame those challenges and stood even stronger than before. Following the Rana Plaza collapse in 2013, the sector underwent a substantial transformation, particularly in terms of workplace safety. With the help of the Accord, Alliance and National Action Plan, producers in Bangladesh invest in adhering to new building codes and improving workplace safety standard. We have established the RMG Sustainability Council (RSC) to strengthen local capacity as part of a national safety monitoring framework. The council's governance is inclusive, with an equal representation of industry bodies, brands, and unions working together. Thanks to the unparalleled efforts made by the RMG industry of Bangladesh over the years, the industry has earned global recognition. McKinsey & Company has hailed Bangladesh's RMG sector as "a front-runner in transparency on factory safety and value-chain responsibility," while QIMA ranked Bangladesh second in its 2020 Ethical Manufacturing Audit.



The garment industry has not just contributed to the economy of the country, but also significantly changed the lives of millions of workers. According to a study of 2020 by Asian Center for Development an individual worker earns between 9,500 and 30,000 taka per month, including overtime, from 2014 to 2020, their family income has grown by 7% annually. Between 2013 and 2024, the industry raised the wages of its workers thrice. The current minimum wage stands at Tk. 12,500 per month, up from Tk. 5,300 in 2013, on top of that workers are now enjoying 9% annual increments. Despite all these garment workers unions continue to advocate for further wage revisions and the industry is trying to compensate the workers to the best possible extent. The readymade garment industry of Bangladesh is part of the global fashion industry value chain and therefore the industry must adhere the laws and regulations of EU, US, Canada and other developed countries of the world. In recent time a huge legislative change has occurred in the strategic markets of Bangladesh Human Rights and environmental due diligence along with pressing issues like climate action, sustainability reporting, circular economy, transparency etc. All these legislative frames will further ensure that the negative externalities of business on society and environment is reduced. But to comply with all these legislative measures the overhead cost will be increased significantly.

In recent times we have seen the cost of doing business has increased significantly, last 5 years we have experiences over 50% rise in cost of production especially the cost of natural gas increased by 286.5%, electricity price increased by 33.5%, diesel price increased by 68%, freight cost increased by 50% besides minimum wage. All these eroding the competitiveness of the RMG industry of Bangladesh.

Over the past decade, Bangladesh's RMG sector has made impressive progress in tackling the challenges of growth—particularly in diversifying customers and products, improving supplier and workforce performance, and strengthening compliance and sustainability.

Garment industry serves as a cornerstone of the national economy and stands as the largest formal sector employer, particularly for women. Around 60% of garment workers are women, predominantly aged between 18 and 30. As a result, the industry has played a vital role in empowering women, alleviating poverty, and driving societal transformation. It has contributed to significant positive changes, such as a reduction in early marriages and motherhood, improved female literacy rates, slower population growth, and heightened awareness of environmental and personal hygiene. Additionally, the RMG sector creates vast economic opportunities through thousands of backward and forward linkages.



Regardless of all the odds the RMG industry is embracing sustainability and investing in eco-friendly business practices. Bangladesh is the home to the highest number of green factory buildings certified by the USGBC's Leadership in Energy and Environmental Design (LEED). Currently Bangladesh RMG industry have 230 LEED Green Factories and 54 out of top 100 green factories are in Bangladesh. Wet processing factories are investing in state-of-the-art effluent treatment plants (ETP), water efficient dyeing machines, using ZDHC (Zero Discharge of Hazardous Chemicals) approved chemicals, automatic chemical dosing system, laser technologies, ozone technologies to minimize the environmental impact of the production. The RMG industry of Bangladesh is also showing incremental improvement in climate action by investing in solar renewable energy and energy efficient machines to reduce the GHGs emissions of the production.



We are adopting several eco-friendly technologies, such as rainwater harvesting, daylight saving, and solar energy, to conserve natural resources and reduce environmental pollution. For supply chain transparency and traceability, factories are leveraging advanced tools like IoT for sewing analysis, RFID for production and inventory tracking, smart dyeing systems, automatic dosing, and mobile apps for quality control. Automated screening tools detect organic and zero-hazardous chemicals, further reducing water and energy use. Most importantly, our ability to produce world-class products sets us apart. With a focus on meticulous product development and solid commitment to on-time delivery, Bangladesh maintains a competitive edge in the global apparel value chain.

The industry now stands at a crossroads it is mature and capable of grow further and materialize its full potential but to reach there the industry need support from the government, financial institutes, workers unions, development partner and most importantly our buyers and brands. In this journey towards excellence, we all need to understand the pain points of the industry, if it is only owned by the manufacturers and investors, we will not be able to reach the epitome of success as an industry or country at large.



EVERY DENNISON CONNECTS THE PHYSICAL AND DIGITAL TO SOLVE SOME OF THE WORLD'S MOST COMPLEX CHALLENGES

MAKING POSSIBLE™

Avery Dennison is a global materials science and digital identification solutions company that provides a wide range of branding and information solutions that optimize labor and supply chain efficiency, reduce waste, advance sustainability, circularity and transparency, and better connect brands and consumers.

Avery Dennison is focused on the long-term health of our business, planet, and communities. Our legacy of innovation and sustainability guides us to take meaningful action today to ensure a viable, sustainable business for the future .

At Avery Dennison, every innovation starts with "What if?" These two simple words empower us to continuously pursue new approaches, to go beyond what's been done before, and to create value for businesses, people and planet. It drives our curiosity, our thirst for knowledge and our passion for problem-solving. It enables us to unlock new solutions and help create a world of possibilities.



For the "What if" campaign, we have created a list of "What If?" questions. These questions highlight various aspects of Avery Dennison's products and solutions, as well as the key industry challenges we help to address.



Our goal is to present a diverse range of clear and interesting case studies. By including simple, relatable examples that inspire wonder and curiosity while also being factual and informative, we ensure everyone can understand and connect with the content. At the same time, we can showcase innovative and thought-provoking case studies to capture the audience's attention, making them both educational and engaging for all audiences.

Our industries and customers face significant challenges. Today, during a time of constant and fast-paced change, we support our customers and the industries across the globe that we serve by tackling some of the world's most complex problems:

| | | | |
|---|---|---|--|
|  <p>Optimizing labor and supply chain efficiency</p> |  <p>Reducing waste</p> |  <p>Advancing sustainability, circularity and transparency</p> |  <p>Helping brands and consumers better connect</p> |
|---|---|---|--|

Our tagline, Making Possible, conveys a concise and powerful brand statement that captures the essence of our vision and the value we deliver. Designed to be aspirational, have a lasting impact and reflect our long-term strategic commitments, it speaks in a relatable, engaging and inspiring way to our stakeholders.



MAKING POSSIBLE™



Together, our vision statement and tagline convey our value proposition and focus on how we proactively address the key challenges facing our customers and industries. In helping to address these complex issues, we're not only expanding the value we create for all our stakeholders but also ensuring that we continue to be a force for good.

We are Avery Dennison. We are #MakingPossible

www.averydennison.com/makingpossible



CHEVRON-FUNDED UDDOKTA PROJECT CELEBRATES SUCCESSFUL CONCLUSION IN DHAKA

On behalf of the Chevron-funded Uddokta Project, iDE Bangladesh hosted the closing ceremony of the Uddokta Project at a prestigious hotel in Gulshan, Dhaka. The event, themed 'Reflections on Sustainability and Empowering Entrepreneurs,' marked the culmination of a nearly four-year journey dedicated to enhancing technical knowledge, business skills, and fostering essential connections among entrepreneurs and village development associations across various sectors.

The "Uddokta-Empowering Entrepreneurs" project, funded by Chevron and implemented by iDE, aimed to bolster the economic empowerment and stability of 110 VDO cooperative societies and 1,000 micro, small, and medium enterprises (MSMEs), while preserving and growing their capital. Since 2020, the project has been active around Chevron Bangladesh's gas field areas in Sylhet and Habiganj, benefiting approximately 42,500 people by empowering entrepreneurs and fostering societal development.

The event was graced by Dr. Debapriya Bhattacharya, Honorary Fellow of the Center for Policy Dialogue, as the Chief Guest. Distinguished guests included Greg Barnes, Director of Finance, Chevron Bangladesh, and Muhammad Imrul Kabir, Director of Corporate Affairs, Chevron Bangladesh. Special guests included Feroz Ahmed, Deputy Director (Training), Department of Fisheries, and Dr. F. M. Mahbubur Rahman, Director (Planning)-ICT Wing, Department of Agricultural Extension, and Dr. Hosne Ara Begum, Principal Scientific Officer, Department of Livestock Services.



Among the notable attendees were A K M Arif Akter, CE and SI Manager,, Chevron Bangladesh; Khondoker Tusherujjaman, Field Corporate Affairs Manager,, Chevron Bangladesh; Md. Humayun Kabir, General Manager, Alim Industries Limited; Mohammad Shoeb Iftekhar, Associate Director-Program, iDE Bangladesh, Md. Afzal Hossain Bhuiyan, Head of Strategic Partnership, iDE Bangladesh, and Md. Hannan Ali, Project Manager-Uddokta, iDE Bangladesh. The event also saw the presence of Chevron Bangladesh employees, iDE representatives, suppliers of improved seed varieties, organic pesticide company representatives, and media personnel. The program was presided over by Sameer Karki, Country Director, iDE Bangladesh, and moderated by Paromita Dutta, Monitoring and Evaluation Expert, iDE Bangladesh. The overall organization of the event was managed by officials of iDE Bangladesh's 'Uddokta' Project.

Mr. Karki welcomed approximately 80 guests associated with the Uddokta Project to the event, where they learned about the project's successes and achievements, and Chevron Bangladesh's role in the socio-economic development of the community. Representatives of cooperative societies and entrepreneurs from diverse sectors expressed their heartfelt gratitude to the Uddokta Project and Chevron Bangladesh for the opportunity to share their remarkable experiences.

RISING ABOVE: WOMEN IN BANGLADESH'S RMG SECTOR AS PILLARS OF ECONOMIC PROGRESS

Over the past few decades, Bangladesh has become a global hub for the ready-made garment (RMG) industry, transforming its socioeconomic landscape. From modest beginnings in the 1970s, when the sector earned only a few million dollars in exports, the RMG industry now stands as the largest contributor to the nation's economy. In 2023-24 alone, RMG exports reached \$36.9 billion, accounting for 83% of the country's total exports.

This success story is closely tied to women's empowerment. Women make up the majority of the RMG workforce and have been pivotal to the sector's growth. Many came from rural agricultural backgrounds, transitioning to formal factory jobs. This shift has not only boosted productivity but also improved household incomes and national development. The female labor force grew from 16.8 million in 2013 to 25.8 million in 2022, with women's participation rising from 29% to 35%.



Women in the RMG sector have also driven significant socio-economic benefits. A 2020 International Labour Organization (ILO) study found that women invest more of their income in their rural families—53.1% versus 36.2% for men—and spend 1.8 times more on children's education, despite earning 20% less. This has contributed to rural economic growth, national development, and a rise in literacy rates. From 1997 to 2021, primary school enrollment increased by 21%, helping push the national literacy rate to 74.66% by 2022.

However, women's representation in the RMG sector is declining. Their share dropped from 80% in the 1980s to just 53% in 2023. Women remain concentrated in lower-level roles, primarily in sewing, while men dominate cutting and finishing tasks. Mechanization, which boosts production efficiency, is further reducing women's labor-intensive jobs.

Despite, making up 97.1% of production roles, women are under represented in leadership. A 2023 BRAC University study found that only 1% of workers become supervisors, with social norms, educational gaps, and workplace biases limiting advancement. Gender-based challenges also persist, including weak enforcement of harassment laws and limited training opportunities.

A promising solution lies in orange bonds, designed to fund gender equity initiatives. Bangladesh's government plans to launch a US\$1 billion orange bond in collaboration with ERD, UNDP, and Impact Investment Exchange. These bonds could help drive further progress in gender equality, a key to sustaining Bangladesh's growth.

As Bangladesh moves into a post-LDC era, expanding women's contributions to the RMG sector is crucial for continued economic success. Prioritizing gender equity, leadership opportunities, and skill development will ensure a resilient and inclusive future.





SCCBD CELEBRATED THAI NATIONAL DAY

SCCBD participated in the celebration of Thai National Day, held at the residence of the Thai Ambassador, Her Excellency Makawadee Sumitmor. The event brought together a distinguished gathering of diplomats, business leaders, and government officials, reflecting the depth of diplomatic ties between Thailand and the host nation. The celebration featured cultural performances, traditional Thai cuisine, and ceremonial proceedings that showcased Thailand's rich heritage and commitment to international friendship.



Among the notable attendees was the Finance Adviser, Mr. Salehuddin Ahmed, who served as the chief guest. His presence underscored the importance of economic and diplomatic collaboration between the two countries. Diplomats representing various nations were also in attendance, providing a dynamic platform for cross-cultural engagement, dialogue, and relationship-building. The event's international significance was highlighted by the exchange of ideas and the fostering of mutual understanding among participants.



SCCBD's CEO and Managing Director, Mr. Mahmud Hasan, along with members of the leadership team, were present to represent the organization. Their participation underscored SCCBD's commitment to strengthening international ties and exploring strategic business opportunities. During the event, SCCBD engaged in meaningful discussions with officials from the Thai Embassy, exploring avenues for potential collaborative initiatives between the two nations. These exchanges highlighted mutual interests in sectors such as trade, infrastructure, and investment, paving the way for stronger economic cooperation.

In addition, the SCCBD leadership team held a brief but insightful discussion with the Finance Adviser, Mr. Salehuddin Ahmed. This conversation focused on the potential for increased Foreign Direct Investment (FDI) from Thailand, particularly in the construction sector. The dialogue also included a mutual exchange of insights regarding the current dynamics of the cement market, reflecting SCCBD's commitment to fostering international partnerships and contributing to economic growth.



The event served as a platform for reinforcing bilateral relations and identifying strategic opportunities for collaboration, positioning SCCBD as a proactive player in facilitating international business and investment. By engaging with key stakeholders and fostering open dialogue, SCCBD continues to demonstrate leadership in building partnerships that drive mutual prosperity and growth.



This strategic approach not only enhanced SCCBD's reputation as a trusted facilitator of international business and investment but also underscores its dedication of empowering stakeholders and contributing to a more interconnected global economy. Its role in building bridges between nations and industries is pivotal in driving sustainable progress and ensuring shared success for all parties involved.



LafargeHolcim

LAFARGEHOLCIM BANGLADESH CELEBRATES GEOCYCLE WEEK AT CHHATAK PLANT

Geocycle Week was celebrated at the Chhatak plant in Sunamganj exemplifying our steadfast commitment to sustainability and decarbonization. The event showcased our efforts to foster community engagement and promote sustainable waste management, with a significant attendance from the local community, including women from neighboring villages.

This impactful event brought together employees, community members and volunteers to participate in meaningful activities that emphasized the value of collective action for a greener future. Interactive discussions on Geocycle's circular economy-driven operations highlighted our contributions to decarbonization and plastic neutrality, inspiring attendees to adopt sustainable practices. A community cleaning drive demonstrated the strength of collaboration in environmental stewardship, while guided tours of the Geocycle plant offered participants an inside view of our innovative waste disposal technologies, reflecting the seamless integration of sustainability and innovation in our processes.



Geocycle Week deepened the community's connection to our mission and reaffirmed our commitment to addressing environmental challenges through collaboration. Together, we continue to drive impactful change, advancing toward a cleaner, greener and more sustainable future.

As a dedicated global business line of Holcim Group, Geocycle turns waste into progress. Our teams are committed to tackling the global waste challenge for a cleaner and greener world. As the world's population rises and global production and consumption grow, inevitably, so does the amount of waste.



An estimated 11.2 billion tons of solid waste are collected around the world annually with a large portion shipped to landfills. These landfills contribute 5% of global greenhouse gas emissions. At Geocycle, we are committed to tackling the global waste challenge and reducing the amount of waste sent to landfills or incineration. We transform waste into resources and promote the transition to a circular economy to create a sustainable future.



At Bangladesh Geocycle started its journey in 2017 and currently it is one of its kind waste management solution supporting a number of companies and municipalities to manage their waste sustainably.



METLIFE INTRODUCES CASHLESS AMBULANCE SERVICE FOR CORPORATE CLIENTS

MetLife Bangladesh has recently launched cashless ambulance service exclusively for its corporate clients. This new service enables employees covered under MetLife's corporate insurance to access ambulance services from hospitals during emergencies without the need for immediate payment.

The cashless ambulance service is available at United Hospital, Square Hospital, and Evercare Hospital in Dhaka. This initiative allows patients and their families to focus on urgent medical care and recovery without the added stress of hospital admission and ambulance booking charges. To utilize this service, clients simply need to call the designated phone number provided by the hospitals.



জীবনের পথে চলি একসাথে

Ala Ahmad, CEO of MetLife Bangladesh, said, "At MetLife, we are committed to helping companies take care of their employees through world-class insurance coverage and innovative solutions. The launch of our cashless ambulance service is another step towards making emergency medical care more accessible and stress-free for our corporate clients and their employees."

Currently over 900 organizations in Bangladesh take MetLife's insurance solutions for their employees and enjoy several benefits including customizable insurance plans, cashless outpatient service, advanced insurance dashboard, on-site health sessions and the latest, cashless ambulance service.



STANDARD CHARTERED AND SME FOUNDATION EMPOWER WOMEN ENTREPRENEUR WITH ONLINE BUSINESS MANAGEMENT AND FINANCIAL INCLUSION TRAINING PROGRAM

Standard Chartered Bank, in collaboration with SME Foundation, organised a three-day long training program on "Online Business Management and Financial Inclusion" for Women Entrepreneurs of Bogura. A total of 36 Women Entrepreneurs participated in the training. Participants included entrepreneurs engaged in a variety of ventures including home-made food, handicraft products manufacturing, boutique shops and others.



Standard Chartered has been working with the SME Foundation to drive financial literacy and tech-based entrepreneurship training opportunities across Bangladesh. The entrepreneurship pathway lifts participation by helping individuals to develop broader business skills, build financial knowledge, and access an array of financial resources and networks. The Bank is committed to creating a flourishing and productive ecosystem for the nation's women entrepreneurs.

SME Foundation has been established by the Government of Bangladesh and is working as an apex institution for the development of small and medium industries in the country under the Ministry of Industry. SME Foundation is working for the development of small and medium industries of the country according to the SME policy of Bangladesh government. Women entrepreneurship development programs are implemented with special importance in the overall activities of the Foundation.



UNILEVER AND KEWKRADONG BANGLADESH JOIN FORCES TO ADDRESS PLASTIC POLLUTION AT BANGLADESH'S ONLY CORAL ISLAND

On 20 December 2024, Unilever Bangladesh Limited (UBL), in partnership with Kewkradong Bangladesh, organised a coastal cleanup at St. Martin's Island, rallying 350 youth-volunteers to collect 1,500 kilograms of plastic waste from Bangladesh's only coral island. This collaborative initiative not only addressed the urgent plastic pollution crisis threatening the island's fragile ecosystem but also contributed valuable data to Ocean Conservancy's global research on marine debris.



Plastic pollution has become an escalating global issue, with an estimated 5 billion tonnes of waste endangering ecosystems worldwide. Beyond environmental destruction, the global economy suffers an annual loss of USD 80-120 billion due to inefficiencies in managing plastic waste. Addressing this crisis requires collective action across sectors, and UBL has been contributing to creating a sustainable future for Bangladesh since 2020, implementing transformative solutions to tackle plastic waste.

Despite many efforts, St. Martin's Island remains a vulnerable site, with its biodiversity increasingly jeopardised by inadequate waste management. Recognising this, the Ministry of Environment, Forest and Climate Change (MoEFCC) has classified the island as a critical area in need of intervention. In response, UBL and Kewkradong Bangladesh mobilised university students, youth groups, and local schoolchildren to take part in the cleanup.

Beyond collecting plastic waste, the initiative ensured that it was sorted and transported to the mainland for recycling.



The initiative served a dual purpose of raising awareness and building accountability. By collecting data on marine debris, the cleanup contributed to Ocean Conservancy's global database, helping to inform international strategies for tackling the plastic waste crisis. The partnership between UBL and Kewkradong Bangladesh demonstrates how businesses and communities can work together to raise awareness, influence the community to properly manage plastic waste and build a habit, keeping plastic in a loop and out of the environment.

Unilever recognises the challenge of plastic pollution and leverages its innovation capabilities to develop scalable solutions. The organisation is committed to reducing virgin plastic use, optimising usage through design innovations, and introducing refill technology to revolutionise consumer purchases. Their aim is to end plastic pollution through reduction, circulation, and collaboration. In Bangladesh, Unilever is making significant strides by collecting and processing more plastic than they produce, which is achieved through partnerships with the informal sector, value chain actors, multilateral donors, NGOs, and public sector entities like municipalities. While their approach aligns with their global commitment, it is tailored to the local context and ecosystem. They are also working on scalable solutions such as retail refill technology to further reduce plastic use. By fostering community engagement and implementing integrated waste management systems, UBL continues to contribute towards the mission of creating a sustainable future for Bangladesh.



As the world faces an urgent plastic pollution crisis, initiatives like the St. Martin's cleanup offer hope and inspiration. They demonstrate that real change is achievable when communities, organisations, and individuals unite with a shared purpose. With the success of this partnership, going forward, UBL aims to collaborate with more organisations and the government to enhance biodiversity on St. Martin's Island. Together, we can safeguard our natural heritage and pave the way for a cleaner, more sustainable future for the next generation.

61ST ANNUAL GENERAL MEETING OF FICCI



The Foreign Investors' Chamber of Commerce & Industry (FICCI) will collaborate with the government to attract international investors and unlock new business opportunities in Bangladesh. This commitment was reaffirmed by FICCI President, Mr. Zaved Akhtar, during the 61st Annual General Meeting (AGM) held on December 5, 2024, at Le Méridien Dhaka.



At the AGM, Mr. Zaved Akhtar highlighted FICCI's impressive achievements over the past year, emphasizing the Chamber's continuous efforts in fostering a conducive investment climate. He acknowledged the unwavering support of member companies, emphasizing that their collective efforts are crucial in driving sustainable economic growth in the country.

61ST ANNUAL GENERAL MEETING OF FICCI

FICCI Vice President, Mr. Yasir Azman, expressed heartfelt thanks to the members for their dedication and reiterated FICCI's steadfast commitment to advocating for foreign investors' interests. He also emphasized the Chamber's role in positioning Bangladesh as a prime destination for global investment, working hand in hand with the government.



The event concluded on an optimistic note, reinforcing the shared determination to strengthen partnerships between the government and foreign investors. Attendees included the FICCI Advisor, Board of Directors, CEOs, and other officials of member companies, underscoring the collective commitment to driving economic growth and development in Bangladesh.



FICCI Secretariat Team with the President

12TH BOARD MEETING

The 12th Board Meeting of FICCI was held on December 10, 2024, at the Oracle Bangladesh office in Gulshan, Dhaka. The meeting was presided over by Senior Vice President Mr. Eric M. Walker and attended by other board members and the Executive Director.

MEETING WITH JICA

A delegation from the Japan Bangladesh Cooperation Agency (JICA) visited the FICCI office on December 10, 2024. The visit facilitated discussions on potential collaborations and strengthened bilateral relations.



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