



## BANGLADESH INSTITUTE OF INTERNATIONAL AND STRATEGIC STUDIES (BIISS)

1/46, Old Elephant Road, Ramna, Dhaka- 1000, Bangladesh

### Press Release

Seminar on

### **Global Economic Slowdown, Bangladesh's Apparel Industry and Decent Work**

BIISS Auditorium, Dhaka, Sunday, 31 December 2023

Bangladesh Institute of International and Strategic Studies (BIISS) organised a seminar on “**Global Economic Slowdown, Bangladesh's Apparel Industry and Decent Work**” on Sunday, December 31, 2023 at BIISS auditorium. **H E Dr Mashiur Rahman**, Former Economic Adviser to the Honourable Prime Minister, Government of the People's Republic of Bangladesh, graced the seminar as the Chief Guest. **H E Ambassador Masud Bin Momen**, Foreign Secretary, (Senior Secretary) Ministry of Foreign Affairs, Government of the People's Republic of Bangladesh, **Mr Tapan Kanti Ghosh**, Senior Secretary, Ministry of Commerce, Government of the People's Republic of Bangladesh and **Mr Md Ehsan-E-Elahi**, Secretary, Ministry of Labour and Employment, Government of the People's Republic of Bangladesh delivered speeches in the seminar as Special Guests.

**Major General Md Abu Bakar Siddique Khan, ndc, afwc, psc, G+**, Director General, BIISS, delivered the welcome address and **Ambassador A F M Gousal Azam Sarker**, Chairman, BIISS, presided over the seminar. **Dr Mahfuz Kabir**, Research Director, BIISS made a keynote presentation which was followed by a panel discussion. **Mr Faruque Hassan**, President, Bangladesh Garment Manufacturers and Exporters Association (BGMEA); **Mr Md Akhter Hassan Apurbo**, Vice-President, Bangladesh knitwear Manufacturers and Exporters Association (BKMEA); **Mr Kamran Tanviur Rahman**, President, Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI); and **Professor Dr Mustafizur Rahman**, Distinguished Fellow, Centre for Policy Dialogue (CPD) were present in the event as panel discussants. The panel discussion was followed by an open discussion.

In his welcome address, **Major General Md Abu Bakar Siddique Khan**, Director General, BIISS, underscored the need for diversification, investment in research and development, and fostering innovation to ensure the resilience and competitiveness of our apparel sector on the global stage. He drew attention to Bangladesh's commitment to ensuring decent work for the millions of individuals employed in the industry and emphasized on collective understanding, collaboration, and innovative solutions to navigate through these uncertain times.

In his keynote presentation, **Dr Mahfuz Kabir**, Research Director of BIISS, said that due to cumulative effects of Covid-19 pandemic and Russia-Ukraine war and the resultant disruptions in global input-output supply chain and energy crisis, Bangladesh is facing increased economic and development challenges. He pointed out that Bangladesh's RMG industry marked a significant stride in sustainable fashion but in recent days it is facing challenges stemming from cost escalation which is in turn resulted from various factors like depreciation of currency and price hike of imported and local inputs. To navigate the current challenges of RMG sector, he emphasised on ethical buying and sectoral diversification.

In the Panel Discussion, **Mr Faruque Hassan**, President of BGMEA, identified geopolitical tension and the repercussions of the Covid-19 pandemic as major reasons behind the global economic slowdown which has been hampering the global growth of apparel sector. He emphasized on strengthening better industrial relations including promoting social dialogue and prioritizing female workers' skill development for the overall growth and stability of Bangladesh's apparel industry. **Mr Akhter Hossein**, Vice President of BKMEA, drew attention to the contribution of RMG sector in women empowerment and social development. He pointed out that one of the major concerns for Bangladesh's apparel industry is the less productive workers which according to him needs to be addressed with practical measures. **Mr Kamran Tanvirur Rahman**, President of MCCI, emphasised on adopting integrated and comprehensive strategy to address the dual problem of depreciation of BDT and dwindling reserve. To face the potential challenges stemming from LDC graduation and evolving geopolitical scenario, he emphasised on diversification of export. **Professor Mustafizur Rahman**, Distinguished Fellow of CPD, acknowledged that the current minimum wage of RMG sector are not enough for a decent living and the productivity of our workers is low. He suggested that to be able to raise wage of workers, a number of issues need to be taken care of. This include rise in productivity, sharing of burden by Bangladeshi entrepreneurs as well as by foreign buyers, diversification of export baskets, trade and transport connectivity and roles played by government as well as non-government stakeholders.

The Panel discussion was followed by speech by Special Guests. **Tapan Kanti Ghosh**, Senior Secretary, Ministry of Commerce, informed the audience that Bangladesh's ready-made garment export superseded China for the first time in the EU market. He also highlighted Bangladesh's expanding market diversification. Bangladesh's apparel sector has successfully secured its hold in new markets in Australia, Japan and South Korea. **Mr Md Ehsan-E-Elahi**, Secretary, Ministry of Labour and Employment said that improvement in legal frameworks is the precondition for ensuring labour rights. He informed the audience that Bangladesh has ratified a number of international conventions on labour. The country has also amended its labour law time to time following the requirements of ILO. **Ambassador Masud Bin Momen**, Senior Secretary, Ministry of Foreign Affairs, touched upon the issue of the newly announced US labour policy and emphasised on collaborative efforts among the government, entrepreneurs and labours to overcome any future challenges for RMG sector. He commented that Bangladesh should strive for achieving the double bottom-line of ensuring labour welfare and remain competitive in global market.

The Chief Guest of the seminar, **H E Dr Mashiur Rahman**, emphasised on development of skill, which he suggested should be associated with necessary wage raise. He drew attention to the changing nature of global market in which the developed countries are increasingly looking inward. He made some suggestions for improving the performance of BIDA which he believes would help to address the export challenges of Bangladesh. He drew attention to the role of the Honourable Prime Minister in setting up the new minimum wage through moral influence on concerned stakeholders.

In his concluding remarks, the session chair **Ambassador A F M Gousal Azam Sarker**, Chairman, BIIS, shed light on the evolving global economic uncertainty and the adaptation of Bangladesh's apparel industry to ensure decent working environment in the midst of global economic slowdown.

Senior officials from different ministries, diplomats from Embassies and High Commissions, former diplomats, senior military officials, media, researchers, businesspeople, teachers, and students from various universities, representatives from different think tanks, international organisations, participated in the seminar and enriched it by presenting their valuable opinions, comments, suggestions, and observations during the open discussion session.