



## Welcome Note

Dear Reader,

### Welcome to the revamped PaCT Quarterly Newsletter



*PaCT aims to expedite investment and adoption of more resource efficient and cleaner production practices along Bangladesh's entire textile production chain.*

I am pleased to announce that the PaCT Program has been selected as a finalist for the prestigious 2016 Roy Family Award for Environmental Partnership. This award is presented by the Harvard Kennedy School every two years.

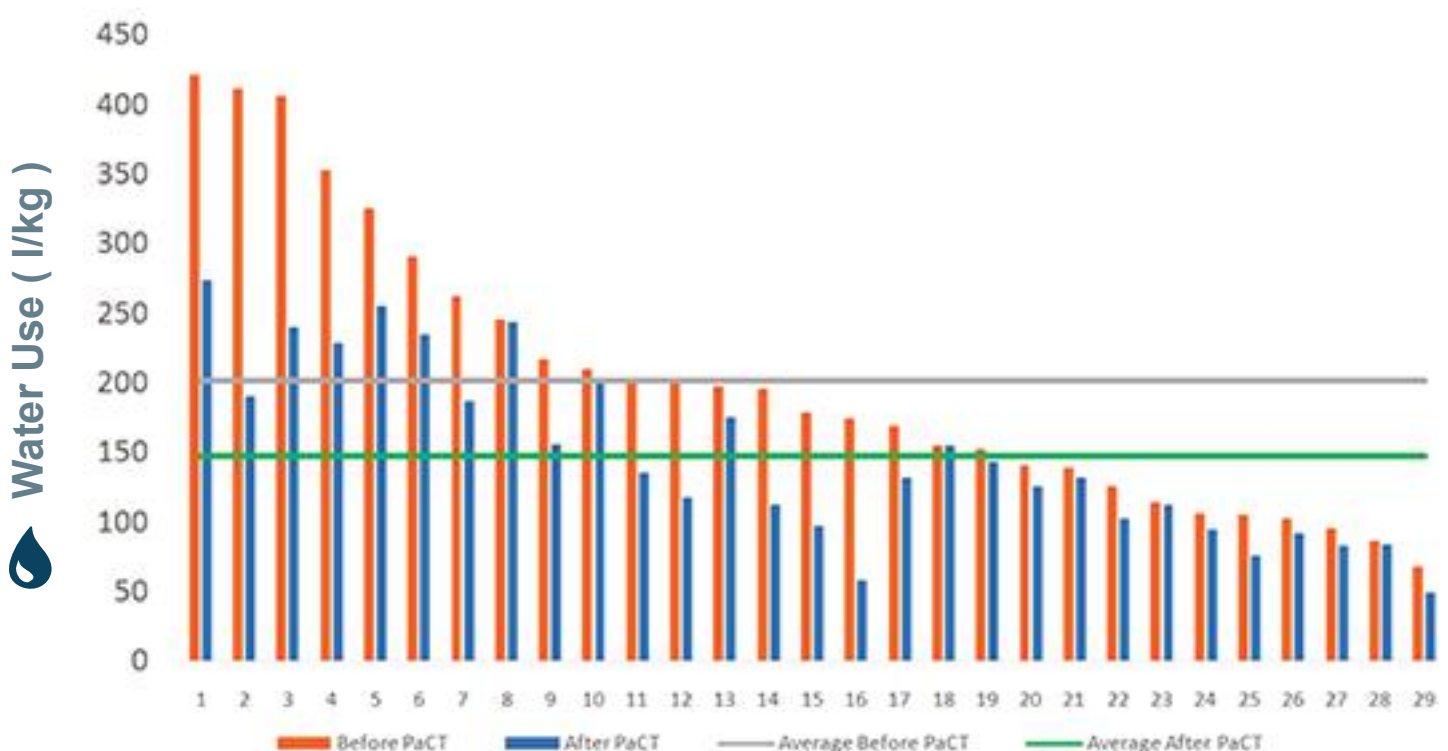
In this and every forthcoming newsletter, we look to spotlight the ongoing efforts to reduce resource consumption and wastewater pollution in Bangladesh's textile sector. By drawing attention to specific sector issues facing factories, stakeholders, employers, entrepreneurs, and related government agencies, we hope to contribute to greater knowledge-sharing activities amongst our friends and partners in both the public and private sectors. By doing so, we aim to expedite investment and adoption of more resource efficient and cleaner production practices along Bangladesh's entire textile production chain. At the same time, we will also use the newsletter to inform you of PaCT's own program activities, results, and expected short- and long-term impacts. In this way, you will be up to date on both the broader implications for the sector, and the specific strategy PaCT is employing to help enable greater sector sustainability.

We therefore hope you will use the PaCT Quarterly Newsletter as your first source for relevant information on both our program and the sector, and to come to see it as an opportunity and invitation for you to participate in our future newsletters, events, and products. We also hope that with its many links to our newly relaunched website ([www.textilepact.net](http://www.textilepact.net)), this Newsletter will act as a gateway to greater and more frequent contact with our program.

Respectfully,

Mohan Seneviratne  
Program Manager, PaCT

PaCT has successfully managed to reduce water consumption rates from 201 l/kg to 147 l/kg in 29 partner factories. That's a 26.8% reduction!



# Program ImPaCT

After only three years, PaCT is proud to announce, on behalf of our partners, that the program has already completed 102 factory assessments. 47 new assessments are ongoing.

Recommendations by PaCT based on these assessments have stimulated factory-level investments, worth US\$28-million in resource efficiency measures.

These measures have resulted in a cumulative savings of US\$7.6 million each year and point to an average payback on investment of 3.7 years.

In addition, PaCT has recently launched PaCT Advantage, an in-house resource management diagnostic tool for factories. Unlike technical audits, which are a 'snapshot' of a factory's current status on any given day, PaCT Advantage maps a path of continuous improvement for factories by developing an effective and seamless management system for water, energy and chemicals. To date, the tool has been implemented in 16 PaCT partner factories.

## PaCT Program Achievements

### Water Savings



13.4 million m<sup>3</sup>/year

### Energy Savings



1.1 million MWh/year

### GHG Avoided



169,000 tonnes CO<sub>2</sub> eq /year

### Investments



US \$ 28.4 million

### Wastewater Avoided



10.6 million m<sup>3</sup>/year

### Factory Savings



US \$ 7.6 million/year

PaCT has also expanded program components to include facilitation of financing products to the textile sector. The team recently signed the program's first bank engagement with BRAC Bank Ltd. to develop loan product for energy efficiency financing. The new loan product *Planet Solutions*, which is targeted to the RMG & textile industry and Technology Service Provider Companies, is expected to catalyze greater investments in energy efficiency projects.

Other recent activity highlights include the organization of a Green Building Workshop for garment factories, a Water and Energy Efficiency Financing Workshop, and a Training on Effluent Treatment Plant Management.





# PaCT Website in a new avatar



Bangladesh PaCT is pleased to announce the launch of its revamped website [www.textilepact.net](http://www.textilepact.net). The site is designed as a one-stop repository for all program information. Webpages now offer more comprehensive news on program events and activities, achievements and milestones. The publications section of the website showcase the latest program engagements, interviews, lessons learned, and communication and reading materials relevant to the textile sector.

The most exciting new feature of the revamped site is the Resource Savings Calculator, which helps to create an overall picture of the resource savings and economic benefits that factories can achieve from resource efficiency upgrades. The calculator, which is developed based on the typical features of Bangladeshi textile factories, comes with a list of resource efficiency recommendations.

Simply plug in your general factory data, select the measure(s) /recommendation(s) that best suit your factory, and the calculator will show you:

- Baseline resource consumption and GHG emission
- Resource consumption and GHG emission after implementation of resource efficiency upgrades
- Potential annual economic benefits resulting from investments in resource efficiency upgrades
- Projection of additional sales required to make similar savings without adding capacity or resource efficiency improvement

**Interested to use the calculator?**

Calculate your Savings 



# PaACTIVITIES

## PaCT PROGRAM MANAGER TAKING A STAND



Source: The Daily Star

PaCT actively engages with sector-level stakeholders to address wastewater management practices. PaCT Program Manager, Mohan Seneviratne recently addressed a roundtable discussion jointly organized by The Daily Star and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) on issues plaguing greater sector development and sustainability. In his statement, Mr. Seneviratne said, “Through the PaCT program we are establishing common effluent treatment plant.”

“It will save your cost and increase your capacity. The Ready Made Garment industry should invest more in checking pollution and waste. This is not a cost. It is an investment.” The roundtable, titled “Target US\$50 Billion: We Need Your Support to Reach It” brought together stakeholders and think tank representatives (US Ambassador Marcia Bernicat also attended) to determine the actions necessary for the sector to meet the government’s goal of becoming a US\$50 billion industry by 2021. Mr. Seneviratne is also an active member of the Zero Discharge of Hazardous Chemicals Technical Advisory Committee, which is developing a set of sector-wide guidelines for the discharge of wastewater and hazardous chemicals. For more information on the event, [click here](#).

## GREEN BUILDING WORKSHOP : TOWARDS A GREATER SUSTAINABILITY



Sustainability is no longer an option, but a business need. Textile factories are now keen on implementing innovative and efficient measures to improve overall productivity, and simultaneously ensure sustainability. Recognizing the growing momentum of Green Buildings in Bangladesh, PaCT, in collaboration with Green Technologies and the Textile Technology Business Center (TTBC), organized a day-long workshop on ‘Green Buildings’ on 18 February at the BGMEA Apparel Club. The workshop was conducted by Mario Seneviratne, LEED Fellow and Faculty Member of the US Green Building Council.

The workshop commenced with an interactive plenary session on the ‘Prime Position of Textile Industries in Bangladesh’. “Green Buildings are an excellent platform for businesses to penetrate the market,” stated Mario. “They address the primary business drivers, and empower you to run your business sustainably,” he added. Mishal Ali, Deputy Managing Director, Bitopi Group and one of the guest speakers, concurred with Mario, stating, “Having a green facility always helps. It allows your organization to monitor its progression toward sustainability. There are now several donor agencies and financial institutions that are highly interested to fund green projects in the Bangladesh textile sector.”

Highlights of the workshop sessions included contextual and tailored lectures on Fundamentals of Green Building, an overview of the globally recognized LEED certification system, and Energy and Water audits as resource conservation tool. The workshop was attended by more than 70 participants from 29 textile factories, and 2 engineering and architecture firms. At the end of the workshop, many participants expressed their interest to adopt Green Buildings on their factories’ premises.



Addressing the current challenges in the textile sector, PaCT Program Manager Mohan Seneviratne said, “At IFC, we have a tool called EDGE, which is helping to design green buildings in over 100 countries.” “We have recently commissioned this tool for the textile factories, and plan to launch it in the coming months,” he said.



## EFFLUENT TREATMENT PLANT MANAGEMENT TRAINING



Did you know that PaCT offers seamless training programs on Effluent Treatment Plant (ETP) Management ? PaCT's ETP Management training are designed for apparel brands and ETP managers looking to:

- Reduce Operating Costs
- Reduce Environmental footprints
- Improve Effluent Quality
- Achieve Legislative Compliance
- Gain Credibility

PaCT recently organized a three-day long training program sponsored by Aquatech, BASF, and Bureau Veritas, which focused on the fundamentals, operation, maintenance, and optimization of ETPs. The training was conducted by Dr Mohidus Samad Khan, Assistant Professor of the Department of Chemical Engineering, BUET.

Key highlights of the three-day training program included specialized lecture sessions on critical issues including Monitoring & Analysis Techniques, Zero Discharge of Hazardous Chemicals (ZDHC), Solid Waste Management, and case histories. General Electric (GE), CT Environmental and UNIDO also presented at the training. The training program, which was attended by around 60 participants, came to a successful end with a panel discussion. The panelists included professionals from the textile sector, technology service provider companies, and wastewater treatment development experts, who addressed priority issues like current trends in ETP Management, laboratory testing and accreditations, and capacity building of ETP operators and managers.

If you are interested in participating in our next ETP Management Training, please [Contact Us](#).





# | PaCT and Partners

## COVERING THE COSTS OF CLEANER PRODUCTION



Unlocking financing, a key constraint to date in facilitating greater adoption of resource efficiency technologies, is the way forward for the textile sector to reach its target of becoming a US\$50 billion industry by 2021. Traditionally, resource efficiency projects suffer from high loan interest rates. In addition, banks and other financial institutions (FIs) are often reluctant to lend to such projects due to risk perception, inadequate knowledge of resource efficiency financing (REF), and limited access to reliable REF clientele.

PaCT is playing a leading role in supporting banks and other FIs to develop innovative financing models to meet the finance gap and promote investment in resource efficiency projects. PaCT recently signed a cooperation agreement with BRAC Bank Limited (BBL), one of the leading SME banks, to support the development of an Energy Efficiency Financing (EEF) loan product for the textile sector. In conjunction, PaCT hosted a half-day training for BBL at IFC's Dhaka office. The training was attended by 30 participants, including representatives from BBL's credit undertaking and corporate sales divisions. (For more information, [click here](#)).



Alongside technical and advisory support, PaCT is working to formalize partnerships among FIs, factories, and technology service providers to catalyze business developments in resource efficiency projects. PaCT organized a day-long workshop titled 'Water & Energy Efficiency Financing' on 28 February, coinciding with the launching ceremony of 'Planet Solutions', BBL's first EEF loan product geared towards the RMG and textile sectors. Mr Selim R. F. Hussain, Managing Director and CEO of BBL noted, "IFC's customized support for BRAC Bank, complemented by their global knowledge and expertise has helped us structure, plan and launch the very first Energy Efficiency Loan product in Bangladesh." Spokespersons from Bangladesh Bank, BGMEA, IDLC, SREDA and IFC's regional office were among the other speakers at the event.

Program sponsors Aamra, Forbes Marshall, and Megatek Engineering Pte Ltd., the leading technical service providers in the country, also presented at the workshop. The workshop, attended by around 200 participants from diverse sectors, was a platform for FIs to explore REF opportunities and network with PaCT partner factories which have already completed assessments and are keen on resource efficiency upgrades.



# Case Study

## FAKIR APPARELS LIMITED

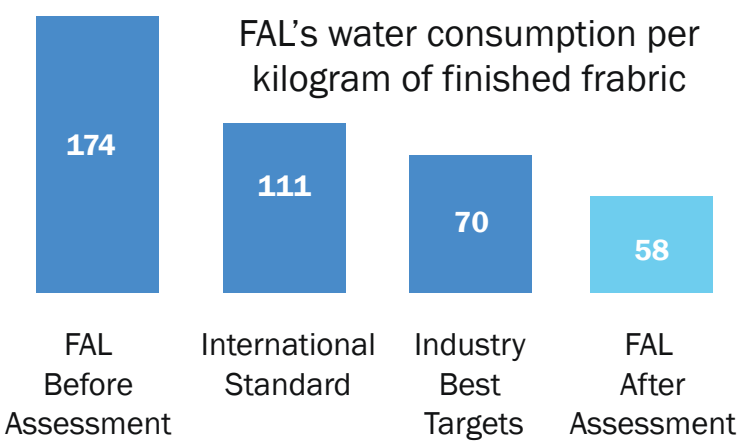
Bangladesh is the second largest exporter of Ready Made Garment (RMG) products in the world, with annual exports of more than US \$25 billion. The sector employs four million people of whom 80 percent are women. However, the sector consumes close to 1.5 billion liters of groundwater annually – equivalent to the fresh water needs of Dhaka’s 12 million citizens. Untreated and partially treated wastewater has contributed to large scale pollution of surface and ground water, due to inefficient factory practices, absence of focused buyer strategies, and the weak enforcement of environmental regulations. Fakir Apparels Limited (FAL) is one of the pioneers in Bangladesh's textile wet processing sector and a supplier to, among others, H&M, C&A, Esprit, Primark, Woolworths, and Tom Tailor.



Fakir Apparels Limited (FAL) requested that PaCT carry out a detailed resource efficiency assessment to identify opportunities for improvements in water, energy and chemical usage. FAL then implemented PaCT's assessment recommendations, investing around US\$420,000 in water and energy efficiency technologies, including brand new wet processing machinery.

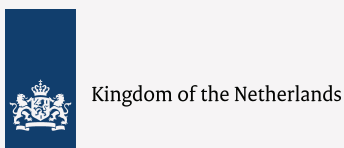
On average, FAL has reduced energy consumption by 30,000 MWh/year, water consumption by 888 million liters/year, and wastewater discharge by 762 million liters/year.

The implemented measures reduced FAL's water consumption below the industry best targets, and saved the company approximately US\$262,000 in annual operating expenses. For more information, [click here](#).



PaCT is a partnership program that is supporting the textile wet processing sector in Bangladesh to move towards greater adoption of Cleaner Production practices, with a focus on reducing resource consumption and pollution, and contributing to the sector’s longterm competitiveness. PaCT works in partnership with

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 United House  
 10 Gulshan Avenue, Gulshan 1  
 Dhaka 1212  
 Bangladesh

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