



Virtual Acceleration Workshops on E-Mobility & Green Industrial Parks

(Organized as part of Korea 7th Green Roundtable events)

<i>BUSINESS MODEL DESCRIPTION</i>
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Pre-events Online Forum: 15-26 June 2020

Main events: 29-30 June 2020

Post-events Online Forum: 1-7 July 2020



Business Model Name: Sustainable Future for Textile Factories

Link (if available):

Lead (Organization/Company): Deltares

Main contact point: Hans Aalderink, Strategic Advisor

Status: **Start-up**

Description of the Solution:

The partnership will establish a PPP in close cooperation with the sector and relevant authorities in Bangladesh to assist the SME textile companies in complying with the environmental standards by the introduction of cleaner production (CP) and getting access to green fund loans for sustainable entrepreneurship. As the SMEs are one of the main employers in the districts, the livelihood of many people depends on it. Therefore, the project will have a significant social economic impact. This project serves as model for other clusters of SMEs in Bangladesh and elsewhere in the world.

Goals:

The primary focus is on SDG Water and Sanitation. The SME textile companies in the project area use water inefficiently and their effluent causes severe threats to the quality of the water in the Meghna River, that will be used as the raw source for the production of drinking water for Dhaka City. During a survey made earlier, it has been shown that the introduction of cleaner more efficient production can both significantly reduce their operational cost and the discharge of polluted wastewater.

The sector operates in a highly competitive market, lacks knowledge to implement new technologies and has no easy access to money to invest. As the sector is a main threat for the sustainable drinking water supply of Dhaka city, the industries will be subject to stronger enforcement. This might lead to fines and eventually closing of factories and as such have a high social economic impact for the regions. A sustainable future of the sector requires a good balance between economics and environment. To solve the problems close cooperation between the public and private sector is essential.

The start-up partnership will:

- Develop a show a business plan for 5 companies as a show case including a program of measures, investment plan, return of investment, reduction in water use and waste load;
- Develop an implementation plan and business model for potential investors;
- Assess the socio-economic and environmental impact assessment on a basin level;



- Set-up a PPP for implementation.

A previous short inventory showed that with only limited investments (US\$ 20,000- 50,000) cleaner production can be introduced. This would directly lead to a saving on the operational expenditure of US\$ 10,000 – 25,000 per annum resulting in a return of investment of 2-3 years.

In the startup project we will focus on the Narayanganj and Norshindi district, where approximately 400 SME factories are located. In and around Dhaka and also in the other larger cities in Bangladesh there are many other clusters of textile factories. The total number of SMEs textile companies in Bangladesh is estimated to be over 5,000. This give excellent opportunities for scale up in Bangladesh. The P4G network will be an outstanding opportunity for up-scaling to other countries such as Vietnam, Indonesia, India and African countries. The model also suits other type of industries (like tanneries, food processing, etc.) as well.

Geographical areas of Impact:

Bangladesh Dhaka City, Arahazar upazila (Narayanganj district), Gopaldi, Madhobdi & Narshingdi upazila (Norshindi district).

Partners:

- Ahnaf Textile Consultancy, Bangladesh
- Bucon BV, The Netherlands
- CINET. Global umbrella association with 100+ members (national associations, international suppliers, research institutes and individual companies) in laundry industries.
- Dhaka Water Supply & Sewerage Authority (DWASA): an independent organization with the mandate of Water Supply and Sewage disposal to the city dwellers of Dhaka.
- Department of Environment (DoE): responsible for compliance checking and enforcement, government organization.
- Bangladesh Partnership for Cleaner Textile (PACT)
- Narshingdi Districts Dyeing Printing & Finishing Association. Local Association of entrepreneurs.
- Ministry of Textile and Jute, Ministry of Environment, Forestry and Climate Change (MoEFCC), government organizations.