

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	BUY TK	EUR	GBP	CNY
4.13%	3.84%	\$2,026.60	\$44.40	0.04%	0.39%	0.53%	0.96%	83.95	97.96	108.61	11.84
4,545.15	7,801.46	(per ounce)	(per barrel)	38,040.57	22,329.94	2,545.51	3,354.04	84.95	101.76	112.41	12.45

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## Pandemic derailed development works. Planning minister is buckling down to get it back on track

REJAUL KARIM BYRON

The government has decided to prepare a roadmap to ensure full implementation of the annual development programme this fiscal year after development expenditure fell to a 27-year low in fiscal 2019-20.

"The ADP implementation was slow last fiscal year but none of us was responsible for it," Planning Minister MA Mannan told The Daily Star yesterday.

Development activities came to a screeching halt after the government was forced to implement a countrywide shutdown from 26 March to rein in the rising COVID-19 caseload in Bangladesh.

For the next two months, when spending typically heats up to show a flattering result for the full year, ADP implementation was virtually on recess.

While spending was back on track in June, soon after the shutdown was lifted on 30 May, it was not enough to prevent the lowest ADP implementation rate since fiscal

1993-94, data from the Implementation Monitoring Evaluation Division (IMED) showed.

The ministries and divisions managed to spend Tk 161,857 crore in fiscal 2019-20, which was 80.45 per cent of the total allocation for the year.

Mannan is now determined to make up for lost ground such that Bangladesh's development ambitions are not derailed any further.

He has decided to convene a meeting of the secretaries on Thursday to formulate a roadmap, said an official of the planning ministry.

During the meeting, the minister would instruct the secretaries to put in stronger effort to make up for the holdups caused by the global coronavirus pandemic.

The development budget for this fiscal year is Tk 205,145 crore, which is 6.3 per cent more than last year's.

"ADP is the government's main investment programme. So, the secretaries have to identify the obstacles so that the government can remove them and accelerate the implementation," Mannan said.

Projects directors don't remain present at the construction sites all the time. As a result, monitoring is found wanting most often, he said.

"The secretaries are largely responsible for this.



MA Mannan

PRABIR DAS

They will have to make sure that projects under the ministries are carried out smoothly," he added.

The planning ministry would instruct the secretaries to embark on implementing projects in full swing from September. Development activities usually retard in July and August for monsoon.

The meeting would also discuss the issues of cost- and time-overruns of projects, a regular phenomenon in Bangladesh, the official said.

Speaking about mega projects, Mannan said the economy would receive a major boost once the priority projects are implemented.

"The secretaries should be careful so that the mega projects don't face any more delays."

The construction of the projects such as the Padma bridge, Payra deepsea port and Karnaphuli river tunnel has been going on despite the pandemic, he said.

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## NRBs can now park their funds in FDR, DPS

AKM ZAMIR UDDIN

Non-resident Bangladeshis (NRBs) can now keep their funds in the form of Fixed Deposit Receipts (FDR) and Deposit Plus Schemes (DPS) with local lenders following a central bank directive yesterday.

The move comes as part of the government's efforts to channel in \$3-\$5 billion in additional remittance from expatriate Bangladeshis this fiscal year from fiscal 2019-20's record-setting \$18.2 billion.

This fiscal year already started on a strong footing: \$2.6 billion flew in July, which is a record for a single month. Finance Minister AHM Mustafa Kamal credited the 2 per cent cash incentive on remittance that he introduced last fiscal year for the surge in inflows that are beating all odds.

Last week, the finance ministry said all steps would be taken to bring in higher remittance through the legal channel. This latest notice from the central bank, it appears, is part of the drive.

Banks will have to introduce dedicated NRB deposit products for the Bangladeshi diaspora so that they can keep their hard-earned money in banks on a long-term basis at attractive interest rates.

The deposit accounts will have to be opened in the form of a savings accounts for a minimum of one year, according to a notice from the Bangladesh Bank.

The accounts can also be opened without any initial fund for people who are set to go abroad for employment purposes.

Earlier, the NRBs were allowed to open savings or current accounts with banks but did not get favourable interest rates against their fund.

With this backdrop, they were compelled to make deposits through relatives, leading to complexities for the NRBs in many cases when attempting to securely avail the funds, said a central bank official requesting anonymity.

## Dairy farmers' latest blow after pandemic: floods

MAHMUDUL HASAN

Rajib Miah, a dairy farmer from Shahjadpur upazila in Sirajganj, thought the worst was behind him when the government lifted the countrywide shutdown on 30 May and was looking forward to recouping the losses brought on the pandemic.

But his hopes were dashed on one fateful night last month that saw floodwater submerge his cowshed.

He rushed to the shed and rescued his 18 cattle and took them to a street nearby. Since then, the cows have made the street their homes.

Miah's perils did not end there. As the protracted flooding inundated grazing lands, he was compelled to sell two of the cows to feed the rest of the cattle as his earnings from selling milk plummeted.

Now, he can't collect even half the amount of milk he was used to as his cows are not fed adequately.

"I don't know how I would be able to recoup the losses and when everything would return to normalcy," he told The Daily Star.

Miah is not alone as thousands of farmers like him across the country received the fresh blow of flood after the coronavirus.

Milking by Md Ripon and Md Rafiqul Islam in Chatmohar of Pabna, who have seven and four cows respectively, dropped 30 to 35 per cent in the last one month due to flooding.

Around half of the daily production of milk remained unsold for the first two months since the deadly virus arrived



PALASH KHAN

Dairy farm workers are seen taking care of cattle at the rooftops of the farmer's house adjacent to the farm in Ashulia recently. Thousands of farmers had to shift their cattle to streets and other high ground because of the countrywide flood that has submerged cow sheds across the country. Milk production has dropped significantly because of a scarcity of cattle feed as flood inundated almost all of the grazing lands across the country.

on the shores of Bangladesh in March.

Due to the closure of sweet shops, restaurants, hotels and schools and the countrywide movement control order, demand for milk nosedived between May and June.

Just when the demand was picking up, on came the floods.

Milk production averages 2.2 crore litres daily in Bangladesh. But due to floods, production went down 25 per cent, according to industry insiders.

Processors buy 14 lakh litres and the rest is sold to sweet shops and households. Farmers sell milk to processors for Tk 35 to Tk 47 a litre.

Milk collected by Brac Dairy & Food Enterprise, which markets products under the Aarong Dairy brand, fell 25 per cent to 1.1 lakh litres per day due to the floods.

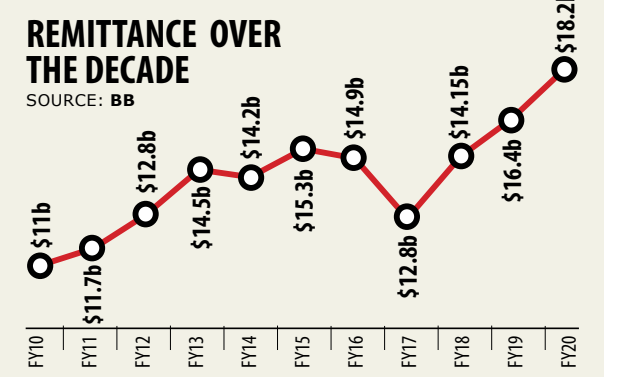
Aarong Dairy's sales plummeted more than 40 per cent in May and June, said Mohammad Anisur Rahman, a director of Brac Dairy & Food Enterprise.

The floods inundated more than 30 per cent of its 108 collection centres in Pabna, Sirajganj, Natore, Bogura and Kurigram.

At the beginning of the shutdown put in place to tame coronavirus, Aarong Dairy bought about 1.7 lakh litres of the liquid per day, up from an average daily collection of 1.25 lakh litres.

But within two weeks, the milk processor, which has 28,000 registered farmers, had to stop buying the extra milk after demand collapsed.

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Now, however, the Bangladeshi expatriates can deposit their money as FDRs if they transfer the fund by way of declaring it as Foreign Money and Jewellery (FMJ) or completing the foreign currency declaration form.

Any amount of foreign currency may be brought in by an incoming passenger with the declaration to the relevant customs authority in FMJ form.

However, no declaration is required for amounts of up to \$5,000 or equivalent in other currencies.

The central bank has asked banks to provide competitive interest or profit against the deposit products.

Banks were previously allowed to extend loans to non-resident account-holders if they had met their personal requirements on funds placed in a deposit account.

Once mature, banks could pay the proceeds of the deposits, including interest or profit, to the beneficiaries or nominees of the account.

If account-holders that reside abroad see fit, the proceeds from their matured accounts could be credited into interest or profit bearing FDR accounts that bear their names.

If the NRB decides to move to Bangladesh permanently, the proceeds can be made available to them through either a one-time settlement or pension style monthly or quarterly settlement.

NRBs can also continue to maintain the deposits from local sources following their return to Bangladesh.

The BB notice included an option to repatriate payments abroad from the balances held in the deposits on maturity or before maturity for meeting subsistent needs with permission from the central bank.

The initiative will help NRBs to create a safety net in Bangladesh, the BB official said.

They will not face financial difficulties following a permanent return to Bangladesh as the deposited fund will help them meet their expenses.

This is a time-befitting initiative beyond doubt, said Syed Mahbubur Rahman, managing director of Mutual Trust Bank. This will also encourage NRBs to send their money home using formal channels, he added.

## Bangladesh leans to China for Teesta management amidst Indian neglect

JAGARAN CHAKMA

With years of diplomatic negotiations with India over the Teesta river's management leading to no visible output, the Ministry of Water Resources is now seeking to get it done by China, that too with a loan from the latter.

In a letter to the Economic Relations Division (ERD) last month, the ministry sought a \$983.27 million loan from China to implement a "Teesta River Comprehensive Management and Restoration Project".

The project summary states that floods lead to serious erosion for a lack of necessary protective measures, leaving huge amounts of property and home estates submerged every year.

The majority of an existing embankment has been eroded for a lack of proper maintenance while a

water crisis arises in the dry winter months.

Some 113 kilometres of the 315-kilometre river lies in Bangladesh.

There are three to four hydro-electricity projects on Teesta in Sikkim, India where the river originates and two irrigation projects in West Bengal, according to Syed Muazzem Ali, a former Bangladesh high commissioner to India.

A dam constructed on the Indian side causes the water flow to reduce downstream in winter, leading to a water crisis for two months on the Bangladesh side, said Md Kabir Bin Anwar, senior secretary to the ministry.

A deal on sharing Teesta's waters has been pending for the last eight years due to West Bengal Chief Minister Mamata Banerjee's strong opposition to it.

"If we can implement the project, a vast area on the Bangladesh side can be supplied with water during the crisis season," Anwar said.

The project not only aims at river regime and flood control but also to meet a water crisis in the dry season and enable economic development in the greater Rangpur region.

Its other aspects are land reclamation, development and utilisation, transportation and shipping, mitigation of social and environmental impact and restoration of ecosystem and promoting socio-economic development of locals.

The ministry is keen to implement the project to improve agricultural output in the Teesta river basin, develop a large-scale industrial park and establish a unique, modern and liveable urban complex.

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