

এসআইবিএল ইসলামিক হোম ফাইন্যান্স

গ্র্যাপটিফেস্ট / ফ্ল্যাট ক্রয়, গৃহ নির্মাণ, গৃহ বর্ধিতকরণ অথবা গৃহ সংস্কারের জন্য সর্বমুঠ ৫,০০,০০০ টাকা থেকে সর্বোচ্চ ৯,২০,০০,০০০ টাকা পর্যন্ত বিনিয়োগ সুবিধা।

স্বপ্নময় জীবনের চাবি আপনার হাতে

\* ফ্রি অনলাইন সেবা  
যে কোন প্রয়োজনে ০৯৬৯২০০৯২২

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# Star BUSINESS

DHAKA FRIDAY OCTOBER 9, 2015

## Shrimp industry's woes see no end



SOHEL PARVEZ

Losses of shrimp growers and processors are piling up in the face of sluggish global demand for black tiger bagda of Bangladesh amid ample supply of the vannamei variety and weak currencies of major export destinations against the dollar.

"We are going through a rough time," said Atiar Rahman, a shrimp farmer from Rampal in the southwestern district of Bagerhat.

Rahman is one of the 8.33 lakh farmers who culture shrimp on 2.75 lakh hectares of land in the coastal regions and help the country earn more than half a billion dollars in export receipts every year.

"Almost all of us are making losses

**BY THE NUMBERS**

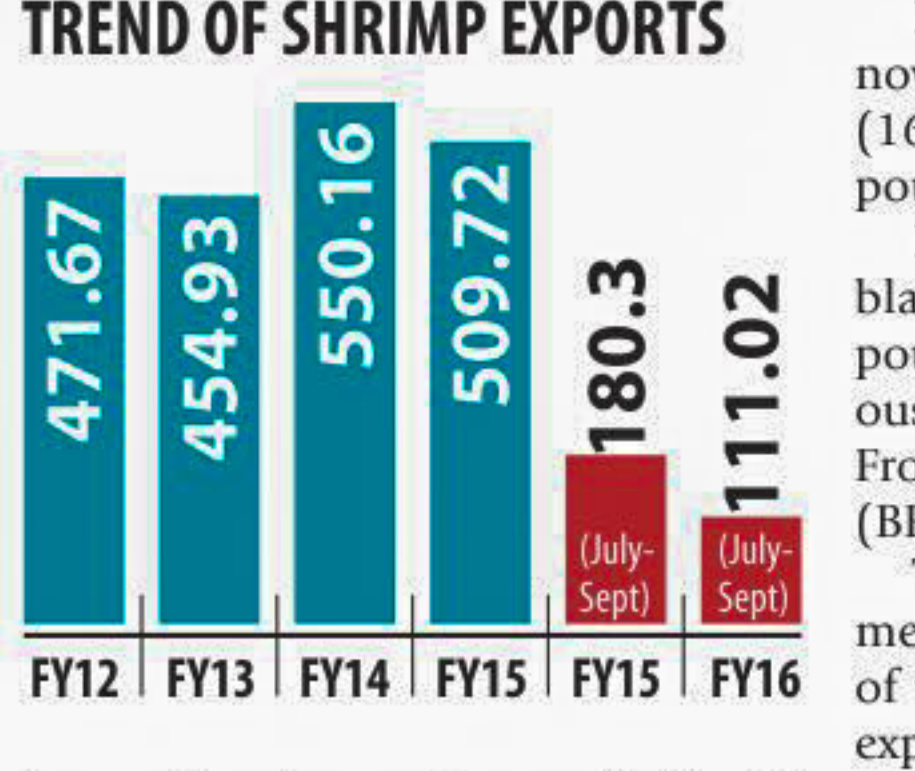
Around **8.33** lakh shrimp farmers in Bangladesh

Acreage of shrimp is nearly **2.75** lakh hectares

Prices fell **30%** to Tk **650** a kg at farmers' level

Export receipts dipped **38%** to \$**111**m in July-Sept

Prices fell to **\$5.5/** a pound in global markets from **\$6** a year ago



Exporters said the price of shrimp now hovers around \$5.5 per pound (16-20 pieces) from above \$6 per pound a year earlier.

In fiscal 2014-15, exporters sold black tiger shrimp at \$4.07 each pound, down from \$5.85 the previous year, according to Bangladesh Frozen Foods Exporters Association (BFFEA).

The downturn in shrimp shipments, which account for 90 percent of the frozen and live fish category's export earnings, began in the second quarter of last fiscal year, according to Export Promotion Bureau.

In fiscal 2014-15, 44,278 tonnes of shrimps were shipped, down 7.05 percent year-on-year.

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## H&M praises progress in Bangladesh factory safety

REFAYET ULLAH MIRDHA

Swedish retail giant H&M praised the progress the Bangladeshi garment factories made in improving workplace safety following the recommendations of foreign inspection agencies: Accord and Alliance.

The two agencies, formed after the collapse of Rana Plaza in April 2013, have recommended remediation of a lot of flaws in factory structure, electrical connections and fire safety measures.

The retailer's own internal follow-up data shows almost 60 percent of the remediation work is completed, and the company sees good progress, H&M said in a statement yesterday.

"We have worked out solutions for all financial support requests together with our suppliers and are cooperating closely with them to remediate according to corrective and tailor-made action plans."

H&M said it has been producing garment items in factories that meet the Accord requirements for operation and have taken the necessary measures.

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## Removal of barriers can boost South Asia trade 3.5 times

REJAUL KARIM BYRON, back from New Delhi

The removal of tariff and non-tariff barriers and better connectivity will boost intra-regional trade in South Asia more than 3.5 times over the next five years, a World Bank study found.

Trade will soar from the current \$28 billion to \$100 billion in 2020 if operational connectivity is established, a fully functional South Asia Free Trade Agreement ensured, non-tariff barriers tackled and intra-regional investment encouraged.

The increase in trade will also cut poverty significantly in the region, it said.

There will be winners and losers but the net impact would be positive, said Sanjay Kathuria, lead economist of WB's South Asia regional cooperation and integration unit.

But the small countries stand to gain the most, he said while sharing the findings of the study at the inaugural South Asia Economic Conclave, held in New Delhi last month.

Several ministers, business leaders, economists participated in the three-day event to discuss how regional cooperation and trade could be given a boost.

Exports from Bangladesh to India remain stagnant despite an open market since 2012.

In 2013, exports from Bangladesh to the neighbouring country declined 10 percent year-on-year, with the declining trend continuing into 2014 and beyond.

Tariff and non-tariff barriers as well as a lack of exportable products were responsible for the negative growth in exports, according to Kathuria.

Commerce Minister Tofail Ahmed raised the issue in the conclave.

The Saarc countries should take active measures to bring down tariff and non-tariff barriers that limit the expansion of regional trade. Abdulla Jihad, finance minister of Maldives, pointed out that intra-regional trade has not picked up although duty concessions have been extended by India to some economies.

Subsequently, he urged the Saarc governments to find ways to accelerate regional trade flows. Highly restrictive trade regime hurts overall and intra-regional trade, according to the WB study.

More than 50 percent of Bangladesh's imports are from Pakistan and Nepal and are listed as sensitive, while over 45 percent of Nepal's imports from India and Sri Lanka are sensitive.

Sensitive items are those which are subjected to barriers to entry.

It says SAFTA needs to articulate a programme with a clear deadline for phasing out the sensitive list and moving to a free trade area.

The WB says various non-tariff barriers including technical regulations, quality specifications, product standards, custom procedures also affect the flow of goods and services in the South Asian countries.

About connectivity, the study said geography offers South Asia big opportunity for trade and transit.

Subsequently, the WB recommended deepening sub-regional connectivity initiatives like the Bangladesh-Bhutan-India-Nepal (BBIN) and Pakistan-Afghanistan-Central Asia.

Increasing capacity at important ports to improve internal and external connectivity, augmenting inland waterways to spur multi-modal transport linkages and improving border clearances, and developing transit (motor vehicle agreement) would increase connectivity.

If the European Union could achieve deep economic integration, so can the South Asian nations, said Sunil Bahadur Thapa, commerce minister of Nepal.

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## Post offices going for e-commerce services

MUHAMMAD ZAHIDUL ISLAM

Bangladesh Post Office is working to launch e-commerce services, and a pilot project is slated to take off at the divisional headquarters by December.

The government department aims to use its vast network of 8,500 post offices to offer the services and become the market leader in e-commerce by 2021, said SS Bhadra, acting director general of the postal division.

"We have modernised services in a big way over the past few years, and hope to serve people better with the launch of e-commerce."

Bangladesh's e-commerce sector is currently growing by around 8 to 10 percent a year, in a market now worth more than Tk 200 crore, and the post offices are capable of taking the services to the remotest parts of the country, said Bhadra.

Though the state-owned entity is yet to make a definitive list of the e-commerce services it will offer, it has decided to dedicate an independent website to e-commerce.

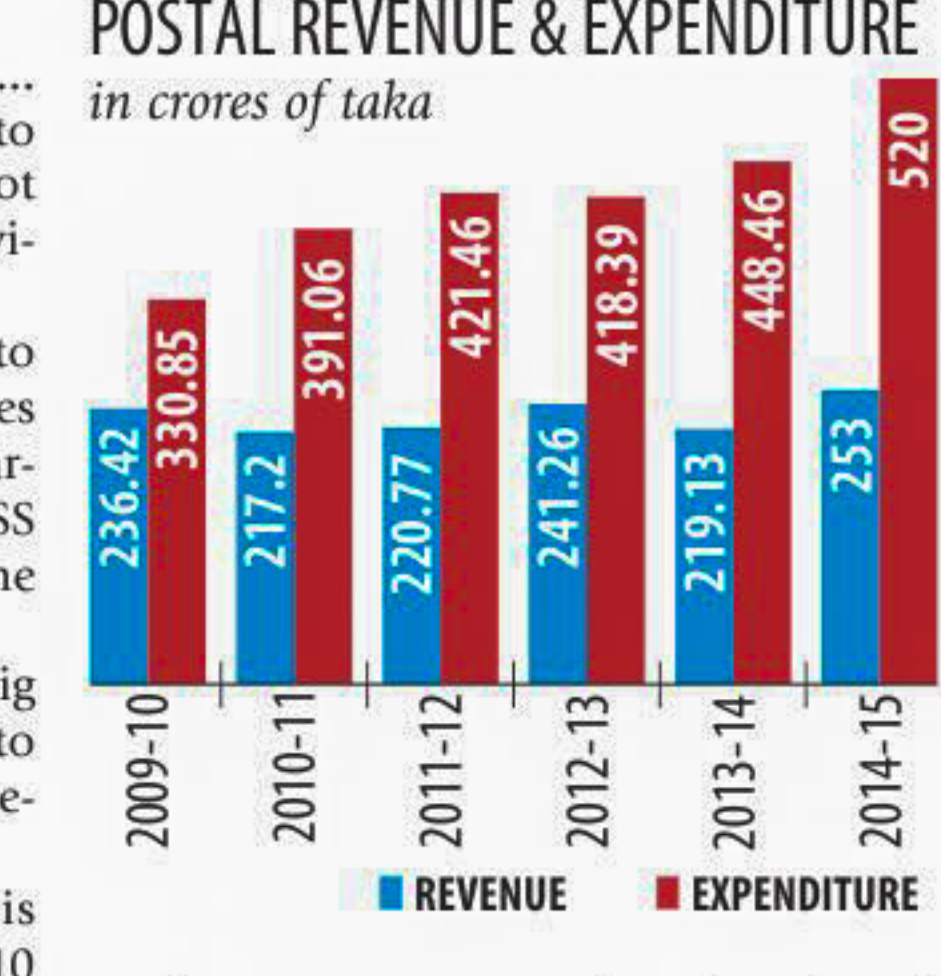
"Currently, e-commerce services mostly cover the urban areas but the post offices can help take it to a national level, using its capacity to reach every door, which other e-commerce service providers are not yet capable of," he said.

Bangladesh Post Office currently cannot make deliveries for parcels other than personal ones, officials said.

Australia, India and Japan are among the countries that have launched e-commerce services through the postal network, and the Post Office has already collected reports on those to make a plan.

People will be able to use cash, postal cash cards, or electronic money transfer service (EMTS), all already offered by the Post Office, to pay their e-commerce bills.

Postal cash cards, launched in 2011, are a service like any debit card, with cash points available at some 1,446 post offices. Currently, there are some 73,000 postal cash card holders in the country.



The government also introduced EMTS in 2010, which has gained popularity since then, and some 2,750 post offices are equipped to offer the service, as per the Posts and Telecommunication Division's data.

Transactions through the EMTS stood at Tk 80.74 crore in the last five years.

Bangladesh Post Office has suffered revenue losses over the past few years, losing out to faster modes of communication, but hopes to turn the trend with e-commerce, Bhadra said.

The postal division's revenue was Tk 253 crore against expenses of more than Tk 520 crore in fiscal 2014-15, and revenue stood at just Tk 219.13 crore against Tk 448.46 crore in expenses the year earlier.

As government officials' salaries and other expenses are increasing every year, it has become tough to minimise the gap, but increasing revenue is still an option, with new and improved services, Bhadra said.

"The use of personal letters is declining, and very few parcels are being sent regularly, so e-commerce could become the post offices' lifeline."

Till date some 2,500 post offices have been established as e-centres, and all the 8,500 offices will be brought under the network by June 2017, under a project worth Tk 540.94 crore, he added.

## 2016 will be a year of progress for capital market: regulator

STAR BUSINESS REPORT

The next year will be a period of progress for the capital market, but for that a steady atmosphere is a must, M Khairul Hossain, chairman of Bangladesh Securities and Exchange Commission, said yesterday.

"We are continuously working for the development of the capital market, and the task becomes easier as the twin stock exchanges are with us," he said.

The development of the capital market in the coming year depends mostly on stability on the political front, he said while inaugurating a two-day capital market fair in Chittagong.

The Chittagong Stock Exchange is organising the event at the port city's GEC Convention Centre to spread financial literacy among investors.

Bangladesh can join the ranks of rich nations by 2031 if the full potential of the capital markets can be utilised, Hossain said.

Investors must have proper knowledge about capital market investment and they should have the ability to conduct a risk analysis, he said.

More attention needs to be paid to higher education, he said, citing a study that found if the rate of educated people increases by 1 percent, economic growth accelerates 3 percent.

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Sunil Kanti Bose, chairman of Bangladesh Telecommunication Regulatory Commission, and Rajeev Sethi, chief executive of Grameenphone, take a selfie with other employees of the mobile operator during a Customer First Day event in Dhaka yesterday. Story on B3

## Govt plans to set up agro economic zone in Natore

MD FAZLUR RAHMAN

The government plans to set up an agro-processing economic zone in Natore to ensure fair prices for farmers and encourage cultivation of food items that are free from pesticides and chemicals, officials said.

The Asian Development Bank has expressed interest to help Bangladesh Economic Zones Authority (BEZA) establish the zone in the northern district. The ADB may also lend to industries that will set up factories in the zone, an official of BEZA said.

In recent years, northern Bangladesh has become a major hub for producing vegetables, spices and cereals. But farmers often do not get fair prices because they are unable to sell their produce directly to retail customers or chain super-

stores that offer better prices than the wholesalers.

The use of toxic chemicals and pesticides is widespread along the entire food supply chain, starting from production to arrival at the stores and markets - an issue that has created health concerns in Bangladesh.

According to the plan, factories inside the zone will do contract farming in Natore and neighbouring districts.

The factories will start with vegetables, fruits and spices; cereals will later be added to the list, said the BEZA official, asking not to be named.

Farmers will produce crops in their fields while the food items will be processed inside the zone.

The official said if the plan goes ahead, it will be a good job as unadulterated food items will be supplied to the capital and other parts of the coun-

try; food items will also be exported from there.

It would be a win-win situation for all stakeholders such as farmers, retailers and consumers, the official added. "Farmers will also get credit support."

The economic zone is part of the government's efforts to establish 100 economic zones in the country in the next 15 years.

The BEZA has approved proposals for 22 economic zones and eight sites have been primarily selected to set up the parks.

Exports will grow by \$40 billion a year and one crore jobs will be created if 70,000-75,000 acres of land can be allocated to the economic zones, according to an estimate by BEZA.

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