

British supermarkets battle to secure stocks as chaotic Brexit looms

REUTERS, London

Britons could face shortages of fresh food, price rises and less variety if the country leaves the European Union next month without agreeing on trade terms, food industry officials say.

With no deal in sight as Britain's March 29 exit date approaches, supermarkets are stockpiling, working on alternative supplies and testing new routes to cope with an expected logjam at the borders but say they face insurmountable barriers.

"You can't stockpile fresh produce, you haven't got any space and it wouldn't be fresh," said Tim Steiner, head of online supermarket pioneer Ocado.

The warnings, including talk of whether rationing would be needed, are part of a chorus of concern from businesses who say they are weighed down by uncertainty in what was once considered a bastion of Western economic and political stability.

The last time Britain's food supplies were seriously hit was when fuel protests prompted panic buying almost two decades ago, forcing some supermarkets to ration milk and bread and others to warn that stocks would run out in days.

Executives within the food chain said

Britain was better prepared than 2000, but disruption may be more widespread and last longer than the few days it took before the fuel dispute was settled.

James Bielby, head of the Federation of Wholesale Distributors, says its members' retail and catering customers were asking for between one and eight extra weeks' supply. But storage is limited in an industry that operates on a "just in time basis" to maximize the shelf life of goods.

Intense competition and slim margins in the British supermarket sector have also made contingency planning more complicated. James Walton, chief economist at IGD which works with the industry to improve supply chains, said storage had been reduced over many decades to hold down working capital.

What remains is now full. "So surplus space within stores is being used and containers are in carparks," he said.

Mike Coupe, the boss of Britain's second biggest supermarket Sainsbury's, said supplies would not last long. "We don't have the capacity and neither does the country to stockpile more than probably a few days' worth," he said in January, echoing the supermarket's warning to then-Prime Minister Tony Blair in 2000 during the fuel crisis.

Nepal to join travel mart as partner

STAR BUSINESS DESK

Nepal will act as a partner country in the upcoming three-day Novoair Dhaka Travel Mart 2019 starting on March 21.

The partnership will enhance cooperation in development of tourism in Bangladesh and Nepal and promote tourist exchanges, according to a statement.

A memorandum of understanding in this regard was signed by Kazi Wahidul Alam, editor of The Bangladesh Monitor, and Nandini Lahe Thapa, senior director at Nepal Tourism Board, in Dhaka recently. The travel fortnightly is organising the fair with support from Novoair as title sponsor.

Representatives from various Nepalese travel agents, tour operators, hotels as well as senior officials from Nepal Tourism Board will take part in the travel mart.

Apart from showcasing products and services, they will hold business-to-business meetings with their counterparts in Bangladesh to establish a mutually rewarding business relationship.



Global Research Briefing
2019 Global Outlook-Fighting the current

STANCHART

From right, Divya Devesh, head of ASEAN and South-Asia FX research of the global research team of Standard Chartered; David Mann, global chief economist; Saurav Anand, research analyst of the bank's South Asia macroeconomics department, and Bitopi Das Chowdhury, head of corporate affairs, brand and marketing at StanChart Bangladesh, attend an event styled "Global research briefing: 2019 global outlook - fighting the current" at the Westin Dhaka on Monday.

New panel for airline operators' association

STAR BUSINESS REPORT

A new committee of the Aviation Operators Association of Bangladesh (AOAB) for 2019-2021, a platform of the country's privately owned aviation sector, has taken to office on Monday.

The 13-member executive committee of the AOAB has been elected recently with Anjan Chowdhury, managing director of Square Air Limited, and Mofizur Rahman, managing direc-

tor of Novoair, as president and secretary general respectively.

Yasin Ali, chairman of Regent Airways, and Abdullah Al Mamun, managing director of US-Bangla Airlines, were elected vice presidents.

Other members of the committee are Z Mahmud Mamun of Impress Aviation (treasurer), Raqibul Kabir of Bangla International Airlines (organising secretary), Arifur Rahman of Sky Capital Airlines (publication secre-

tary) and Parvez Rahman of BRB Airlines (joint secretary general).

Five elected members are Mohammed Yunus of Galaxy Flying Academy, Rubel Aziz of Partex Aviation, Mostafa Kamal of Meghna Aviation, Abdullah Al Zahir of Blue Flying Academy and Ashish Roy Chowdhury of GMG Airlines.

The AOAB was formed on February 25, 2012 with the aim of developing the aviation sector of the country.



SAMSUNG

Duck Lee, head of customer service at Samsung Bangladesh, attends the launching of a door-to-door customer service initiative, Samsung Service Van, in Sylhet recently. Another van has started providing the service in Barishal.



AOAB

Anjan Chowdhury, third from left, managing director of Square Air Ltd, and Mofizur Rahman, second from left, managing director of Novoair, take charge as president and secretary general respectively of the Aviation Operators Association of Bangladesh at a programme in Maasranga Television in Dhaka on Monday.

Blue economy worth \$6.2bn

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"Marine aquaculture is growing," said Alam, also a retired high-ranking navy official. Four years have passed since the nation won the case on maritime boundary at the international court, said Md Ashraf Ali Khan Khasru, state minister for fisheries and livestock.

"But we are yet to catch fish beyond the 100 metre depth of the sea. We are also yet to utilise the scope to do marine aquaculture or mariculture."

Mariculture is a specialised branch of aquaculture involving the cultivation of marine organisms for food and other products in the open ocean, an enclosed section of the ocean, or in tanks, ponds or raceways filled with seawater.

It has become popular in countries such as India, Thailand, the Philippines, Malaysia and Indonesia, according to Khasru. "Mariculture needs to be introduced in Bangladesh."

Marine fish accounted for 16 percent of the total production of 43.34 lakh tonnes in fiscal 2017-18.

The blue economy is one of the priority sectors of the government and it has taken a \$240 million project with financing from the World Bank for sustainable development of coastal and marine fisheries.

As many as 1.7 crore people are employed in fisheries and agriculture and many depend on the sea for income, food security and nutrition, said Robert D Simpson, FAO representative in Bangladesh. "The blue economy could have a significant positive impact on Bangladesh," he added.

The government wants entrepreneurs to pursue deep sea fishing, said Md Raisul Alam Mondal, secretary to the Ministry of Fisheries and Livestock.

Until now, the ministry received 2-3 proposals for deep sea fishing and all were accepted, he added.

Sidsel Bleken, Norwegian ambassador to Bangladesh, stressed on sustainable use of oceans and addressing the problem of pollution. "It is also necessary to make more investment," she said.

Post office goes big on e-commerce

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To train up the human resources of the postal department, e-CAB and ajkerdeal.com donated 100 smartphones and developed a special kind of mobile application that helps to track the location of the products, said Muhammad Abdul Wahed Tomal, general secretary of e-CAB.

The service is currently unavailable to private distribution channels, he said. Currently this tracking system works up to the district level and within the next few weeks the e-CAB will distribute another 400 smartphones to cover upazila level post offices, Tomal added.

"This will be a huge boost to our e-commerce industry and overnight order numbers will be doubled or tripled or even may be quadrupled as a huge untapped market will now come within our reach," he said.

Reducing delivery costs could also play a huge part in the success since the average value of products ordered online currently stands at about Tk 700, he said.

Currently 25,000 orders are generated from the market on an average every day and it is growing by about 10 percent every month, according to SSL (Software Shop Limited) Wireless, one of the companies which conducts market research for digital commerce.

Post office officials said only local entrepreneurs could play a significant role to flourish the delivery channel.

However, regional e-commerce company Daraz, which was recently acquired by Alibaba Group, is also teaming up with them to deliver products on a very large scale.

He said the post office and Daraz

were in discussion over a deal where the top e-commerce platform would deliver about one crore orders in a year.

"Our pilot project has been going smooth and we see great potential. Overall, we are satisfied with the support we have got from the post office," Syed Mostahidul Hoq, managing director of Daraz, told The Daily Star.

"The cost is also reasonable, so soon we will sign a long-term agreement with them," he said.

Hoq said they would also work together to prepare more post offices and equip those for e-commerce deliveries.

Mandal said they have modernised the services in a big way over the past few years and were hoping to serve people in a better way through this modernisation.

US-Bangla to rent brand new aircraft

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In a press briefing, Asif said US-Bangla would also take lease of two brand new ATR 72-600 aircraft soon.

Many renowned airlines in the world, including Malaysia Airlines, Turkish Airlines, Oman Air, Qatar Airways, United Airlines, American Airlines, China Eastern, China Southern, Jet Airways, SpiceJet and

Fly Dubai have already started using Boeing 737 Max 8.

Philip Scruggs, president and chief commercial officer of AerCap, and Ahsen Rajput, deputy managing director for Middle East, Africa and south Asia for Boeing Capital Corporation, were also present among others.

US-Bangla started its journey on

the domestic route on July 17, 2014 with two DASH8-Q400 aircraft using the motto "fly fast-fly safe".

Currently, there are seven aircraft in its fleet comprising four Boeing 737-800s and three DASH8-Q400s.

US-Bangla also operates flights to Singapore, Kuala Lumpur, Bangkok, Guangzhou, Doha, Mascot and Kolkata.

Govt, businesses seek Austrian FDI

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The country's socioeconomic condition has remained very stable in the last 10 years which is highly favourable for business, said Kazi Aminul Islam, executive chairman of the Bangladesh Investment Development Authority.

The global economy is now facing an ageing population but 50 percent of the country's population is below the age of 25, something that will help Bangladesh keep its growth momentum, he said.

He urged the Austrian businesses to take advantage of this by investing in the country.

Asif Ibrahim, founder chairman of the BUILD, and Kamrul Islam, chief financial officer of GPH Ispat, spoke. Ferdous Ara Begum, CEO of the initiative, was present.

The ADVANTAGE Austria, with its about 100 offices in more than 70 countries, provides a broad range of intelligence and business development services for both Austrian companies and their international business partners.

Poor corporate governance chokes foreign investment

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Board and management of business firms should work to improve governance, said ASM Mainuddin Monem, deputy managing director of Abdul Monem Ltd.

He said the education system needs to be developed for generating skilled manpower.

The seminar was held in two sessions. The first, "Corporate governance practices in Bangladesh-investor perspective", was moderated by Sanaa Abouzaid, senior corporate governance officer of IFC.

The second, "Challenges of family businesses in improving corporate governance practices in Bangladesh", was moderated by Tareq Rafi Bhuiyan, secretary general of the Japan-Bangladesh Chamber of Commerce and Industry.



NRB BANK

Md Mehmood Husain, CEO of NRB Bank, opens an ATM booth in the capital's Gulshan on Sunday.



Tauhidul Alam, a director and head of HR at MetLife Bangladesh, poses with "Best Employer Brand 2018" award in Mumbai recently. The company bagged the accolade at the 13th Employer Branding Awards organised by World HRD Congress.

METLIFE BANGLADESH