# **BUSINESS**

A ceremony celebrating newly qualified members of the Association of **Chartered Certified** Accountants (ACCA) and Fellow Member of the **Association of Chartered Certified Accountants** (FCCA) was virtually organised by ACCA-**Bangladesh recently. Dr** Md Hamid Ullah Bhuiyan, chairman of Financial **Reporting Council, and Md** Ahsanul Hoque Bashar, country manager of ACCA-Bangladesh, were also present.



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## John Kerry's short visit to leave long-term effects

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In contrast, if the government decides to go for LNG-based power generation in those abandoned sites, the energy mix would be completely skewed towards Gas/LNG (70 per cent by 2041), and the overall share of fossil fuel would rise to 97 per cent. Thus, the government should not encourage new investment in LNG/ gas-based power plants in the country. Similarly, the countries that export LNG should discourage their exporters from exporting dirty energy to developing countries such as Bangladesh.

Issue 4: Over-generation capacity based on fossil fuel squeezes the opportunity to develop power generation based on renewable energy

Bangladesh power sector is overburdened with an excess capacity of 44.2 per cent as of June 2020. This overcapacity has been accumulating over the years: from 26.9 per cent in FY2016 to 32 per cent in FY2019. Faulty demand projection for power under the successive PSMPs and, thereby, promoting power generation has been found one of the major reasons behind this excess capacity. Such excess capacity based on imported fossil fuel has already caused a major financial burden for the government.

The government should immediately start exiting from fossil fuel-based power plants. They include the plants that have been contracted for short-term (quick rental/rental power plants), plants using costly energy, plants that operate at

an efficiency level of less than 20 per cent, and plants that are dated (aged more than 25 years). Hence, exiting a sizable number of such plants could create scope for renewable energy-based power generation in the country.

Issue 5: Limited fiscal space for renewable energy-based power generation, transmission, distribution and storage

The power ministry is one of the top ten priority sectors in the government's mediumterm budgetary framework. Over the years, the power division's budget has been fully used for the development of fossil fuel-based power generation, transmission and distribution system.

In contrast, the budget for the Sustainable and Renewable Energy Development Authority has a meagre share (0.12 per cent of the total budget of the power and energy ministry) in FY2021. Such a predominant structure of the national budget for developing and strengthening fossil fuel-based energy infrastructure has been leaving almost no space for developing renewable energy-based infrastructure. Hence, the government needs a major policy shift for scaling down fossil fuel-based power generation, transmission, and distribution to create space for scaling up the renewable energy-based power infrastructure.

The support from development partners, international financial institutions and multilateral development banks will be highly required to undertake comprehensive changes in the structure of the budget of the power and energy division.

Issue 6: Significant rise in investment will be required for developing renewable energy-based infrastructure in the country

Public investment for the development of renewable energy-based infrastructure was only 0.07 per cent of the total public investment of the power and energy ministry in FY2021. Such small-scale investment would hardly contribute towards energy transition, let alone help build RE-based power infrastructure in the country in the next one or two decades.

In order to reach the climate ambition, substantial investment is required for grid-based RE power generation, smart grid development, and energy storage facilities. Since a large part of investment in the power sector (46.7 per cent of total investment in FY2021) is based on concessional credit from development partners, multilateral development banks, international financial institutions and international organisations, these international partners need to commit to gradually shifting a part of their financial support towards renewable energybased infrastructure development in the next one or two decades.

The author is the research director of the Centre for Policy Dialogue

## Watermelon farmers, traders fear massive losses

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At least 70 vehicles used to go to Dhaka, Rajshahi, Khulna and other parts of the country with 15 tonnes of watermelon per truck per day before the restriction, which was slapped on Monday. The number of vehicles carrying the fruits has come down to 40 to 45, he said.

"The demand has dropped by at least 30 per cent, and the price has dropped by at least 15-20 per cent."

At the wholesale market, a piece of watermelon weighing 8-10 kg was sold at Tk 16-18 per kg before the restriction. It has fallen to Tk 14-15 per kg.

The price of watermelon weighing 5kg to 6kg has declined from Tk 10,000 to Tk 12,000 per maund to Tk 7,000-7,500 per 100 pieces.

The price has come down at the retail level as well.

A big-sized watermelon is being retailed at Tk 150 to Tk 160 from Tk 200 previously, according to a fruit retailer in Barishal.

Farmers said that due to the decline in demand, they are in trouble with watermelon in the field.

Faruk Hossain, a watermelon farmer from Jahajmara village in Rangabali upazila of Patuakhali, said, "I sold watermelons at a lower price during the lockdown last year." "Many watermelons rot in the fields."

After the government imposed a strict countrywide restriction on the movement of people and transport vehicles from Monday, farmers have been paying more to move the perishable fruits.

Ferdous Gazi, a farmer of Amkhola village in Galachipa upazila, said the cost of transportation has gone up on the pretext of the movement restriction.

Earlier, it used to cost Tk 15,000 to 18,000 to send a truck full of watermelons from Amkhola Bazar to Dhaka. The fare has gone up to Tk 22,000 to 25,000, he said.

Sanker Karmaker, a watermelon farmer of Char Fashion upazila in Bhola district, said the watermelon had ripened, but they could not send them to markets as per demand. A trawler carrying watermelons from Bhola to Barishal now costs Tk 4,000, from Tk 3,000 previously.

"Although the cost has increased, the price of watermelon is decreasing every day," the farmer said.

Regarding the fear of loss of the farmers due to the movement restriction, Mohiuddin of the DAE Patuakhali said 70 per cent of watermelons had already been picked from the fields in the district and sent to different parts of the country.

"We are taking necessary steps to send the rest of the crop."

During the lockdown in April and May last year, the peak season for the delicious fruit, the government had provided transport and marketing facilities to farmers.

Faruk Hossain urged the government to provide watermelon growers with the same facility this time as well so that they do not face any hindrance in moving the goods.

### Government of the People's Republic of Bangladesh

Wage Earners' Welfare Board

Ministry of Expatriates' Welfare & Overseas Employment

Probashi Kallyan Bhaban

71-72, Eskaton Garden, Ramna, Dhaka-1000

Memo No. 49.04.0000.009.07.001.20(22)-100

Dated: 06.04.2021

### e-Tender Notice (OTM)

e-Tender is invited in the National e-GP System Portal (<u>http://www.eprocure.gov.bd</u>) for the procurement of works as mentioned in the following table:

	Tonowing table.			
	Tender ID	Name of work	Last selling	Tender closing
	No.		date & time	date and time
	564349	Internal Renovation & Decoration	25-04-2021	26-04-2021
		work including Civil, Sanitary,	5.00pm	12:00pm
		Electrical and supply of Furniture		
		for Making Conference Room in		
)		the Extended Space of the Wage		
1		Earners' Welfare Board at Level-		
2		10 of Probashi Kallyan Bhaban.		

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, registration



