HEALTH SERVICE DIVISION

Officials to be trained to speed up project implementation

Rejaul Karim Byron *and* Mahmudul Hasan

The finance ministry is initiating a training programme on procurement and financial management procedures for officials of the Health Service Division (HSD) in a bid to improve their efficiency.

The HSD was one of the worst performers in implementing its allocation under the annual development programme (ADP), even at a time when Covid-19 should have ramped up spending in the sector.

The ministry will train 100 HSD officials in five phases under a five-day programme conducted by the Institute of Public Finance, a research, training and capacity development institute established by the finance ministry.

The first batch is set to begin today.

"We noticed that one of the main reasons for slow project implementation in the healthcare sector is because of the HSD's inefficiency and difficulties in the procurement process," an official of the finance ministry told The Daily Star.

"So, we want to train them in this regard," he said.

Although healthcare is a priority sector, especially amid the ongoing pandemic, the HSD has emerged as one of the worst performers, spending just 58 per cent of its budget for FY 21.

This is nowhere near the average implementation rate of 82 per cent across all other sectors for that year.

In the first two months of the current fiscal, the HSD was able to spend just 1.21 per cent of its ADP allocation while some other government divisions have already spent anywhere from five to 14 per cent of their budget.

Just three weeks after the first coronavirus infection was detected in Bangladesh last year, the World Bank approved a $100 million financing scheme for the country's COVID-19 Emergency Response and Pandemic Preparedness Project.

Through this initiative, the World Bank aimed to help strengthen the national healthcare system and build its resilience to future shocks.

Besides, the project received another $100 million as co-financing from the Asian Infrastructure Investment Bank, taking the total sum up to about Tk 2,536 crore including government allocations.

And although the Covid-19 pandemic demands faster implementation of health projects, the HSD spent just Tk 150 crore of its budget as of June this year.

It witnessed a very slow implementation in the initial period. However, project spending has accelerated in recent times, according to an official of planning ministry.

The Asian Development Bank (ADB) in April last year approved a $100 million loan to support Bangladesh's government in its efforts to address the immediate public health requirements for combating Covid-19.

Just 18 per cent of this fund for the project, styled "Covid-19 Response Emergency Assistance Project", was spent till August.

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MA Sabur, a health system expert, said such training will not accelerate implementation.

"No one can guarantee that the officials who are taking the training will remain in their current position for the next six months. So, this training will not bring any positive change."

Teachers of different medical colleges and universities have been appointed in most of the projects at the Directorate General of Health Services but they have hardly any knowledge about procurement and project implementation, Sabur added.

"If you don't pick the right people, any amount of training is not going to work."

PHOTO: EAM ASADUZZAMAN

Farmers across Kishoreganj upazila of Nilphamari district are toiling away to cultivate a fast-growing variety of potato that will be ready for harvest by mid-November, when the tuber crop is sold for higher prices due to low supply. This photo was taken recently at Kalikapur village in the upazila.

Farmers pass busy days cultivating early-harvest potatoes

EAM Asaduzzaman, *Nilphamari*

Farmers in Nilphamari district are cultivating a fast-growing variety of potato in order to maximise their profits before the year ends.

This variety can be harvested just 55 to 60 days after sowing, meaning that the current crop will be ready for sale ahead of mid-November, when most farmers across the country begin cultivating normal types of potato that provide yields between February and March the following year.

Potato cultivation usually takes place from November to March as farmers have to first clear away their aman paddy crops at the start of this period.

The Department of Agricultural Extension (DAE) office in Nilphamari recently informed that this year's target is to cultivate potato on 22,500 hectares of land in the district, where the early-harvest variety will account for 5,000 hectares.

So far, 500 hectares have already been brought under cultivation with fast-growing potatoes such as sagita, jamplus, and granula.

Habibur Rahman, the upazila agriculture officer of Kishoreganj, said that the early-harvest potatoes give city dwellers a rare opportunity to taste new varieties ahead of the regular season. However, this luxury does not come cheap as these potatoes are sold for as much as Tk 100 per kilogramme when winter sets in.

Only high up or sandy alluvial soils that have low levels of water retention make for favourable cultivating conditions for the fast-growing tuber crop, which cannot be found in any other district, he added.

DISTRICTS IN FOCUS

According to the local DAE office, the soil found in a number of villages across Kishoreganj upazila is most suitable for the task.

So, people in these villages have flourished thanks to years of early potato farming as traders from Dhaka, Chattogram and other major cities visit their homes every year to directly purchase the produce.

During a recent visit to the region, this correspondent found that farmers are either busy planting seeds or preparing the land with natural and chemical fertilisers.

Various farmers said that scant rainfall this year paved the way for early potato cultivation by the end of September while they had to wait until mid-October last year due to high rainfall.

But thanks to the low soil moisture levels this year, farmers like Anwarul of Uttar Durakuti village in Kishoreganj have increased their cultivation areas.

"I sowed early potatoes on 30 bighas of land this year while it was 22 bighas last year," he said.

It costs about Tk 25,000 to cultivate potatoes on one bigha of land, which could yield up to about 2,500 kilogrammes of the crop.

"You can sell this amount of potato for an average of Tk 50 per kilogramme at wholesale markets," said Obaidur Rahman, a farmer based in Natib Chapra village of the district's Sadar upazila.

Abu Bakkar Siddiquee, deputy director of the local DAE office, said early-harvest potatoes have brought fortune to farmers in Nilphamari.

"Besides, this indicates that farmers are becoming more open to non-traditional cropping patterns, for which we are working," he added.

GLOBAL BUSINESS

Vietnam's lockdown ensnares world's clothing giants

AFP, *Hanoi*

From shoes and sweaters to car parts and coffee, Vietnam's strict and lengthy coronavirus lockdown has sparked product shortages among worldwide brands such as Nike and Gap which have grown increasingly dependent on the Southeast Asian nation's manufacturers.

The snarl-ups at Vietnam's factories are part of a broader crisis around the planet that is sending inflation surging and raising concerns about the pace of recovery in the global economy.

At a fabric mill east of Hanoi, Claudia Anselmi -- the Italian director of Hung Yen Knitting & Dyeing, a key cog in the supply chain of several European and US clothing giants-- worries daily if the factory can keep the lights on.

Its output plunged by 50 per cent when Vietnam's latest devastating virus wave first struck in spring, and it faces perpetual problems securing the yarn it needs for its synthetic material.

"At first we were lacking people (to work) because everyone was stuck at home," said Anselmi, whose company's fabric is later used in swimwear and sportswear for customers including Nike, Adidas and Gap.

People work wearing face masks at the Maxport factory, which makes activewear for various clothing brands, in Hanoi on September 21.

PHOTO: AFP

Now, "travel restrictions have jeopardised all logistics in and out... this has created long, long delays," she told AFP.

"We only survive if we have the stock.

"While lockdowns are gradually loosening across the country as infections steadily decline, millions of Vietnamese have been under stay-at-home orders for months.

And a complex web of checkpoints and confusing travel permit regulations have made life impossible for truck drivers and businesses trying to move goods across, as well and in and out of, the country.

Hamza Harti, managing director at FM Logistic Vietnam, said several drivers in the Mekong Delta had been forced to wait three days and nights in their vehicle to enter the city of Can Tho.

"They were without food, without anything," he told a French Chamber of Commerce panel discussion in Hanoi.

The delays and restrictions are a major headache for foreign businesses, many of which have pivoted to Southeast Asia from China in recent years -- a trend accelerated by the bruising trade war between Washington and Beijing.

In the south -- the epicentre of Vietnam's fight against Covid-19 -- up to 90 per cent of supply chains in the garment sector were broken, the Vietnam Textile and Apparel Association (Vitas) said in August, according to state media.

Nike -- which warned last week it was struggling with shortages of its athletic gear and cut its sales forecasts -- pointed the finger at Vietnam, among others, saying 80 per cent of its factories in the south and nearly half of its apparel plants in the country had shut their doors.

The sports colossus sources around half of its footwear from the communist country.

Although some factories were able to set up a system where staff could eat, work and sleep on site to get around lockdown restrictions, Vitas said that the cost was prohibitive for many.

Myanmar currency drops 60pc in four weeks, economy tanks

Reuters

Myanmar's currency has lost more than 60% of its value since the beginning of September in a collapse that has driven up food and fuel prices in an economy that has tanked since a military coup eight months ago.

"This will rattle the generals as they are quite obsessed with the kyat rate as a broader barometer of the economy, and therefore a reflection on them," Richard Horsey, a Myanmar expert at the International Crisis Group, said.

In August, the Central Bank of Myanmar tried tethering the kyat 0.8 per cent either side of its reference rate against the dollar, but gave up on September 10 as pressure on the exchange rate mounted. The shortage of dollars has become so bad that some money changers have pulled down their shutters.

REUTERS/FILE

People line up outside a bank to withdraw cash in Yangon.

"Due to the currency price instability at the moment... all Northern Breeze Exchange Service branches are temporarily closed," the money changer said on Facebook.

Those still operating were quoting a rate of 2,700 kyat per dollar on Tuesday, compared to 1,695 on September 1 and 1,395 back on February1 when the military overthrew a democratically elected government led by Nobel Laureate Aung San Suu Kyi.

In a report published on Monday, the World Bank predicted the economy would slump by 18 per cent this year, partly due to the pandemic, and said Myanmar would see the biggest contraction in employment in the region and the number of poor in the country would rise.

The increasing economic pressures come amid signs of an upsurge in bloodshed, as armed militias have become bolder in clashes with the army after months of protests and strikes by opponents of the junta. "The worse the political situation is, the worse the currency rate will be," said a senior executive at a Myanmar bank, who declined to be named.

Myanmar is also struggling to deal with a second wave of coronavirus cases that started in June with the response by authorities crippled after many health workers joined protests. Reported cases have comes off their highs though the true extent of the outbreak remains unclear.

China Evergrande to sell $1.5b stake in Shengjing Bank to state firm

Reuters, *Hong Kong*

Scrambling to avoid defaulting on its debts, cash-strapped China Evergrande Group said on Wednesday it plans to sell a 9.99 billion yuan ($1.5 billion) stake in Shengjing Bank Co Ltd to a state-owned asset management company.

Shengjing Bank, one of the main lenders to Evergrande, had demanded that all net proceeds from the disposal be used to settle the financial liabilities of the property developer due to the lender, Evergrande said in an exchange filing.

That requirement suggests that Evergrande, which missed a bond interest payment last week, will be unable to use the funds for other purposes such as another interest payment to offshore bondholders of $47.5 million due on Wednesday.

The payment deadline is being closely watched by investors as the developer's next big test in public markets. Shares of Evergrande rose as much as 15 per cent on Wednesday.

Evergrande has rapidly become China's biggest corporate headache as it teeters between a messy meltdown with far-reaching impacts, a managed collapse or the less likely prospect of a bailout by Beijing.

The 1.75 billion shares, representing 19.93 per cent of the issued share capital of the bank, will be sold for 5.70 yuan apiece to Shenyang Shengjing Finance Investment Group Co Ltd, a state-owned enterprise involved in capital and asset management, Evergrande said in its filing.

Shenyang Shengjing's stake in the bank will be increased to 20.79 per cent after the deal to become the bank's largest shareholder. Evergrande's stake in the bank would be reduced to 14.75 per cent from 34.5 per cent.

"The company's liquidity issue has adversely affected Shengjing Bank in a material way," Evergrande Chairman Hui Ka Yan said in the statement.

"The introduction of the purchaser, being a state-owned enterprise, will help stabilise the operations of Shengjing Bank and at the same time, help increase and maintain the value of the 14.75 per cent interest in Shengjing Bank retained by the company."

As of the first half last year, the bank had 7 billion yuan in loans to Evergrande, making it the third-largest onshore lender to the cash-strapped company, according to a report by brokerage CCB International last week, citing news reports.

The financial health of Shengjing Bank has come under the spotlight since May, after financial news outlet Caixin reported that China's top banking watchdog was investigating connected transactions worth more than 100 billion yuan ($15.45 billion) between Evergrande and the bank.

On July 5, Evergrande said in a statement its financial business with Shengjing complied with legal requirements. Days after that announcement, China's northern city of Shenyang, where Shengjing is based, encouraged local state-owned companies to increase stakes in the bank.

The Shenyang government said it valued reforms at Shengjing Bank and would strengthen the Communist Party leadership in the bank to help it develop into "a good bank," according to a statement in July.