



PHOTO: MINTU DESHWARA

Cassava shrubs are being grown amidst other plants and trees on fallow land in Sylhet division, bringing utility through the harvest of its roots, the starch from which is used in making food, garments and medicine. Pran-RFL Group buys the roots offering contractual farming, lowering the risk of losses for producers. The photo was taken in Kulaura upazila of Moulvibazar recently.

Cassava farming on fallow lands: low risks but high returns

MINTU DESHWARA

Farmers who cultivate cassava on fallow land in Sylhet division are in for a huge success this year with expectations of a bumper yield and good market prices.

The rugged vegetable has a relatively long growth cycle compared to other important crops, taking an average of eight to 10 months.

The weather has been favourable and harvests are due to begin within a couple of days and run till March, according to various farmers.

The roots can be consumed directly or fed to livestock. It can be processed into granulated flour, or high quality cassava flour, a substitute for some of the wheat flour in bread and confectionary, according to the Food and Agriculture Organization (FAO).

In Thailand and China, root starch goes into food products, plywood, paper and textiles, and is used as feedstock for production of sweeteners, fructose, alcohol and fuel ethanol. Two recent

DISTRICTS IN FOCUS

cassava mutations have starch properties that are highly valued by industry.

The root is not the only useful part of the plant - young cassava leaves make a nutritious vegetable, and plant tops can be fed to cattle, buffaloes, pigs, chickens and silkworms.

With the use of suitable cassava varieties and modern equipment having the highest production efficiency, the industrial yield of starch extraction exceeds 24 per cent, according to the FAO.

Bangladesh's garments, pharmaceuticals and food processing industries annually require about 3.5 lakh tonnes of starch extracted from the root crop, according to officials of the local Department of Agricultural Extension (DAE) and Pran-RFL Group.

The demand is growing by about 10 per cent

every year.

Around 7,000 tonnes to 8,000 tonnes of cassava starch are manufactured locally while the rest of the demand is met through imports from Thailand, India, Vietnam and other countries.

Farmers cultivated the nutty-flavoured vegetable on 630 acres of land in Sylhet this season and the production target is around 3,000 tonnes this year. It was on 480 acres last year, yielding 1,400 tonnes.

"We are not tense about selling our crops as Pran buys most of it under contract farming," farmer Polit Bhar told this correspondent during a visit to Kulaura upazila in Sylhet's Moulvibazar district.

Bhar went on to say that this year he planted around 8,500 cassava plants on five bighas of land. Each shrub produces about 10 kilograms (kg) to 15 kg of the tuber, which is then purchased by Pran for about Tk 7 to Tk 8 per kg.

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E-COMMERCE SCAMS

Recovering funds should be top priority



ABU SAEED KHAN

An important job was pending, and "Everybody" thought "Somebody" would do that. "Anybody" could have done it, but "Nobody" did it. "Somebody" got upset, as it was "Everybody's" job. "Everybody" thought "Anybody" could do it, but "Nobody" realised that "Everybody" wouldn't do it. It ended up with "Everybody" blaming "Somebody" while "Nobody" did what "Anybody" could do.

This old satirical adage pretty much mirrors poor handling of wheezing worms out of e-commerce's can in Bangladesh. It is quite annoying rather than shocking. The government has allowed the incremental violation of law and all norms of doing business in the name of e-commerce only to advance its mythical doctrine of "Digital Bangladesh."

Rogue websites were allowed to fraudulently publicise impractically low prices of consumer goods, home appliances, vehicles etc. It sparked the nationwide wildfire of marketing hype. But the government did nothing. E-commerce outfits took advance payments against unusually belated deliveries. And the government did nothing. The consumers got angry when their deliveries never arrived. Yet, the government did nothing.

Even when the defaulted e-commerce outlets started procrastinating to refund, the government, armed with legal instruments and institutions, did nothing whatsoever to salvage the helpless citizens from such a brazen scam. Finally, when the media started exposing the frauds of epic proportion, the law enforcers woke up and nabbed a few culprits.

Then the soap opera of blame game began within the government.

Finance Minister AHM Mustafa Kamal made the commerce ministry public enemy number one. "They [the commerce

ministry] have to take the responsibility primarily. At the same time, other agencies involved should take the responsibility collectively," he said, The Daily Star reported.

Conventional and mobile banks, except Nagad, along with all payment gateways function under the central bank's jurisdiction. Therefore, when the finance minister says "other agencies involved should take the responsibility collectively" he, whatever inadvertently, also points the finger at Bangladesh Bank.

But Commerce Minister Tipu Munshi has questioned the central bank's ability to recover the money of disgraced e-commerce outlet Evaly. "The e-commerce company has spent a lot of money on promotional purposes or diverted funds elsewhere," he told the press.

The commerce minister is clearly in denial mode to handle the administrative and regulatory hot potato. He also keenly shields the competition commission's monumental failure of halting the rise of e-commerce crooks like Evaly and e-Orange.

Interestingly enough, the telecoms minister has said nothing whatsoever when over Tk 47 crore of Sirajganjshop customers' refund money in the custody of Nagad went missing in just two days.



OPINION

The contagion of fraud and irregularities that plague the budding e-commerce sector because of a few bad apples is now spreading to mobile financial services.

Just like e-commerce, a lack of regulatory oversight is putting the hard-earned financially inclusive ecosystem in jeopardy. By allowing opaque ownership and false advertising, customers' money entrusted with a mobile financial service is even getting swindled.

Evaly's fraudulence began with offering mobile phones at Tk 16 (\$0.19) on November 30, 2019. This campaign is still hanging in its website. What more it takes for the Bangladesh Competition Commission to wake up when mobile phones are sold at the price of a bottle of water?

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GLOBAL BUSINESS

China presses US to cancel tariffs



US Trade Representative Katherine Tai testifies before the Senate Finance Committee on Capitol Hill in Washington, US on May 12.

REUTERS/FILE

REUTERS, Washington

China said on Saturday it pressed the United States to eliminate tariffs in talks between the countries' top trade officials that Washington saw as a test of bilateral engagement between the world's biggest economies.

The virtual talks between US Trade Representative Katherine Tai and China's Vice Premier Liu He follow Tai's announcement on Monday that she would seek "frank" talks and hold China to its commitments under a "Phase 1" trade deal negotiated by former President Donald Trump.

"The Chinese side negotiated over the cancellation of tariffs and sanctions, and clarified its position on China's economic development model and industrial policies," China's Xinhua state news agency said after the talks, held on Friday Washington time.

Tai intended to use the call, the second between the two, to test whether bilateral engagement can address US complaints about Beijing's trade and subsidy practices, a USTR official said.

"Ambassador Tai and Vice Premier Liu reviewed implementation of the US-China Economic and Trade Agreement and agreed that the two sides would consult on certain outstanding issues," USTR said in a statement.

Xinhua said the two sides "expressed their core concerns and agreed to resolve each other's reasonable concerns through consultation."

"Both sides agree to continue communicating with an equal approach and mutual respect, and to create the conditions for the healthy development of economic and trade relations between the two countries and the recovery of the world economy," it said.

In a briefing ahead of the call, a senior USTR official said Tai would give Liu an assessment of China's performance in implementing the Phase 1 deal, including promised purchases of US goods that are falling short of targets. She also would raise concerns about China's "non-market" economic practices.

"We recognize that Beijing is increasingly explicit that it is doubling down on its authoritarian state-centric approach and is resistant to addressing our structural concerns," the official said.

What is the global minimum tax deal and what will it mean?

REUTERS, Paris

A global deal to ensure big companies pay a minimum tax rate of 15 per cent and make it harder for them to avoid taxation has been agreed by 136 countries, the Organisation for Economic Cooperation and Development said on Friday.

The OECD said four countries - Kenya, Nigeria, Pakistan and Sri Lanka - had not yet joined the agreement, but that the countries behind the accord together accounted for over 90 per cent of the global economy.

Here are the main points of the accord: Why a global minimum tax?

With budgets strained after the Covid-19 crisis, many governments want more than ever to discourage multinationals from shifting profits - and tax revenues - to low-tax countries regardless of where their sales are made.

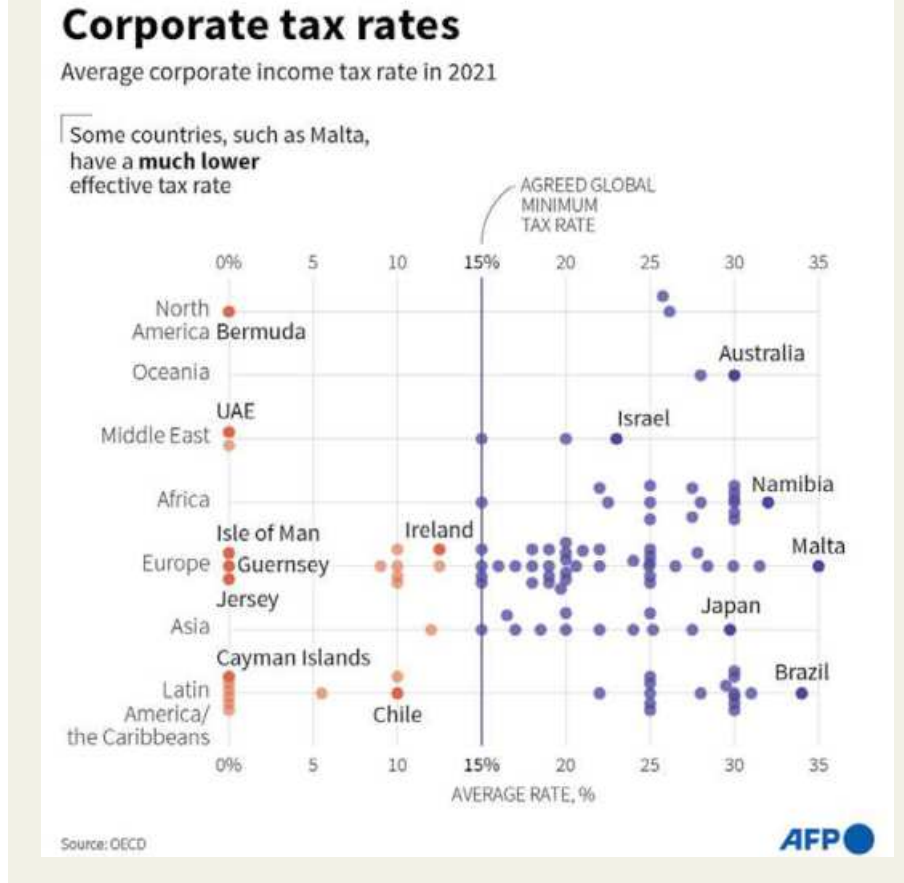
Increasingly, income from intangible sources such as drug patents, software and royalties on intellectual property has migrated to these jurisdictions, allowing companies to avoid paying higher taxes in their traditional home countries.

The minimum tax and other provisions aim to put an end to decades of tax competition between governments to attract foreign investment.

How would a deal work?

The global minimum tax rate would apply to overseas profits of multinational firms with 750 million euros (\$868 million) in sales globally.

Governments could still set whatever local corporate tax rate they want, but if companies pay lower rates in a particular



country, their home governments could "top up" their taxes to the 15 per cent minimum, eliminating the advantage of shifting profits.

A second track of the overhaul would

allow countries where revenues are earned to tax 25 per cent of the largest multinationals' so-called excess profit - defined as profit in excess of 10 per cent of revenue.

What happens next?

Following Friday's agreement on the technical details, the next step is for finance ministers from the Group of 20 economic powers to formally endorse the deal, paving the way for adoption by G20 leaders at an end October summit.

Nonetheless, questions remain about the US position which hangs in part on a domestic tax reform the Biden administration wants to push through the US Congress.

The agreement calls for countries to bring it into law in 2022 so that it can take effect by 2023, an extremely tight timeframe given that previous international tax deals took years to implement.

Countries that have in recent years created national digital services taxes will have to repeal them.

What will be the economic impact?

The OECD, which has steered the negotiations, estimates the minimum tax will generate \$150 billion in additional global tax revenues annually.

Taxing rights on more than \$125 billion of profit will be additionally shifted to the countries where they are earned from the low tax countries where they are currently booked.

Economists expect that the deal will encourage multinationals to repatriate capital to their country of headquarters, giving a boost to those economies.

However, various deductions and exceptions baked into the deal are at the same time designed to limit the impact on low tax countries like Ireland, where many US groups base their European operations.

UK and Gulf nations negotiate trade deal

AFP, Manama

The United Kingdom and the six Gulf Cooperation Council states have begun preliminary talks on a free trade agreement, Bahrain said, as London seeks to bolster its trade position post-Brexit.

"It brings me great joy and pleasure to officially announce the official launch of FTA negotiations between GCC countries and UK today," Zayed bin Rashid al-Zayani, Bahrain's minister of industry, commerce and tourism, said late Friday.

It is an "initiative that we have worked

tirelessly on realising since the kingdom of Bahrain's assumption of the GCC presidency at the beginning of this year", added Zayani. The UK already enjoys strong economic links with the nations of the GCC, comprised of Saudi Arabia, the United Arab Emirates, Qatar, Bahrain, Kuwait and Oman.

"We shall collectively embark on a new chapter, which will solidify our long standing trade and investment cooperation and build upon the strong foundations forged over the past centuries," Zayani said.

Trade between the UK and the Gulf nations topped 30 billion pounds (\$41 billion) in 2020, according to the British government.

"A trade agreement with the Gulf Cooperation Council is a huge opportunity to liberalise trade with a growing market for British business and deepen ties with a region that is vital to our strategic interests," said International Trade Secretary Anne-Marie Trevelyan.

"We want a modern, comprehensive agreement that breaks down trade barriers to a huge food and drink market and in

areas like digital trade and renewable energy which will deliver well-paid jobs in all parts of the United Kingdom," she said in a statement.

Friday's talks marked the launch of what the UK government has termed a "14-week consultation calling for the public and business to share their views ahead of negotiations starting in 2022".

Since its exit from the European Union, London has sought to bolster trade ties with partners including the United States, Australia and hydrocarbon-rich Gulf countries.