

D-8 summit on food security starts today

STAR BUSINESS REPORT

The seventh D-8 ministerial meeting on agriculture and food security is all set to begin today. The two-day event will be held virtually considering the coronavirus situation.

Bangladesh will host the meeting as incumbent president of the D-8 Organization for Economic Cooperation, also known as the Developing 8 or D-8.

The organisation aims to facilitate development cooperation among member countries, namely Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan, and Turkey.

Turkish President Recep Tayyip Erdogan handed over chairmanship of the D-8 to Bangladesh Prime Minister Sheikh Hasina for a two-year period in April, 2021.

The main topic of discussion at this year's meeting will be agriculture and food security

"The main topic of discussion at this year's meeting will be Agriculture and Food Security: Development of Climate Smart Agriculture," Agriculture Minister Muhammad Abdur Razzaque said yesterday.

Besides, cooperation on various issues, including agricultural production and increasing productivity, joint agricultural research, mechanisation, agro-processing, blue economy, fertiliser production, seeds, animal feed, value chain development, training and capacity building will be discussed.

The high-level meeting will be attended by agriculture and food ministers, secretaries and other senior officials from D-8 member states.



Women harvest grass pea (locally known as kalai shak), a member of the pulse family Leguminosae. Grown in cold weather, it is very hardy and can germinate and grow on a wide range of soil conditions. The vegetable sells for Tk 50 to Tk 70 per kilogramme. More than 2.5 lakh acres of land was cultivated in 2018-19, generating 1.17 lakh tonnes of the pulse, according to the Bangladesh Bureau of Statistics. The photo was taken at Chadpasha village in Barishal's Babuganj upazila on Monday.

PHOTO: TITU DAS

Asian-owned shipbuilders in Germany file for bankruptcy

AFP, Frankfurt

Asian tourism and casinos giant Genting's shipbuilding subsidiaries in Germany filed for bankruptcy Monday, which one union leader described as a "dark day" for the country's dockyards.

With travel still severely restricted during the coronavirus pandemic, particularly in Asia, the company has seen demand for huge cruise ships or luxury mega-yachts dwindle.

MV Werften on the Baltic Sea coast and Lloyd Werft in Bremerhaven on the North Sea coast declared themselves insolvent, local courts told AFP.

The larger subsidiary MV Werften took the step after failing to secure funding for the completion of the "Global One" mega-liner, already 80 percent of the way through construction, according to the company.

Designed to carry close to 10,000 passengers, the huge ship had been due to leave the shipyard in 2021 – but the pandemic has knocked the company's timetable off course and crimped its budget.

Around 600 million euros (\$680 million) is necessary to finance the completion of the vessel, for which the shipbuilder has been seeking support from the government.

The decision to declare bankruptcy came after lengthy discussions with officials in which the two sides "clearly have not found common ground", a spokesman for MV Werften said shortly before the filing was made.

The state asked MV Werften's owners Genting to put forward 10 per cent of the capital, government coordinator for the maritime economy Claudia Mueller said in a press conference.

"On this issue there was no agreement between Genting and the federal government," Mueller said.

The "Global One" sits in Wismar, one of MV Werften's three shipyards along the Baltic coast of former eastern state Mecklenburg-Western Pomerania, where it employs around 2,000 people.

The collapse of one of the biggest employers in the region poses an early challenge for Chancellor Olaf Scholz's newly formed government. "It is very important

to us to keep the know-how where it is," Mueller said, adding that the government saw "big potential" for the development of offshore energy.

In June, the state agreed to take a stake worth 60 million euros in the business and extended a loan worth 47 million euros to the company.

In all, the government had offered financial support of around 300 million euros to MV Werften since the beginning of the pandemic, before negotiations over a new deal began.

The decision by the shipyards to file for bankruptcy was a "dark day for shipbuilding in Germany", local IG Metall union leader Daniel Friedrich said.

The completion of the "Global One" and the delayed payment of wages for December were priorities for the union, which criticised the "exhaustion of trust" between negotiators.

The cruise ship industry has been shaken by a spate of recent coronavirus outbreaks on liners despite increased health measures, giving new headaches to the pandemic-hit sector.

Gloomy outlook for global recovery: WEF

REUTERS, London

Only one in 10 World Economic Forum members surveyed expects the global recovery to accelerate over the next three years, a poll of nearly 1,000 business, government and academic leaders found, with only one in six optimistic about the world outlook.

Climate change was seen as the number one danger by respondents in the WEF's annual risks report on Tuesday, while erosion of social cohesion, livelihood crises and mental health deterioration were identified as risks which had increased the most since the start of the Covid-19 pandemic.

"Global leaders must come together and adopt a coordinated multi-stakeholder approach to tackle unrelenting global challenges and build resilience ahead of the next crisis," Saadia Zahidi, WEF managing director, said.

Extreme weather was considered the world's biggest risk in the short term and a failure of climate action in the medium and long term – two to 10 years, the survey showed.

Agreement at the UN COP26 climate conference in November last year was widely applauded for keeping alive prospects of capping global warming at 1.5 degrees Celsius, but many of the nearly 200 nations had wanted to leave the conference in Glasgow with more.

Climate change is already seen contributing to more extreme weather patterns.

"Failure to act on climate change could shrink global GDP by one-sixth and the commitments taken at COP26 are still not enough to achieve the 1.5 (degrees Celsius) goal," Peter Giger, group chief risk officer at Zurich Insurance, which helped to compile the report, said.

The WEF's report also highlights four areas of emerging risk – cybersecurity, a disorderly climate transition, migration pressures and competition in space.

Britain eyes shake-up in financial data market

REUTERS, London

Britain signalled a shake-up in the availability and price of financial market data on Tuesday due to concerns over "limited competition" for benchmarks, indices and credit ratings.

It is the latest move by Britain to ensure the City of London remains globally competitive after being largely cut off from the European Union since the Brexit transition period ended a year ago. The Financial Conduct Authority said a first study, which will start this summer, will look into concerns that complex contracts for benchmarks and indices prevent switching to cheaper, better quality and more innovative alternative providers.

Benchmarks like the FTSE 100 blue chip index are widely used by asset managers and banks to track and compare valuations of assets like shares and bonds.

"By the end of the year, the FCA will launch a second market study to assess whether high charges for access to credit ratings data is adding costs to investors and limiting new market entrants," the FCA said.

The sector is dominated by Moody's, Fitch and S&P, whose ratings are used by investors to assess the riskiness of a company they are thinking of investing in.

Bangladesh: your next

FROM PAGE B4

If Bangladesh can supply one fifth of the total requirements through ICT outsourcing model, it will be a game-changer for the economy of Bangladesh.

The BASIS, the apex trade body for the ICT sector, has established the Japan Desk to promote ICT services in the Japanese market. Within one and a half years of the launch of the desk, it has already received good response from the Japanese counterpart.

After the success story of the Japan Desk, the BASIS is now planning to establish four more desks in four continents. One will be in the US, one in Europe (either the UK or the Netherlands), one in the United Arab Emirates, and one in Africa. The introduction of the desks will certainly lift Bangladesh to the next level.

But in order to achieve the \$5-billion export target by 2025, setting up ICT desks will not be enough. The government and the ICT industry should take a

holistic approach to achieve the target.

Country branding is still a crucial factor and the government must focus on it. Bangladesh needs to arrange regular seminars, fairs and roadshows to promote the ICT industry and its capability.

Apart from offline media, it's high time to use online and social media as well. We need to make promotional videos and video clips highlighting the success stories of our ICT companies.

Another key brand promoter of our industry might be our non-resident Bangladeshi community. It's a very proud matter for Bangladesh that many of Bangladeshis are now working in many top companies in the US and Europe. Our ICT industry can utilise them to penetrate the market.

The example of India can be cited here. Many Indians are working in C-level positions in global companies, and whenever there is any requirement for software, they are straightway giving this

opportunity to Indian IT companies. Bangladeshi NRB community can also follow the strategy of India and can help the country.

Another key market that Bangladesh should target is Africa and the countries that have just started their digitalisation mission like Bhutan, the Maldives, Uzbekistan, and Fiji.

It's a great advantage for Bangladesh that it has started the journey of implementing the e-governance service in 2009. Right now, there are 100 plus companies specialised in offering e-governance services.

Countries like Nigeria, Cameroon, Ghana, Rwanda and Kenya have begun their digitalisation process. If Bangladesh can take a government-to-government approach and promote the solutions that are already running in various ministries and departments in Bangladesh, there is a very good chance that Bangladesh can grab the market of the countries.

Another important step

that the ICT industry should not forget is to prepare for the 4IR. It's true that the outsourcing projects that we are getting are still related to conventional technologies. But in the near future, there will be a time when we will get most of the projects in the areas of artificial intelligence, blockchain, IOT, or Big Data. If we can't make our companies competent for those technologies or can't develop skilled human resources, we may lose the market.

The recent efforts of the government and the industry have already made Bangladesh an attractive ICT outsourcing destination. We have already walked a long path. Still, there is a long way to go. If the government and the industry work closely together and take the right step in the right time, our dream will no longer be a dream; rather it will become a reality.

The author is a director of the BASIS and the managing director of Dream71 Bangladesh Ltd.

Fed's Powell to highlight inflation fight at hearing

AFP, Washington

Federal Reserve Chair Jerome Powell will highlight the central bank's efforts to fight inflation and stabilize the US economy at his confirmation hearing, according to testimony released Monday.

However, the Republican will likely also face questions about his ethics from a Democratic senator, after a media report raised further questions over whether a Fed official had traded securities to benefit from the upheaval caused by the Covid-19 pandemic in 2020.

Powell's testimony Tuesday before the Senate Banking Committee comes after President Joe Biden nominated him for a second term leading the central bank as the US economy deals with a wave of record-high inflation that's prompted critics to accuse the Fed of complacency.

"We know that high inflation exacts a toll, particularly for those less able to meet the higher costs of essentials like food, housing, and transportation," Powell will tell senators, according to the testimony.

"We are strongly committed to achieving our statutory goals of maximum employment and price stability.



M Reazul Karim, managing director of Premier Bank Ltd, receives a crest from Md Tazul Islam, minister for local government, rural development and cooperatives, for collecting the second-highest amount of bills in favour of Dhaka Wasa in the financial year 2020-21 at the Pan Pacific Sonargaon Dhaka recently. Muhammad Ibrahim, additional secretary of the local government division, and Taqsem A Khan, managing director of Dhaka Wasa, were present.

PHOTO: PREMIER BANK



PHOTO: PUBALI BANK

Safiul Alam Khan Chowdhury, managing director of Pubali Bank Ltd, hands over the key of a microbus to Prof Sabbir Ahmed Khan, principal of Uttara Adhunik Medical College, recently as part of the bank's corporate social responsibility. Mohammad Ali, additional managing director of the bank, Zahid Ahsan, deputy managing director, and AS Sirajul Haque Chowdhury, general manager, were present.



Syed Habib Hasnat, managing director of Global Islami Bank Ltd, inaugurates the bank's three-day Virtual Managers Conference-2022 at the lender's head office in Dhaka on Monday. Md Golam Sarwar and Kazi Mashhur Rahman Jayhad, additional managing directors, and Ataus Samad and Sami Karim, deputy managing directors, also attended the conference.

PHOTO: GLOBAL ISLAMI BANK

Foreign aid use target

FROM PAGE B4

However, according to an ERD official, the utilisation is rising gradually.

Bangladesh spent around \$3 billion to \$3.5 billion from FY2013-14 to FY2016-17. In the last two fiscal years, foreign fund

spending crossed \$7 billion per year.

Two issues are very critical when it comes to foreign aid, said Khan.

"One is utilisation. We should reap the benefit of using foreign aid to help the country achieve its

development aspiration as well," he said.

The other thing was that the amount of foreign aid, which was concessional and comes from traditional sources, would shrink in the future once the country becomes

more developed.

"So, we need to find diversified sources, and utilisation should go ahead in consideration with the debt situation, conditions of loans and the quality of aid," he added.