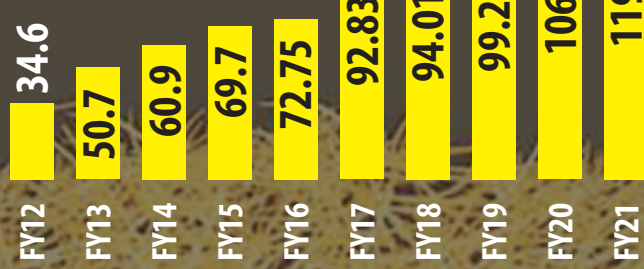




### MILK PRODUCTION IN BANGLADESH

In lakh tonnes, SOURCE: DLS



# Pran Dairy, Arla Foods join hands to boost milk production

#### STAR BUSINESS REPORT

Pran Dairy, one of the country's leading dairy companies, and Arla Foods, a European dairy cooperative, have joined hands to work among farmers to improve milk yield and quality along with developing the dairy value chain in Bangladesh.

Under the initiative, Arla Food and Pran Dairy will initially conduct a study on dairy farming, milk production and collection process in Rangpur, the northwest division.

Based on the study, it will train farmers and milk collectors on improving milk yield, farm management practices and fodder with the objective to collect milk locally in the future, the companies said in a statement yesterday.

Arla conducted a similar project in Nigeria in collaboration with non-government organisation, Care Denmark, the Danish Agricultural and Food Council, Seges and the Nigerian pastoralist organisation Coret, and

supported by the Ministry of Foreign Affairs of Denmark, said Arla.

The collaboration comes at a time when demand for milk and dairy products is growing along with dairy farming in the country.

Milk production, which was only 34.6 lakh tonnes in the 2011-12 fiscal year, stood at 119 lakh tonnes in the 2020-21 fiscal year, according to the Department of Livestock Services (DLS).

The bulk of the milk produced goes to the unorganised sector, especially to sweet makers, while organised milk processors such as state-run cooperative Milk Vita and Pran collect nearly 10 lakh litres of milk daily, industry insiders said.

Apart from the locally produced milk, Bangladesh imports a good amount of powdered milk and milk products.

"We have a huge opportunity to do well in the dairy sector of Bangladesh," said Ahsan Khan Chowdhury, chairman and chief executive of Pran-RFL group, after signing the Letter of Intent in this

regard on behalf of Pran.

Peter Hallberg, managing director of Arla Foods Bangladesh, signed on behalf of Arla at the company's headquarters in Dhaka.

Chowdhury said Pran is working with contractual dairy farmers in remote areas and giving various support and training for their skill development.

"But we need to give more emphasis on sustainable dairy production to increase milk productivity and quality, alongside economic output of the local dairy value chain in Bangladesh," he said in the statement.

"I hope the initiative will bring good contribution to our dairy sector," Chowdhury added.

Pran started milk collection in 2001 to meet the growing demand for milk and developed the dairy hub to collect milk from farmers directly to ensure fair prices for them and encourage dairy farming.

The country's biggest agro-processor

has more than 100 milk collection and chilling centres and works with 12,000 contract farmers. It collects more than two lakh litres of milk on a daily average directly from farmers.

"We feel that we can contribute significantly to the overall development of the dairy sector, supporting the goals of the country," said Hallberg.

The international dairy company is owned by 9,400 farmers from Denmark, Sweden, the UK, Germany, Belgium and two other European countries.

"As the fourth largest dairy cooperative in the world, with over 100 years of dairy experience, we are in a unique position to deliver commercial success to the dairy farmers in Bangladesh in developing the sector and to do so sustainably," he said.

Arla Foods Bangladesh Ltd has been operating in the country since 2014 along with its packaging facility located in Konabari, Gazipur. It mainly markets powdered milk under the brand name Dano.

## Oman wants business forum with Bangladesh

#### STAR BUSINESS REPORT

Oman has proposed forming a Bangladesh-Oman business forum to explore and strengthen business cooperation between the two countries.

Oman's newly-appointed charge d'affaires to Bangladesh, Abdul Ghaffar Bin Abdul Karim Al-Bulushi, made the proposal when he called on Md Shahriar Alam, state minister for foreign affairs, at the foreign ministry yesterday.

Karim Al-Bulushi emphasised that the boost in trade area needs a business to business interaction and exchange of visit among business communities of the two countries.

He appreciated the role of Bangladeshi workforce in the infrastructure building and development projects and to the economic development of Oman.

They exchanged views on the means and ways of consolidating and expanding the bilateral ties to new areas of cooperation from the single manpower-dominated focus.

The state minister appreciated the independent and balanced foreign policy roles of Oman in the regional and global affairs.

Earlier, Karim Al-Bulushi paid a courtesy call on Foreign Secretary Masud Bin Momen.

Momen urged him to consider emerging areas of cooperation like agriculture and food security, blue economy and enhanced trade between the two countries, IT and climate change.

Karim Al-Bulushi said Bangladesh may focus on sending skilled workforce like engineers, doctors, nurses, caregivers to keep up the manpower market in Oman.

## Marico profits up 20pc

#### STAR BUSINESS REPORT

Marico Bangladesh, a listed fast-moving consumer goods multinational, saw a year-on-year sales growth of just over 17 per cent while profit growth of over 20 per cent in the October-December period of the current financial year.

Its revenue grew to Tk 334 crore, profits to Tk 86 crore while earnings per share stood at Tk 27.3, according to a press release issued after a board meeting yesterday.

Based on its profits, the company announced a 200 per cent interim cash dividend for its shareholders. The revenue growth was driven by overall volume growth through a healthy mix in the portfolio led by growth in coconut oil, hair oils, shampoo and baby care portfolios, said the company.

It also launched its "Parachute Just For Baby Shampoo" during the last quarter, extending its comprehensive range of baby care products.

Marico also carried out corporate social responsibility involving soaps, hand sanitisers and petroleum jelly in ultra-poor districts of Bangladesh considering the spike in Covid-19 infections and winter season skin care, it said.

With a third wave of the pandemic sweeping across the country, Marico is prioritising health, safety and security of its members and a return to work-from-home modality and a roster basis attendance. The company hopes to face no supply chain disruptions with lockdowns.

With the current price increases of daily essentials and inflation rates, maintaining a smooth supply of essential consumer products is critical to manage out-of-stock situations and ensure price stability in the market, it added.

## Oil prices rise on supply fears

#### REUTERS, Tokyo

Oil prices rose on Monday on worries about supply disruption amid rising tensions in Eastern Europe and the Middle East, which could make an already tight market even tighter, while OPEC and its allies continued to struggle to raise output.

Brent crude futures rose 58 cents, or 0.7 per cent, to \$88.47 a barrel by 0742 GMT, reversing a 0.6 per cent loss on Friday.

US West Texas Intermediate (WTI) crude futures gained 57 cents, or 0.7 per cent, to \$85.71 a barrel, having fallen 0.5 per cent on Friday.

Both benchmarks rose for a fifth week in a row last week, gaining around 2 per cent to hit their highest since October 2014. Prices are already up more than 10 per cent this year on the concerns over

tightening supplies. "Investors remained bullish due to geopolitical risk between Russia and Ukraine as well as in the Middle East, while OPEC+ continued to fail to reach its output target," said Kazuhiko Saito, chief analyst at Fujitomi Securities Co Ltd.

"An expectation for higher heating oil demand in the United States amid cold weather also added to pressure," he said.

Fuelling fears of supply disruption in Eastern Europe, the New York Times reported late on Sunday that US President Joe Biden was considering deploying several thousand US troops to NATO allies in Eastern Europe and the Baltics.

Russia will face severe economic sanctions if it installs a puppet regime in Ukraine, a senior British government minister said on Sunday, after Britain accused the Kremlin of seeking to place a pro-Russian leader in power there.

## Panasonic to invest \$700m to produce batteries for EVs

#### REUTERS, Tokyo

Japan's Panasonic will begin producing its new lithium-ion battery for Tesla from as early as 2023, with plans to invest about 80 billion yen (\$705 million) in production facilities in Japan, the Nikkei reported on Monday.

The powerpack could help make electric vehicles (EVs) more attractive to motorists by extending cruising range by about a fifth, the Nikkei reported, without saying where it obtained the information.

"We are studying various options for mass production, including a test production line we are establishing this business year. We don't, however, have anything to announce at this time," Panasonic said in a statement sent to Reuters.

Panasonic unveiled the 4680 format (46 millimetres wide and 80 millimetres tall) battery in October. At around five times as big as batteries it currently supplies to Tesla, it is also expected to help the US electric vehicle maker lower production costs.

Panasonic will make the 4680 batteries at a plant in Wakayama prefecture in Western Japan, with output of less than 10 gigawatt hours a year, equivalent to around 150,000 vehicles, the Nikkei said.

Panasonic is the sole maker of the more advanced Tesla battery, ensuring it remains a key supplier to the US company, at least for its pricier models, even as the EV maker seeks out battery suppliers in China and elsewhere.

## \$1.58b FDI

#### FROM PAGE B1

Shipyards Group will make the investment. Damen plans to supply vessels to 17 nearby countries.

Contacted, BSEC Chairman Md Shahidul Hoque Bhuiya said a huge amount of foreign investment would flow in for shipyard construction.

"We will start working on the technical issue by next week," he said, adding that the Bangladesh University

of Engineering and Technology and the Islamic University of Technology will provide technical support to the BSEC to examine the feasibility report.

Damen Group Senior Director (naval projects) Eef van den Broek and Damen Group Asia Pacific Regional Sales Director Rabien Bahadoor were present at the programme at the ministry.

## Palm prices seen lower in 2022 on output rise

#### REUTERS, Kuala Lumpur

Palm oil prices are set for another year of volatility and tight supply as Malaysia makes slow progress in tackling a labour crunch and government policies on green energy and food security spur demand, a Reuters poll showed.

Benchmark palm prices IFCP0c3 will average 4,000 ringgit a tonne in 2022, down 3.4 per cent from last year's average of 4,142 ringgit, according to the median estimate of a poll of 18 analysts and those in the industry.

Prices, which already hit a record high of 5,380 ringgit a tonne this week, are expected to stay firm during the first half of the year.

"As we move into the low production period, supply is tight, reflecting sustained demand and the structural weakness in palm oil output," said Julian McGill, regional head at LMC International.

Top producers Indonesia and

Malaysia are both expected to see production growth for the first time in three years in 2022, according to the poll. Indonesia's 2022 production is pegged at 48.5 million tonnes, up 3.4 per cent from an estimated 46.89 million last year.

Malaysia's production is forecast at 18.8 million tonnes, up 3.9 per cent from 18.1 million in 2021.

Respondents expect production to build in the second half of the year, especially in Malaysia, when an army of migrant workers is expected to alleviate a labour shortage.

However, La Nina weather conditions and reduced fertiliser applications over the past three years could cap supply gains.

New policies to curb fossil fuel consumption in countries such as Brazil, China and the United States, may lift palm oil demand for use in renewable diesel and biofuel production this year, sources said.

## Particle board market

#### FROM PAGE B1

reliable data, industry people say around Tk 10,000 crore has been invested in the industry by 15 to 16 big and small-sized factories.

Major manufacturers are Akij Particle Board Mills, Star Particle Board Mills, Super Particle Board Mills, MRS Industries, Amber Boards, Multi Panels, Woodland Plywood & Particle Board Mills, Bengal Plywood Mills, Otobi, Diamond Particle Board Mills, and Maya Particle Board Mills.

The labour-intensive industry has created around 15,000 jobs, directly.

The annual demand for particle boards is 76 crore square feet and the consumption is expected to continue in the coming years as a result of rapid

urbanisation. Shahriar Zaman, manager for marketing of Akij Particle Board Mills, says the demand for particle board is on the rise thanks to the lower price compared to wooden furniture as well as their use in interior designing at corporate offices.

Of the total consumption of particle boards in Bangladesh, 54 per cent is used in the furniture sector and the rest in interior designing by commercial or corporate clients.

The burgeoning housing and furniture sectors have contributed hugely to the growth of the particle board market.

"When a sector develops, the backward linkage also develops. So, the particle board market is growing in keeping with the furniture

sector," said Selim H Rahman, chairman and managing director of Hatil Furniture, one of the largest furniture manufacturers in Bangladesh.

Faizur Rahman Khan, managing director of BTI, one of the leading real estate developers, says his company uses doors made up of particle boards at flats.

### Qcoom refunds

#### FROM PAGE B1

number and by February, a Central Complaints Management Cell, he said.

AHM Shafiquzzaman, additional secretary to the ministry, said a five-member committee has been formed to settle refund issues of other e-commerce companies.

Shomi Kaiser, president of the e-Commerce Association of Bangladesh, also spoke.

## Singapore reviews inflation forecasts as core prices soar

#### REUTERS, Singapore

Singapore is reviewing its official inflation forecasts, authorities said on Monday, after data showed its key price gauge climbed in December by the fastest pace in nearly eight years, driven by a steep increase in air fares.

The core inflation rate — the central bank's favoured price measure — rose to 2.1 per cent in December on a year-on-year basis, the highest since July 2014 and topping economist forecasts. A Reuters poll of economists had forecast a 1.7 per cent increase.

Singapore's central bank tightened its monetary policy in October, delivering its first such move in three years, amid mounting cost pressures.

Its next policy review is scheduled for April when it is widely expected by economists to tighten further.

Monday's data showed headline inflation rose by 4 per cent, a near nine-year high, beating economists' forecast of 3.75 per cent.

Steep increases in air fares and Covid-19 testing costs under Singapore's quarantine-free travel schemes were a major factor in December's price jump.

There remains significant uncertainty surrounding the outlook for inflation in the near term, including from the costs of air travel and commodity prices such as food and oil, the Monetary Authority of Singapore (MAS) and the Ministry of Trade and Industry (MTI) said in a statement.