Four-day handloom festival begins today

STAR BUSINESS REPORT

A four-day fair on handloom products titled "Heritage Handloom Festival 2022" kicks off today at the Gulshan shooting club in the capital, open for all from 10:00am to 8:00pm.

Aiming at promoting local handloom products, SME Foundation and the Association of Fashion Designers of Bangladesh with the support of the Ministry of Cultural Affairs are jointly organising the festival for the fourth time.

The announcement came at a press conference at Bangladesh Parjatan Corporation yesterday.

The festival will showcase different handloom products for local and foreign visitors along with items produced by the indigenous communities of Bangladesh.

About 60 entrepreneurs and designers will display traditional and heritage products at the festival, brought from different regions of the country.

Three designers from India, Japan and the Maldives will participate in this festival with their products

Speaker Shirin Sharmin Chaudhury is scheduled to inaugurate the festival as chief guest while Industries Minister Nurul Majid Mahmud Humayun and State Minister for Cultural Affairs KM Khalid will be present as special guest.

Md Mafizur Rahman, managing director of SME Foundation, said the festival would help entrepreneurs, especially those running small handloom businesses, flourish.

"We want to keep our culture and heritage alive by strengthening such entrepreneurs as they are continuing the business in order to retain their heritage," he said.

"We promote our traditional weavers and this festival will play an important role in the development of the weaving industry," said Mantasha Ahmed, president of the fashion designers' association.

She said by the use, promotion, expansion and marketing of weaving products, it would be possible to prevent traditional products from going extinct.

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A row of pens are seen floating in Boral River in Pabna's Faridpur upazila, where a new form of aquaculture called cage fish farming is catching on quick among locals due to its high profitability. The photo was taken recently. PHOTO: AHMED HUMAYUN KABIR TOPU

Cage fish farming gaining popularity

Thanks to high returns amid low input costs, farmers and experts say

AHMED HUMAYUN KABIR TOPU, *Pabna*

Kabir Chowdhury, who hails from Dotto Pungoli village in Pabna's Faridpur upazila, became unemployed about 10 years ago after suffering huge losses in his cattle feed business.

However, he has since found a new lease on life through cage fish farming, which is a type of aquaculture where fish are grown in floating net pens made of wood, bamboo or metal in natural water bodies.

Chowdhury and his friend Md Abdur Razzak Nayan spent about Tk 20,000 to begin cage fish farming in the Boral river near their residence a few years ago. Now, the pair earn about Tk 8-9 lakh annually.

"I came to know about cage fish farming through the internet," he said.

Having piqued his interest, Chowdhury went to Chandpur to get more on-hand knowledge about this form of aquaculture.

He eventually began farming fish in the Boral river with 10 pens made of bamboo in 2013. That year, Chowdhury and Nayan sold fishes worth about Tk 35,000 to get a profit of Tk 15,000.

"This inspired us to forge ahead," he said.

They kept expanding cultivation each year and now, the pair have a total of 65 cages in the river.

"Last year, we sold fish worth Tk 80 lakh to earn Tk 8 lakh profit and this year, we expect to sell fish worth Tk 85 lakh to earn a profit of Tk 9-10 lakh," Chowdhury said, adding that his success encouraged many unemployed locals to start cage fish farming.

Nayan told The Daily Star it costs about Tk 10,000 to set up a pen measuring 20

feet long and 10 feet wide made of iron rods and traditional nets.

Each cage produces about 40 maunds (one maund equals about 37 kilogrammes) of fish thrice a year.

"We cultivate 900 to 1,000 fish fry in each pen to get yields of 12 to 14 maunds," Nayan said.

As the fish get proper nourishment in the flowing river, they grow rapidly and are comparatively tastier than their artificially grown counterparts, according to Robindranath Haldar, another cage fish farmer.

Haldar, who hails from a village in the Narayanpur area of Faridpur upazila, set up 30 cages in the Boral river this year and expects to make a profit of Tk 4-5 lakh.

Md Abul Kalam Azad, the district fishery officer, said cage fish farming has been gaining popularity over the past eight to 10 years thanks to its high returns.

As such, various fishermen in Pabna's Faridpur, Sujanagar and Ishwardi upazilas have set up cage fish farms along the Boral and Padma rivers.

There are now more than 500 cages in both rivers with a majority being in the Boral river. The farmers expect to collectively produce 200 tonnes of fish this season.

"Tilapia is the most highly cultivated breed of fish in the district but the Pabda and Tengra varieties are also being farmed in small cages in both rivers," Azad said, adding that the fisheries department has taken various measures to help these farmers increase production.

Bangladesh's economic transformation and FDI

SAMIR ASAF

Over the last two decades, Bangladesh has achieved significant economic progress, epitomised by the fact that the country's GDP, according to the World Bank, grew more than six-fold in real terms from $53.37 billion in 2000 to $324.24 billion in 2020.

This has been supported by a structural transformation in trade and financial markets, harnessing the combined effects of capital deepening and cross-sectoral labour reallocation.

From an economic perspective, Bangladesh's transformation thus far has been underpinned by two key elements: (1) trade concentration: the preponderance of textiles and clothing as a share of exports, and (2) persistent trade and current account deficits since 2016, supported by volatile remittances and unrequited transfers entailing offsetting capital account surpluses, foreign direct investment (FDI), foreign exchange reserves, and net external debt.

In the last few years, FDI inflow into Bangladesh has been modest. Net FDI inflow into the country during 2018-2020 was $8.91 billion. During this period, Pakistan recorded a net FDI inflow of $9.17 billion, and India $154.51 billion.

I believe that Bangladesh has the capacity to attract $25-30 billion in FDI annually with enhancements in its business climate indicators and continued reform in its regulatory environment. As such, DelMorgan plans to channel about $13 billion into key growth sectors in Bangladesh during 2022-23, including RMG, pharmaceuticals, financial services, infrastructure, real estate, and diversified manufacturing.

Long-term FDI is thus a lower risk approach in support of Bangladesh's structural transformation, triggering reductions in sovereign credit spreads and driving up the value of foreign currency-denominated debt

I was pleased to meet Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), as we discussed the growth potential of the country, going forward. According to BGMEA, Bangladesh has 3,500 active clothing factories, 827 textile mills, and 433 spinning mills. It has 40 out of the world's top 100 garments factories.

However, the challenges of the prevailing specialisation pattern are corroborated by the analysis of trade in value-added and related indicators of participation in global value chains.

According to a recent report by the UNCTAD, Bangladesh's vulnerability profile highlights that, although the country is approaching LDC graduation on the back of sustained progress and with strong political will, there is no time for complacency.

The UNCTAD Productive Capacities Index (PCI) shows that while Bangladesh has delivered steady improvements in the index during 2000-2018, it has consistently underperformed the LDC average productivity growth. In particular, out of the eight elements of the PCI, Bangladesh underperformed in seven components: ICT, transport, energy, institutions, private sector, structural change, and human capital.

READ MORE ON B2

US, Japan reach deal to cut tariffs on Japanese steel

REUTERS

The United States and Japan on Monday announced a deal to remove Trump-era tariffs from about 1.25 million metric tons of Japanese steel imports annually after Washington granted similar access for European Union steelmakers last year.

The new deal, which excludes aluminum, will take effect on April 1 and requires Japan to take "concrete steps" to fight global excess steel manufacturing capacity, largely centered in China, US officials said.

A joint US-Japan statement said Japan would start to implement within six months "appropriate domestic measures, such as antidumping, countervailing duty, and safeguard measures or other measures of at least equivalent effect," to establish more market-oriented conditions for steel.

The agreement, like the EU steel and aluminum deal reached in October, calls for steel imported from Japan to be completely produced in the country for duty-free access, a standard known as "melted and poured," to reduce the risk of Chinese steel skirting US tariffs.

"This is a step towards a solution... but we will continue to strongly urge the United States to fully eliminate the tariff in a manner consistent with WTO rules," Japanese industry minister, Koichi Hagiuda, said on Tuesday.

An official at the ministry said the exclusion of aluminum reflected the US position and was not a request by Japan.

Much of the Biden administration's trade efforts have centered around patching up strained relations with US allies that are market-driven democracies.

A worker stands near steel coils and steel rods at a steel collection facility in Tokyo. Japanese steelmakers are facing a supply glut, weak orders for drill pipe due to slumping oil prices, and softer-than-expected domestic demand, battering profits and output. PHOTO: REUTERS

US adds Chinese entities to red-flag export list

REUTERS, *Washington*

The US Commerce Department said on Monday it had added 33 Chinese entities to its so-called 'unverified list', which requires US exporters to go through more procedures before shipping goods to the entities.

The department said it was taking the step as it was unable to verify the legitimacy and reliability of those entities in relation to their use of US exports.

The entities included listed companies, universities as well as aerospace and electronics suppliers.

WuXi Biologics saw its stock plummet more than 25 per cent on Tuesday to wipe HK$77 billion ($9.9 billion) off its market value following the addition of its units in Wuxi and Shanghai to the list. Trade in its shares was later halted.