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Rosatom rules out delays in Rooppur power plant

STAR BUSINESS REPORT

Rosatom, the contractor of the Rooppur Nuclear Power Plant, dismissed the notion of potential delays in the construction of the project amid Russia's war on Ukraine even though some Russian banks might be excluded from the SWIFT messaging system.

"No disruption is foreseen in any of the commitments and work schedules in the construction of Rooppur Nuclear Power Plant," the state atomic energy corporation said in a statement yesterday.

In retribution to Russia's military operation in Ukraine, the EU, the US, France, Germany, Italy, Canada and Britain recently agreed to ensure that selected Russian banks are removed from SWIFT to harm their ability to operate globally.

Contacted, a managing

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Weavers work on threads in order to make lungis in a village in Ruhitpur union under Keraniganj upazila of Dhaka. The photo was taken recently.

PHOTO: AMRAN HOSSAIN

LDC GRADUATION Australia to continue duty-free facility

DIPLOMATIC CORRESPONDENT

Australia will continue its duty and quota free treatment for Bangladeshi exports even after the country graduates from least developed country (LDC) status in 2026.

The Pacific nation formally made this commitment at a meeting of the first Joint Working Group (JWG) on trade and investment held recently in Canberra, according to a statement of the Bangladesh High Commission in Canberra yesterday.

In 2019-20, the two-way trade between the two countries stood at \$2.6 billion, which may significantly increase in the coming years, officials said.

The Australian Trade Minister Dan Tehan, in a video message, said Australia and Bangladesh

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Local textile sales double in five years

Rising consumption, falling imports fuel growth

REFAYET ULLAH MIRDHHA

The textile market in Bangladesh is growing at a faster clip as annual sales have nearly doubled to \$9 billion in a span of five years riding on the production of diversified fabrics and the growing consumption of middle-income people.

Even five years ago, the sales were worth nearly \$5 billion, but the cut in reliance on foreign fabrics, the setting up of new machinery and the expanding middle-income groups have pushed up the growth of the local textile and fabrics market.

Among the textile items, saris, lungis, handloom-made towels, fabrics of salwar kameez, panjabi, shirts, trousers, bedsheets and curtains are produced locally.

Mohammad Ali Khokon, president of the Bangladesh Textile Mills Association (BTMA), says a woman customer consumes 40 metres of fabrics a year, which was 30 metres five years ago.

For a male consumer, it stands at 25 metres, up from 15 metres previously.

In the past, millers in Bangladesh used to produce mainly fabrics for saris and lungis. Now, local producers make the fabrics for shirts, trousers and other expensive

units and 1,200 dyeing mills are producing textile and fabrics to meet the local demand, said Monsoor Ahmed, chief executive officer of the BTMA.

More than \$2 billion worth of textile and fabrics are alone sold during Eid-ul-Fitr, the

Eid-ul-Fitr, Ahmed said, adding that Pahela Baishakh, the first day of the Bengali calendar, is the second busiest shopping season.

In the days leading to Pahela Baishakh, textile and fabric sales fetch more than \$1 billion, as people wear locally made clothing items to celebrate the Bengali New Year.

However, the local millers missed the sales bonanza of both Eid-ul-Fitr and Pahela Baishakh in the last two years because of the severe fallouts of Covid-19 as demand plummeted owing to the income drops and job losses of millions of people and the coronavirus restrictions, which disrupted the supply chain.

Now, in keeping pace with the recovery of the global economy, the primary textile sector in Bangladesh is also rebounding, so sales have picked up.

Khorshed Alam, managing director of Little Group, which produces yarn for both local and international markets,

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items as the demand for quality items has gone up a lot in recent years for the rise in income, Khokon said.

"The rising middle-income groups are fueling the growth of the fabrics made for the local markets."

Currently, 300 spinning mills, more than 10,000 small, medium and large weaving

main sales season for local businessmen and traders.

However, 60 per cent of branded clothing items for women are imported either through formal or informal channels as the demand rockets during the season, said Ahmed.

Zakat clothes are also one of the main items during the

Remittances hit 22-month low

STAR BUSINESS REPORT

Remittances declined 16 per cent year-on-year to \$1.49 billion in February, the lowest in the past 22 months, creating a further risk of widening the trade imbalance in the face of surging import bills.

The incoming remittance in February also fell 12 per cent compared to the previous month, according to data from Bangladesh Bank.

Remittances started to maintain a steep downward trend from June to November last year, after which it started to climb up during the December-January period.

However, the dazzling display did not continue last month even though the government increased the cash incentive for remitters on January 1.

The government raised the cash incentive for sending remittance through official channels to 2.5 per cent from 2 per cent in order to tackle the incessant downward trend, hitting the foreign exchange reserves adversely.

But the inflow failed to get its expected momentum despite the government's efforts as the hundi cartel, an illegal cross-boundary financial transaction system, has returned in full, a central bank official said.

The global economy has almost fully reopened as many nations have successfully contained the Covid-19 pandemic, which has helped the hundi cartel resume operations.

"Many expats are opting for informal channels to send remittance as they now receive more money against the dollar than what banks offer," said Syed Mahbubur Rahman, managing director of Mutual Trust Bank.

The inter-bank exchange rate stood at Tk 86 per dollar yesterday, but the rate is now around Tk 90 in the kerb market.

Export earnings increased in the recent months but import payments have escalated more, enlarging the ongoing pressure in the country's external sector, Rahman added.

Exports grew 27 per cent year-on-year to \$23.3 billion in the first half of this fiscal year while imports ballooned 54.5 per cent to \$39 billion.

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STOCKS	
DSEX ▲	CSCX ▲
0.21%	0.40%
6,753.78	11,835.78

COMMODITIES	
Gold ▲	Oil ▲
\$1,924.03	\$98.81
(per ounce)	(per barrel)

CURRENCIES		STANDARD CHARTERED BANK			
	\$ USD	€ EUR	£ GBP	¥ CNY	
BUY TK	85.05	94.37	113.21	13.24	
SELL TK	86.05	98.17	117.01	13.92	

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲	0.70%	1.20%	1.12%	0.77%
	56,247.28	26,844.72	3,278.63	3,488.83

ADP to see sharpest cut in six years

REJAUL KARIM BYRON and MD ASADUZ ZAMAN

The government is expected to trim the development budget by 7.88 per cent to Tk 207,550 crore for the current fiscal year because of the sluggish pace of implementation by public agencies.

The revised outlay is 92 per cent of the total allocation of Tk 225,324 crore, the steepest cut in six years, data from the Implementation Monitoring and Evaluation Division (IMED) showed.

The use of foreign aid is likely to see a 20 per cent, or Tk 17,774 crore, reduction in the revised Annual Development Programme (ADP), while the allocation from the government's coffers may be kept unchanged.

The government had planned to spend Tk 88,024 crore from external assistance. Now the amount could be reduced to Tk 70,250 crore at the meeting of the National Economic Council today.

In the original ADP, the government had contributed Tk 137,299 crore, while the revised allocation will put it at Tk 137,300 crore.

The health division, whose importance grew than ever because of the ongoing coronavirus pandemic, witnessed its allocation slash by Tk 3,509 crore to Tk 13,797 crore in the revised ADP.

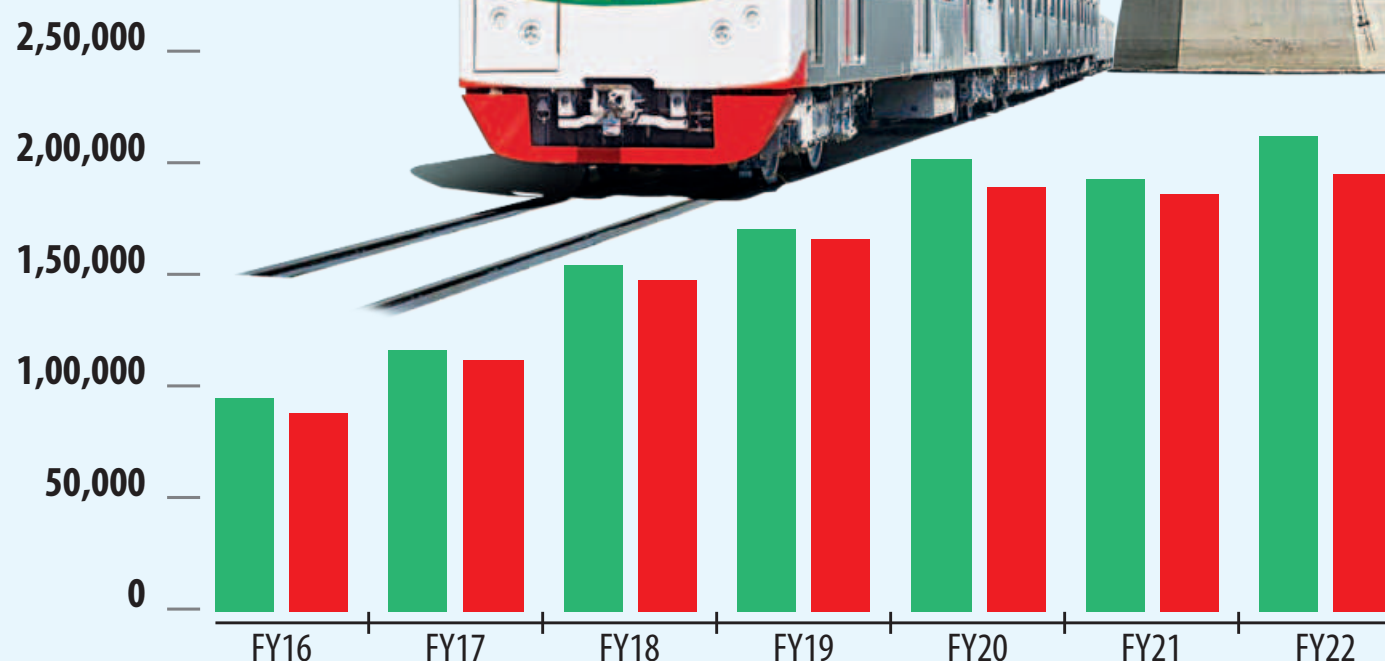
The division managed to spend only 13.18 per cent of the fund in the July to January period of the current fiscal year, according to the IMED.

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ADP: ORIGINAL AND REVISED ALLOCATIONS

(In crore taka) SOURCE: IMED

■ Original ■ Revised



GP first to introduce eSIM

STAR BUSINESS REPORT

Grameenphone, the country's top mobile phone operator, has launched eSIMs for the first time in Bangladesh and the new product will be available from March 7.

So, the customers will have the benefit of connectivity without a physical SIM card on an eSIM enabled device, according to a statement from the company.

"We are happy and inspired to bring in this advanced and climate-friendly technology to Bangladesh. As an early adopter of this innovative technology, we welcome everyone to join this journey," said Yasir Azman, chief executive officer of Grameenphone.

"There is no denying that climate change poses alarming concerns for Bangladesh and we must act responsibly by all means to protect our

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