

Star BUSINESS

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Prime Bank



The countryside is now dotted with lush green fields as the Boro season, which contributes 53 per cent to the total paddy produced in Bangladesh, is underway. The total area being used to cultivate the dry season rice crop stands at 49.09 lakh hectares, up nearly 3 per cent from 47.86 lakh hectares in the previous season. The photo was taken from Baliakhali village in Dumuria upazila of Khulna recently.

PHOTO: HABIBUR RAHMAN

High rice prices buoy Boro acreage

SOHEL PARVEZ

Farmers have planted paddy on increased areas of land during the current Boro cultivation season after being encouraged by higher prices for the staple grain in the domestic market for the last one year.

The total area being used to cultivate the dry season rice crop stands at 49.09 lakh hectares, up nearly 3 per cent from 47.86 lakh hectares in the previous season, according to data from the Department of Agricultural Extension (DAE) and Bangladesh Bureau of Statistics (BBS).

The DAE targeted acreage of 48.72 lakh hectares this Boro season.

The higher acreage buoyed expectations of better yields of the crop at a time when the country is reeling from soaring import costs for daily commodities, namely wheat, the second most consumed grain, and edible oil.

"As cultivation has increased, it can be assumed that we will get more than 2 crore tonnes of rice in the current Boro season unless there is a natural disaster," said Jahangir Alam, an agricultural economist.

"A spike in production will help stabilise the rice market," he added.

Bangladesh produced 3.76 crore tonnes of rice in fiscal 2020-21 with the Boro variety making up 53 per cent of the total amount, according to BBS data.

However, Alam said growers are spending higher for cultivation this season due to the increased cost of irrigation and ploughing after the government hiked diesel prices by 23 per cent to Tk 80 per litre in November last year.

READ MORE ON B3

Hopes of rapid recovery dashed by war headwinds

REJAUL KARIM BYRON and MD ASADUZ ZAMAN

Just as the economy was sailing smoothly to make a turnaround from the coronavirus pandemic, the Russia-Ukraine war has suddenly emerged as a major obstacle standing in the way of faster and full revival. And this, among other things, is likely to increase poverty and eat into growth, warned the International Monetary Fund (IMF), policymakers and experts.

The Ukraine crisis sent crude oil prices rocketing close to record levels of \$140 per barrel, while other commodities including aluminium, coal, copper, natural gas, nickel, tin, wheat and zinc have hit historic highs on supply fears.

The situation led the IMF, the World Bank, the Council of Europe Development Bank, the European Bank for Reconstruction and

Development and the European Investment Bank to warn on Friday of "extensive" economic fallout from Russia's invasion of Ukraine and expressed horror at the "devastating human catastrophe".

The higher prices of commodities would be more painful for a country like Bangladesh, which depends largely on the international market to feed its growing economy and a huge population.

And that pain is already visible.

The import costs of edible oil, namely soybean, crude soybean oil, palm oil, sunflower and wheat have gone up in the domestic market, biting the purchasing capacity of the low-income families, which have been struggling for the last two years for the pandemic-induced price shock.

Last week, the IMF said Russia's invasion of Ukraine

will affect the entire global economy by slowing growth and jacking up inflation, and could fundamentally reshape the global economic order in the longer term, reports Reuters.

And Bangladesh has started

domestic product (GDP) expansion in the current fiscal year ending in June.

But the IMF, in a recent report, said the pandemic would eat up Bangladesh's average potential growth rate by around 1.1 percentage points

impact on consumer spending," said State Minister for Planning Prof Shamsul Alam.

"If the spending decreases for the current situation, it may have some effect on the GDP growth."

In a rapid assessment of the war's impact, the United Nations Conference on Trade and Development (Unctad) last week painted a rapidly worsening outlook for the world economy, underpinned by rising food, fuel and fertilizer prices, heightened financial volatility, sustainable development investment, complex global supply chain reconfigurations and mounting trade costs.

Ukraine and Russia are global players in agri-food markets, representing 53 per cent of global trade in sunflower oil and seeds and 27 per cent in wheat.

Bangladesh has to import

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to feel the pinch of the conflict and it is likely to slow the economic recovery.

The economy grew 6.94 per cent in the last fiscal year despite the pandemic-induced losses and was heading for more than 7 per cent gross

during the fiscal years of 2020-21 through 2024-25.

"We have recovered faster from the pandemic-induced losses. But, the Russia-Ukraine war will affect us. It is affecting supply and prices of essential goods, which has a significant

Good number of apparel factories seek RSC membership

REFAYET ULLAH MIRDHA

A good number of old and new garment factories are now seeking membership of RMG Sustainability Council (RSC) as the audit standard of this tripartite platform is very high.

Primarily, 39 garment factories showed interest in joining the RSC although their safety standards have not been inspected by any neutral platform, which is an RSC membership eligibility criteria.

The RSC was assigned to monitor the progress in the introduction of safety measures at more than 1,700 garment factories in Bangladesh which had been inspected and remediated by Accord.

The 18-member RSC is formed with six representatives of trade unions, six of factory owners and six of international retailers and brands.

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AT A GLANCE





Some old and new factories want to be members of RMG Sustainability Council (RSC)



RSC was formed after the departure of Accord in May 2020



Some 39 factories showed interest to join immediately



Current member factories of RSC: 1,700



All the 1,700 factories were inspected and remediated by Accord



Union leaders want more scrutiny to be eligible for RSC compliance

SHIP HIT IN UKRAINE Govt makes \$22.4m insurance claim

STAR BUSINESS DESK

Bangladesh Shipping Corporation (BSC) is seeking \$22.4 million from its insurer for a cargo ship hit by a missile in March, government officials with knowledge of the talks said, in the first major marine insurance claim from the conflict in Ukraine, reported Reuters.

The UN's shipping agency said last week it would create a safe maritime corridor for merchant ships and crews stuck in the Black Sea and the Sea of Azov, although shipping industry sources expect progress to be slow. Projectiles have hit four other vessels in recent days with one sunk.

Insurance premiums have soared by over 100 per cent for voyages to the region since the war started. Insurers are watching closely for more claims that will ultimately increase costs further.

An explosion on the night of March 2-3 rocked the Bangladesh-flagged Banglar Samridhhi and killed a crew member. The vessel had been stuck in Olvia since February 24 after Ukraine closed its ports due to Russia's invasion.

Ukraine accused the Russian military of targeting the port facilities in a missile strike, while Russia's embassy in Dhaka said the circumstances of the incident were "being established". Russia denies targeting civilians or merchant ships.

Since then, the vessel's owner BSC has launched a claim with its insurer after abandoning the ship, a senior BSC official said.

The war risk cover was provided by state-owned Sadharan Bima Corporation of Bangladesh and reinsured through Lloyd's of London broker Tysers, a source at Sadharan Bima Corporation said.

The source added that Sadharan Bima's exposure was 10 per cent with Tysers covering the remaining 90 per cent.

"Luckily there was no cargo onboard when it reached Olvia port," the official said.

READ MORE ON B3

STOCKS		WEEK-ON-WEEK
DSEX ▲	CSCX ▲	
1.46%	1.31%	
6,765.59	11,890.54	

COMMODITIES		AS OF FRIDAY
Gold ▼	Oil ▲	
\$1,935.60	\$107.93	
(per ounce)	(per barrel)	

CURRENCIES		AS ON WEDNESDAY	STANDARD CHARTERED BANK
BUY TK	85.05	93.15	110.52
SELL TK	86.05	96.95	114.32

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▲ 1.84%	▲ 0.65%	▲ 0.24%	▲ 1.12%	
57,863.93	26,827.43	3,330.63	3,251.07	

Kuakata abuzz with tourists once again

SOHRAB HOSSAIN

Kuakata, a town in Kalapara upazila of Patuakhali, has become a hotbed for tourism once again as visitors are flocking to the popular seaside destination for much-needed rest and relaxation amid the receding coronavirus crisis.

As such, the local hospitality industry has hummed back to life following two years of continued losses due to the government-imposed restrictions on public movement that prevented social gatherings and travel in general.

Most recently, hotels and motels in Kuakata were booked solid for the just concluded three-day weekend that started on Thursday to mark Shab-e-Barat, a major holiday for the Muslim community.

"The hotels were booked long before the holiday began and since there are now more tourists in the area, those who are involved in related industries will also be able to overcome their previous losses," said Ruman Imtiaz Tushar, president of the Tour Operators Association of Kuakata.

Md Motaleb Sharif, general secretary of the Kuakata Hotel-Motel Owners Association, said a significant number of tourists are now staying in the area.

Sharif, also proprietor of the Kuakata Guest House, went on to say that all the rooms at his hotel which can accommodate up to 59 tourists have been booked for a week.

"This is helping me recover from pandemic-induced losses," he added.

Md Ratul, manager of Khan Palace, said his hotel has the capacity to accommodate a total of 129 tourists. "All the rooms were booked in advance of the three-day public holiday," he said, adding that the business downturn is almost over.



Tourists are seen packed like sardines at the panoramic sea beach in Kuakata, a popular tourist destination in the country's south. With the return of travellers, the local hospitality industry is finally bouncing back from pandemic induced losses. The photo was taken on Friday.

PHOTO: SOHRAB HOSSAIN

Investors weigh whether stocks have more bounce

REUTERS, New York

Wall Street stormed back this week after absorbing a long-awaited rate hike from the Federal Reserve, leaving investors to determine whether stocks are set for a sustained rebound or more turbulence.

Following a months-long drubbing, the S&P 500 delivered its best weekly gain since November 2020 as investors cheered increased clarity on monetary policy and an encouraging assessment of the US economy from the Fed. The surge cut the index year-to-date losses by nearly half, though it is still down 6.7 per cent for 2022 after falling into a correction last month.

Whether to hop on board the rally is a thorny question in a market that still faces its share of risks chief among them the hawkish rate hike path the Fed unveiled on Wednesday and geopolitical uncertainty over Russia's invasion of Ukraine.

Still, some big banks believe the worst may be over, for now. Strategists at UBS Global Wealth Management on Friday said the projected pace of Fed tightening is consistent with rising stocks and advised

clients to remain invested in equities.

JPMorgan earlier in the week forecast the S&P 500 would end the year at 4,900, about 10 per cent above Fridays close, saying that markets have now cleared the much-anticipated Fed liftoff with policy likely as hawkish as it gets.

Others are less sanguine. Worries that the Fed's fight against inflation could bruise growth were apparent in the bond market, where a flattening of the yield curve accelerated after the Fed's policy meeting this week. An inverted yield curve, in which yields of shorter-term government bonds rise above those of longer-term ones, has been a reliable predictor of past recessions.

Stubborn inflation, sky-high commodity prices and few signs of an end to the war in Ukraine further cloud the picture for investors, said Rick Meckler, a partner at Cherry Lane Investments.

The markets are more complicated now by interest rates, they are more complicated by inflation, and they are definitely more complicated by the Russian situation, he said. You had a lot of

people in this week who thought we made a bottom, but it's difficult to keep having higher and higher prices just based on that.

Many also believe the weeks sharp gains in stocks are unlikely to quiet the economic concerns that fanned bearish sentiment in recent months.

Fund managers' allocation to cash stand at their highest levels since April 2020, according to BofA Global Research's monthly survey. Bearish sentiment among retail investors is close to 50 per cent, the latest survey from the American Association of Individual Investors showed, well above the historic average of 30.5 per cent.

"The thing we are most concerned about right now... is really a question of whether we are going to go into a recession or not," said King Lip, chief strategist at Baker Avenue Asset Management.

Wary of a potential "stagflationary" environment of slowing growth and rising inflation, Lip's firm is investing in energy shares, commodities and precious metals such as gold ETFs or gold-mining stocks.

Bangladesh among top 10 Indian wheat importers

STAR BUSINESS REPORT

Bangladesh was among the top 10 importing countries of Indian wheat in the 2020-21 fiscal year, according to the Indian commerce ministry.

India's wheat is mainly exported to the neighbouring countries and Bangladesh has the largest share of more than 54 per cent in both volume and value terms in 2020-21, data from the Directorate General of Commercial Intelligence and Statistics (DGCIIS) of India's commerce ministry showed.

However, the top 10 countries imported more than 99 per cent of India's wheat in 2020-21, reports our New Delhi correspondent.

The other nine top importing countries are Nepal, United Arab Emirates, Sri Lanka, Yemen, Afghanistan, Qatar, Indonesia, Oman and Malaysia.

India's wheat export increased to \$1.7 billion in April-January period of 2021-22 from \$340.17 million in the same period the previous year, posting a huge 387 per cent year-on-year rise.

India is the second largest producer of wheat with a share of around 14.14 per cent of world total production in 2020.

India produces around 107.59 million tonnes of wheat annually and a major chunk of it goes towards domestic consumption.

Veon's group CEO due today

STAR BUSINESS REPORT

Kaan Terzioglu, group chief executive officer (CEO) of Banglalink's parent company Veon, is scheduled to arrive in Dhaka today for a four-day visit.

During his visit to Bangladesh, Terzioglu will meet several stakeholders and government dignitaries to discuss the progress of Bangladesh's digital transformation, challenges in the telecom industry, and Veon's growth strategy for Banglalink, according to a statement.

"Bangladesh has a special significance for VEON. I am keen to see first-hand how Banglalink is driving VEON's ambitions in this vibrant and fast-growing country," Terzioglu said.

"My engagement with our Banglalink colleagues, partners, and government officials will help us further contribute and enhance the country's digital progress, both now and in the future," he added.

Terzioglu was appointed as group CEO of Veon on July 1 last year. His career spans over 30 years in regional and global leadership roles in management consultation, technology, and telecommunications.



Gazi Mahfuzur Rahman, sales and marketing director of LafargeHolcim Bangladesh, inaugurated a two-day "Retailers Meet 2022" in Cox's Bazar recently, attended by almost 1,000 retailers. The performances of the previous year and strategies for the current year were discussed. All regional sales managers along with other officials were also present.

PHOTO: LAFARGEHOLCIM BANGLADESH

Global lenders see

FROM PAGE B4

Attacks on civilians and their infrastructure were "causing tremendous suffering, creating massive population displacements, threatening international peace and security, and endangering basic social and economic needs for people around the world."

"In addition to the devastating human catastrophe unfolding in Ukraine, the war is disrupting livelihoods throughout the region and beyond," the statement said.

The UN says more than three million people have

fled Ukraine since Russia launched its assault on February 24, with more than two million crossing into EU member Poland.

The finance bodies also warned that the fast-moving crisis would hobble the world economy's recovery from coronavirus.

"The impacts will be extensive -- from reduced energy and food supplies, to increases in prices and poverty and a massive undertaking of Ukraine's reconstruction, all of which will hamper the post-pandemic recovery around the world," they said.



Mohammad Nawaz, chairman of Risk Management Committee of South Bangla Agriculture & Commerce (SBAC) Bank, and Mosleh Uddin Ahmed, managing director and CEO, handed over a donation of Tk 5 lakh to Gazi Md Mozammel Haque, joint secretary to Bangladesh Kabaddi Federation and additional deputy inspector general of Bangladesh Police, at the police headquarters in Dhaka recently. The donation under the bank's corporate social responsibility programmes was for organising "Bangabandhu Cup 2022 International Kabaddi Tournament".

PHOTO: SBAC BANK

'Happytialism' to drive

FROM PAGE B4

Besides the regulatory compulsions, there are pure business reasons for which organisations should consider happytialism as the guiding principle for their businesses. A study suggests that a purposeful business and earning profit are not mutually exclusive strategies. As consumers are becoming more socially mindful, they expect the companies from which they buy products or services to act responsibly towards society as well.

Research findings show that consumers are willing to pay more for the products or services that serve greater purposes. According to a survey conducted by Nielsen in 60 countries, 55 per cent of consumers worldwide are ready to pay more for products and services provided by companies that are committed to positive social and environmental impact.

Another survey shows 81 per cent of global respondents feel strongly that companies should help improve the environment.

Famous management guru Stephen Covey says a human has four basic components: a physical body; a mind capable of independent thought and analysis; a heart that can feel emotion; and a spirit -- soul or philosophical centre. It is quite noticeable that consumers in today's world are not only contented with the functional or emotional fulfilment, they consciously look for the fulfilment connected with the human spirit from the products or services they buy.

Issues like environment, labour rights, and corporate social responsibility are becoming critically important factors that influence consumers' purchase decisions.

Clearly, consumers are inclining towards

the companies that are fulfilling the deepest of needs associated with removing some of the anxieties about making the world more livable and happier.

Philip Kotler, in his book titled Marketing 3.0: From Products to Customers to the Human Spirit, suggested some effective measures to deal with the changes in consumer behaviours. He has recommended taking approaches that are more human-centric.

Affection, love, joy, authenticity, empathy, compassion, and soulfulness are some of the most critical and deep-rooted things that, in fact, drive human beings. Companies must take these critical factors into consideration while designing their campaigns or overall strategies.

Studies show that companies with passion and greater purpose are

endeared by the customers. These companies are highly profitable as well. Research findings also show that not only do they have happy and loyal customers, their employees are more fulfilled, they have innovative and profitable suppliers, and they also have environmentally healthy communities. All these factors actually lead to sustainability and happiness.

Companies must also focus on the well-being of the employees due to the fact that well-being boosts employee morale radically, fosters teamwork, and enhances productivity and job satisfaction. Eventually, the bottom line improves.

A study conducted by US-based reputed human resources consulting firm QC Tanner suggests that 25 per cent of companies with the largest health promotion budgets have seen an 8 per cent year-on-year improvement in the

proportion of employees in good or excellent health and a 16 per cent year-on-year reduction in productivity loss.

Successes of the businesses in today's world would largely depend on two critical factors: happy employees and happy customers. In order to make employees happy, well-being plays a pivotal role. On the other hand, with a view to making consumers happy, companies need to build their organisations around a serious and deep purpose.

Businesses would certainly play a critical role to build a happier world. The sooner they realise this and incorporate the spirit of happytialism in their policies, the better it would be for them as well as for Mother Earth.

The author is chairman and managing director of BASF Bangladesh Ltd. Views are personal.



Science and Technology Minister Yeafesh Osman, sitting fifth from left on top row, attended as chief guest the prize-giving and closing ceremony of Bangladesh Academy of Sciences-First Security Islami Bank 12th National Science Olympiad-2022 at the University of Dhaka on Friday. Tohurul Hoque, executive vice president of First Security Islami Bank, was the special guest at the event, presided over by Professor Emeritus Dr Abul Kalam Azad Chowdhury. Professor Mesbahuddin Ahmed, coordinator of the Olympiad, and Professor Hasina Khan, secretary to the academy, were also present.

PHOTO: FIRST SECURITY ISLAMI BANK



Local entrepreneurs expressed their frustration, saying that the fair had not met expectations due to various reasons, causing them to incur huge losses. They blamed a lack of facilities such as electric fans, the venue selection being wrong, necessity of entry tickets and a lack of publicity. PHOTO: MIRZA SHAKIL

BSCIC fair in Tangail fails to live up to expectations

MIRZA SHAKIL, Tangail

An ongoing fair in Tangail to display products of small and medium-sized enterprises (SME) has been far from being able to draw buyers and visitors as per expectations, frustrating participants.

Tangail municipality Mayor Sirajul Haque Khan Alamgir inaugurated the 15-day fair at the Outer Stadium on March 10.

It was organised by the Tangail unit of the Bangladesh Small and Cottage Industries Corporation (BSCIC) with the aid of the district administration.

The BSCIC officials said the annual fair was organised after two years due to the pandemic.

A total of 72 stalls have been erected at the fair and of these, only 10 have been found to be of local SME.

The local entrepreneurs expressed their frustration, saying that the fair had not met expectation due to various reasons, causing them to incur huge losses.

"Although over a week has already passed, buyers are not showing their interest to come to the fair," said

Sultana Bilkis, a female entrepreneur and owner of stall "Gharo Ladies Fashion" displaying woodblock print and boutique items.

"Although the fair runs from 10:00am to 10:00pm, only a few visitors were arriving in the afternoon and buying nothing," she said.

Several other local women entrepreneurs including Elee of Elee Boutique, Ashika Khan of Khan Exclusive which offers handloom and jute products, and Ayesha Parvin of Ayesha Boutique also expressed frustration at almost nothing being sold in the past one week.

They blamed a lack of facilities such as electric fans, the venue selection being wrong, necessity of entry tickets and a lack of necessary publicity.

"We had requested the authorities for arranging the fair at Shaheed Srity Pouru Udyan, which sits right in the middle of the town, to draw crowds to the fair but the organisers paid no heed to our request," told Elee.

Saleha Khatun, a resident of Purbo Adalatpara in the town, said she along with her in-laws went to the fair hoping to buy some special products of local

entrepreneurs at a cheap cost.

But they returned empty-handed as there was almost nothing at the fair but some stalls showing some very common and ordinary items, which are available in local markets, she said.

"I could not understand why such a poor fair has been organised when a trade fair selling such common items ended in the town only a few weeks ago," she said.

Shahida Alam, an entrepreneur and owner of Womens' World, said the fair was supposed to promote products of local entrepreneurs but the BSCIC failed to bring them to the fair.

The organisers allowed mostly traders of common items at the fair charging Tk 15,000 for each stall and all participants are incurring huge losses every day, she said. "Then why has the fair been organised?" asked Shahida, also convener of the Tangail women's chamber of commerce.

Informed of the allegations, Shahnaz Parvin, assistant general manager of the BSCIC Tangail unit, said they also wanted to arrange the fair at Shaheed Srity Pouru Udyan in the town but did not get permission to use the venue.

"The committee has allocated stalls for other (non-SME) traders as only a few local entrepreneurs showed their interest to take up stalls in the fair," she said.

As for the other allegations, she said those were decision taken by an "organising committee".

Mirza Masud Rubol, president of Entrepreneur Forum in Tangail, an organisation of local small-scale enterprises refuted Parvin's claims. He said there were a few hundred small-scale enterprises in the district and they would have taken part in the fair had the BSCIC authorities invited them.

"In fact, they organised the fair in a whimsical way," alleged Masud.

On the other hand, some locals and sports enthusiasts criticised arranging the fair at the Outer Stadium, pointing out that children practice cricket there every day.

"My son do practices cricket on several concrete pitches at the Outer Stadium under an academy," said Rokhsana Akter, a resident of Old Bus Stand area in the town.

"The academy's children were told to hold their practice at the adjacent Eid Gaon field due to the BSCIC fair," she said.

South Korea plans more investment in Bangladesh

Says ambassador

PORIMOL PALMA, back from Narsingdi

South Korea is looking at bringing in investments of major Korean brands like Samsung, Hyundai and Daewoo to Bangladesh in the areas of construction, engineering, electronics and automobiles as Bangladesh is improving associated environments and expanding the market base.

"So far, our investments were mainly in readymade garment sector. I think it is about eighty per cent.

Now we are diversifying our investments and it will continue to go up," South Korean Ambassador to Bangladesh Lee Jang-keun said yesterday.

He was speaking to members of the Diplomatic

Correspondents' Association of Bangladesh (DCAB) during a media visit to Fair Electronics' manufacturing plants in Narsingdi, which were set up in association with Samsung in 2017.

The plants manufacture mobile phone, refrigerator, television, air conditioner, microwave oven and washing machine with the label "Made in Bangladesh".

Lee said in the middle of this year, Fair Group would start assembling cars in association with Hyundai in Bangladesh – a fact that demonstrates how Korean private companies were increasingly becoming interested in investing here.

South Korea has so far invested \$1.3 billion and annual investment from Korea now stands at \$100 million, he added.

"South Korean companies are eager to invest here because its market is expanding, it has demonstrated sustained economic growth, its labour cost is comparatively lower and the government is improving its policy support," Lee Jang-keun said.

Asked if they were facing any challenges, he said the customs and tax regulations were complicated, which needed to be simplified and made consistent.

"The good thing is that the government is now listening to us," he said.

The Bangladeshi companies exporting to non-traditional countries get incentives but the Korean companies in the export processing zones do not get that, the Korean envoy said, requesting the Bangladesh authorities to provide similar incentives to the Korean companies.

Fair Group Chief Marketing Officer Mohammed Mesbah Uddin, Advisor Hamid R Chowdhury, director Mutassim Daiaan and DCAB President Rezaul Karim Lotus also spoke.

Good number of apparel

FROM PAGE B1

Comprising 200 European clothing brands and retailers, the Accord is an independent agreement designed to make all garment factories in Bangladesh safe workplaces.

However, many new factories have been formed after the Accord packed up operations from the country in May 2020.

Many factories also did not get Accord certification as they failed to meet its standards.

There are some factories which could not maintain the Accord's standards but are now doing business, said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association.

They have either shifted to new buildings or improved their safety standards but have been

certified neither by the Accord nor the RSC, said Hassan, also an RSC board member.

"We also want the inclusion of the garment factories in the RSC so that the safety standard of all garment factories is improved," he said.

Hassan was talking to The Daily Star over the phone after a board meeting of the RSC at Amari Dhaka, the first in-person meet to be organised since the pandemic surfaced.

At the meeting, the RSC categorised some factories as "orphans".

Left out by the Accord signatories, these factories are now functioning but neither the RSC nor any platform will take responsibility of ensuring their safety.

"So, nobody will be made responsible if any accident takes place in

those factories. They are like orphans," said Hassan. "We want to bring them under the purview of the RSC so that their safety standard can be improved under the guideline of the RSC," he said.

Hassan said this, however, may take two months to three months as there were many complexities in enabling an RSC membership for a factory.

Amirul Haque Amin, another board member representing the unions and co-chair of the RSC, said according to the RSC rules, at least 18 months need to elapse after a factory severs ties with Accord to be an RSC member.

So it may take a few more months for many factories to be a member of the RSC as they are yet to fulfil the 18-month requirement, he

said.

"We will have to discuss the safety issues more for making the new and orphan factories members of the RSC," Haque also said.

In the meeting, chaired by Dan Rees, director of Better Work of International Labour Organization and also convener of the RSC, board members discussed issues related to garment workers' health, he said.

Amin said the government should also come up with more initiatives for improvement of garment workers' health.

China Rahman, another board member representing the unions at the RSC, echoed Amin.

The factories want to be the RSC members mainly for their own benefits, she told The Daily Star over the phone.

Hopes of rapid recovery dashed

FROM PAGE B1

nearly 90 per cent of its requirement for wheat, so its prices surged after the war broke out owing to the export disruption from the Black Sea region.

Bangladesh relies on Russia for 3.7 per cent of its agri-food commodity supply, whereas it is 2.1 per cent on Ukraine, showed the Unctad report.

Increased petroleum and fertiliser prices have piled up the subsidy burden on the government. Prices of fertiliser, which had been on the rise even prior to the war, has soared since the conflict began. Bangladesh depends on Belarus and Russia for the Muriate of Potash.

Zahid Hussain, a former lead economist at the World Bank's Dhaka office, said, "The war situation is still fluid. It is difficult to predict when the war will end, causing an unstable situation in our commodity and financial markets."

He thinks the volatile

situation will lead to higher inflation because the government has no control over imported items.

Excessive subsidies will put pressure on the balance of payments and government budget management, and the cost of projects will rise as machinery is usually imported.

Bangladesh's current account deficit hit an all-time high of \$10 billion in the first seven months of the ongoing fiscal year due to a widening trade deficit and dwindling remittances.

On March 15, foreign currency reserves stood \$44.18 billion, down from \$46.01 billion at the end of June last year, driven by ballooning import payments, Bangladesh Bank data showed.

The cost of imports went up as the exchange rate rose to Tk 86 per USD, up from Tk 84.8 on the last day of June in 2021.

As such, the cost of a number of import-

dependent commodities has jumped, hitting the poor and forcing them to queue for hours to buy essentials from the trucks of state-run Trading Corporation of Bangladesh.

Analysts say this would slow the process of lifting people out of poverty, which rose to 24 per cent last fiscal year as millions lost jobs and incomes plummeted owing to the pandemic, according to an internal estimate of the government.

The World Bank estimates that the poverty rate was around 30 per cent, up from 20 per cent before the pandemic.

And Washington-based Center for Global Development said on Friday that massive price spikes for food and energy sparked by Russia's invasion of Ukraine will push more than 40 million people into extreme poverty globally.

Zahid Hussain said it will take a long to recover

the loss in the education sector. "As a result, our productivity will suffer in the long run."

Prof Alam did not completely agree with the IMF projection about the GDP growth in the 8th Five-Year plan period.

"It may decline a bit from what we have targeted. It may be around 8 or 8.15 per cent by 2024-25," he said.

Prof Alam says the government's main priority now is to strengthen the agriculture sector.

"Our goal is to raise production and continue to export some products. If more subsidies are needed, we will provide."

The government will also place emphasis on the private sector so that it keeps operating smoothly.

"We will continue supporting SMEs through loans and incentive programmes," said Alam.

"The government is trying to make recovery in all possible ways."

Govt makes \$22.4m insurance

FROM PAGE B1

"The ship was supposed to take ball clay from the port before travelling to Italy," he said, referring to a material used in making ceramics.

Tysers did not respond to requests for comment.

Syed Shahriyar Ahsan, managing director of Sadharan Bima Corporation, confirmed that BSC made the claim of \$22.48 million.

"We have proper insurance arrangement. This will not be a problem."

BSC Managing Director Commodore Suman Mahmud Sabbir told Reuters separately that it would take time to process the claim.

"Without removal of the vessel outside the war area, the war risk insurer can't send their surveyor to assess the quantum of damages. We are taking all necessary action to uphold our interests for sure," Sabbir said.

London's marine insurance market has widened the area of waters it considers high risk in the region as the conflict intensifies and perils to merchant shipping grow.

"On paper, this should be a straightforward claim. But given the situation inside Ukraine, this could take time to process, especially if more (documentation) is needed," an insurance industry source said.

Viktor Vyshnov, deputy head of Ukraine's maritime administration, told Reuters that the vessel was at anchor in the port with no crew onboard. The remaining 28 crew members were evacuated back to Bangladesh.

"The captain of the port is looking for some crew to come onboard," he said.

Vyshnov confirmed the ship's bridge was damaged when the missile hit although it was unclear if the engine was disabled.

Ships typically have protection and indemnity (P&I) insurance, which covers third-party liability claims, including environmental damage and

injury. Separate hull and machinery policies cover vessels against physical damage. This is in addition to war risk cover.

Stale Hansen, president of Norwegian ship insurer Skuld, told Reuters that vessel was entered with them for P&I, adding that "given the war circumstance of this casualty, this loss is being handled by war underwriters".

The last war risk ship casualty involved the Liberian-flagged, Japanese-owned oil products tanker Mercer Street, which was damaged by a suspected drone attack off Oman, killing two crew members in July last year.

High rice prices buoy Boro

FROM PAGE B1

"Cost of farm labour also rose," he added, suggesting the government buy the grain from farmers at Tk 30 per kilogramme (kg) in the coming procurement season instead of the previous Tk 27 per kg.

FH Ansarey, president of the agribusiness division of ACI Ltd, said farmers planted Boro rice by cutting down on vegetable and wheat cultivation.

"Prices of both paddy and rice are attractive," he said. Yesterday in Dhaka, prices of the coarse grain were 1 per cent higher at Tk 45 to Tk 48 per kg

compared to the same day a year ago, showed data from the Trading Corporation of Bangladesh.

Ansarey said sales of hybrid rice seeds grew 18 per cent year-on-year to nearly 13,000 tonnes this cultivation season from the previous year's 11,000 tonnes.

"We have also seen good sales of inbred rice," he said, expecting that overall yields would be higher if weather remains favourable.

"In this time of volatile commodity prices in the global market and concerns over the supply

of grains, increased acreage provides a relief as higher production will cut our cereal import dependence," Ansarey added.

Bangladesh imported 9.58 lakh tonnes of rice between July 1 and March 14 of the ongoing fiscal year. The amount was 70 per cent of the total rice imported in the previous fiscal year, according to food ministry data.

Anwar Faruque, former agriculture secretary, said estimates of acreage should not be inflated since over estimation of cultivation would affect overall food planning, and thereby

market prices. He suggested agricultural agencies gather data to come to proper estimates on the area being used to grow Boro paddy. "This will be instrumental in planning," Faruque added.

DAE Director General Md Benojir Alam expects good yields because of rainfall last month.

"Besides, acreage of hybrid rice which provides higher yields compared to inbred varieties has risen as well," he said, adding that hybrid rice acreage is 22.5 per cent of the total Boro area this season.

Food price spikes may push 40m into extreme poverty

Think tank says

REUTERS, Washington

Massive price spikes for food and energy sparked by Russia's invasion of Ukraine will push over 40 million people into extreme poverty, the Center for Global Development (CGDEV) said on Friday, warning against export curbs and sanctions on Russian food production.

In an analysis blog, the Washington-based think tank said food commodity prices since the start of the conflict have risen above levels experienced in price spikes in 2007 and 2010. It cited World Bank Research showing that the 2007 spike may have pushed as many as 155 million people into extreme poverty, and separate research showing the 2010 episode pushed 44 million into extreme poverty.

Higher prices will force "hard choices between food and other necessities."

"Price increases seen to date are already of a similar magnitude to the 2010 increases, and our analysis suggests at least 40 million people will be pushed into extreme poverty by the 2022 price spike," CGDEV researchers wrote.

The World Bank defines extreme poverty as living on less than \$1.90 a day.

The researchers said the most immediate concern was for direct wheat customers of Ukraine and Russia, which together account for more than a quarter of world wheat exports. These include Egypt, Indonesia, Bangladesh, Pakistan, Azerbaijan and Turkey, but prices will rise worldwide as importers compete for alternative supplies.

Households in low-income countries allocate nearly half of their budgets to food, and higher prices will force "hard choices between food and other necessities." The CGDEV blog urged development agencies and international finance institutions to move quickly to respond to a clear increase in humanitarian needs around the world, while wealthy governments should provide supplemental funding to the institutions well in advance of the coming food crisis.



Vietnamese dwarf palms are short in stature as the name implies, and although they have smaller lifespans compared to taller varieties, these coconut trees are comparatively faster at bearing fruit. The photo was taken recently.

PHOTO: KONGKON KARMAKER

Dwarf coconut trees offer shortcut to success

KONGKON KARMAKER

Kazi Abu Saad Chowdhury, a resident of Ghoraghat upazila in Dinajpur, has found an answer to his financial woes in the form of Vietnamese dwarf coconut trees.

Vietnamese dwarf palms are short in stature as the name implies and although they have smaller lifespans compared to taller varieties, these coconut trees are comparatively faster at bearing fruit.

While orchards growing fruits such as lychee, mango and guava are commonplace, coconut tree plantations are a rare sight in the region due to its unfavourable climate and soil composition.

But considering the high local demand for coconuts, Chowdhury dreamed of planting the exotic variety ever since he came to know of it. Chowdhury was unemployed for a prolonged period after attaining his bachelor's degree and spent a couple of years in Dhaka searching for a job.

He eventually returned to Ghoraghat where he started a cattle farm and later engaged in aquaculture. Still though, his earnings were insufficient to meet his family's monthly needs.

Chowdhury then learned about the Vietnamese dwarf coconut tree at the end of 2017 and after gathering enough information on how to cultivate



it, he planted 50 saplings on 1.5 acres of land in the area.

Having bought the saplings for about Tk 500 per piece from the local Department of Agricultural Extension (DAE) in mid-2018, his starting cost was around Tk 70,000 while other inputs included fertiliser that had to be applied every six months.

However, he mentioned that caring for the trees did not require much labour.

After carefully nurturing the trees with advice from the DAE, Chowdhury's dream finally came true when they started bearing fruit by the end of 2020.

Yields at the time were initially limited but after finding initial success, Chowdhury expanded his coconut cultivation the following year.

Now, many local youths

in the region that have been inspired by Chowdhury are looking to produce coconuts on a commercial basis.

As each full-grown dwarf coconut tree reaches a maximum of just four or five metres in height, it is easy to pluck the low-hanging fruit.

At first, Chowdhury sold the 100 coconuts he got from 47 plants at about Tk 40-45 per piece depending on the size.

However, he stopped selling the coconuts themselves and instead concentrated on producing saplings to supply interested locals.

"These plants are a perfect fit for our climate and soil," Chowdhury said.

"I am now selling each sapling for Tk 500 to Tk 600 per piece as there is high demand from local youths who are very interested to make orchards of this exotic coconut

on their land," he added.

Chowdhury went on to say that his orchard earned him about Tk 3 lakh so far and his earnings would only grow in the future thanks to rising production.

Chowdhury cultivated an additional 50 Vietnamese dwarf coconut trees on an acre of land this year and expects a yield of about 250 to 300 pieces of the fruit from each plant.

There is high demand for green coconut round the year but demand increases manifold during Durga Puja, the largest religious festival for the country's Hindu community.

However, the local demand for coconut in the region is met by fruit brought in from the northern parts of the country.

Chowdhury said five local youths have already established coconut orchards like his, and that such initiatives would help meet the supply deficit.

Ezamul Haque, deputy director of the Department of Horticulture under the DAE in Dinajpur, said many exotic fruits like Vietnamese dwarf coconuts were being grown in the region and its adjoining districts.

"These plants are profitable and need less labour and investment," he added.

According to data from the DAE in Dinajpur, nearly one lakh Vietnamese dwarf coconut tree saplings were sold to local farmers between 2015 and 2018.

'Happytalism' to drive sustainable business growth

SAZZADUL HASSAN

Happiness is a fundamental human goal. The General Assembly of the United Nations had recognised the relevance of happiness and well-being as universal goals back in 2012 and called for a more inclusive, equitable and balanced approach to economic growth that promotes the happiness and well-being of all human beings.

According to a UN resolution, there are three factors that hinder happiness: poverty, inequality, and environmental hazards.

This famous resolution was initiated by our neighbouring country Bhutan, who acknowledged the value of national happiness over national income since the early 1970s. It was



Jigme Singye Wangchuck, the fourth king of Bhutan, who decided to measure the progress of his citizens by their happiness instead of by their wealth.

The king introduced the GNH (Gross National Happiness) in place of Gross Domestic Product (GDP). Eventually, in 2012 the General Assembly acknowledged

this concept and launched a project called United Nations New Economic Paradigm (NEP) with an objective to achieve the global happiness and well-being of all life on earth by 2050.

On Earth Day 2019, the NEP project called all citizens and nations to unite in making bold and swift paradigm shifts in their approach

to sustainable economic and human development, as well as to daily life - by transitioning from capitalism to 'happytalism', a new economic system, socio-political philosophy, and human development paradigm that places the primacy of happiness, well-being, and freedom at the centre of human development and all life.

In the backdrop of the paradigm shift of the mindset of the policy-makers and ultimately the consumers, business leaders need to incorporate the principles of happytalism into their policies and strategies to ensure sustainable business growth

In the backdrop of the paradigm shift of the mindset of the policy-makers and ultimately the consumers, business leaders need to incorporate the principles of happytalism into their policies and strategies to ensure sustainable business growth. From the perspective of the business, happytalism has two key components: happy consumers and happy employees.

It is generally believed that earning profit is the primary objective of business organisations. Not many organisations are so concerned about the emotional, social, or environmental impacts they have on the society they operate in.

However, off late, it is being observed that there has been increasing awareness about these important topics among policymakers and consumers as well. As a result, the regulatory environment is becoming stringent.

New regulations are being framed to protect society and its inhabitants. Corporations are being brought under intense monitoring of the regulators who are more vigilant nowadays.

One such regulatory change took place in France, where the government passed a legislation called PACTE in 2019. As a result, every company should have a corporate purpose and must care for the social and environmental issues arising from their activities.

READ MORE ON B2

UKRAINE WAR

Global lenders see widespread economic fallout

AFP, London

The International Monetary Fund, the World Bank and other top global lenders warned Friday of "extensive" economic fallout from Russia's invasion of Ukraine and expressed horror at the "devastating human catastrophe".

"The entire global economy will feel the effects of the crisis through slower growth, trade disruptions, and steeper inflation, harming especially the poorest and most vulnerable," they said in a joint statement, warning that the conflict was increasing poverty.

"Higher prices for commodities like food and energy will push inflation up further."

The Ukraine crisis has sent oil prices rocketing close to record levels of \$140 per barrel, while other commodities, including aluminium, coal, copper, natural gas, nickel, tin, wheat and zinc have hit historic highs on supply fears. The statement was issued a day after a meeting to discuss the global impacts of the Ukraine war - and their individual and collective responses to the escalating crisis.

Other signatories included the Council of Europe Development Bank, the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB).

"We are horrified and deeply concerned about the Russian invasion of Ukraine and the ensuing crisis," the lenders said.

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Pump jacks operate at dusk near Loco Hills in Eddy County, New Mexico. The Ukraine crisis has sent oil prices rocketing close to record levels of close to \$140 per barrel, while other commodities have also hit historic highs on supply fears.

PHOTO: AFP/FILE

Rouble down near 25pc in 4 weeks

REUTERS

The Russian rouble fell in light trading in Moscow on Friday, with trading on separate exchanges stabilising beyond 100 to the dollar, after the central bank opted to hold rates at 20 per cent and said it would start purchasing OFZ government bonds.

The central bank kept its key interest rate unchanged on Friday, in line with a Reuters poll of analysts, following an emergency rate hike in late February, but warned of higher inflation and an economic contraction this year, without giving new forecasts.

The central bank's actions have come in support of an economy buckling under the stress of sanctions from across the globe, triggered by Russia's invasion of Ukraine late last month.