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SCAN FOR DETAILS



The central effluent treatment plant at Savar Tannery Industrial Estate is not fully functional yet, which is why, tanners are still discharging harmful chemicals into the Dhaleshwari river.



PHOTO: PALASH KHAN

SAVAR TANNERY ESTATE

Another Eid-Ul-Azha comes, but CETP not fully ready

SUKANTA HALDER and MD ABU TALHA SARKER

Bangladesh keeps losing out on tapping its vastly unutilised cattle rawhides as the central effluent treatment plant (CETP) at the Savar Tannery Industrial Estate is not fully ready yet.

This means the estate, set up at a cost of Tk 1,015 crore over a period of 18 years, will not be able to treat all of the rawhides to be generated during Eid-ul-Azha next week.

This is because the estate has not made significant progress in putting in place a fully functional liquid and solid waste management, a salt purification system and the common chromium recovery unit (CCRU).

As a result, the estate will keep discharging harmful chemicals into the Dhaleshwari river, polluting its water and causing severe environmental

pollution.

The CETP, which cost Tk 521 crore, has a capacity to treat 25,000 cubic metres of waste per day. The demand rises to 42,000-45,000 cubic metres during Eid-ul-Azha.

This prompted the estate authorities to start



rationing to cope with the additional pressure during Eid so that effluents from 134 tanneries up and running are not released at the same time.

"We have initiated a rationing system so that the capacity of CETP can be used," said Mustak Ahmed, managing director of the estate and a deputy secretary of the industries ministry.

He said a letter has been issued to the tanners informing them about the rationing system.

UNFINISHED TASK

The capacity of the CCRU is 1,050 cubic metres a day, way lower than 5,000 cubic metres it receives. The chromium recovery is not possible owing to the untreated chromium, according to a document of Dhaka Tannery Industrial Estate Waste Treatment Plant Company (DTIEWTPC), set up to run the CETP.

A tanner is supposed to send chromium effluents

READ MORE ON B3

Relaxed loan rescheduling for rawhide traders

STAR BUSINESS REPORT

Bangladesh Bank has relaxed loan rescheduling rules for rawhide traders to ensure availability of sufficient funds during Eid-ul-Azha, which is celebrated through animal sacrifice.

The Eid, which is due to be observed on July 10, accounts for around half of the rawhide the country generates annually.

A good number of rawhide traders have become loan defaulters because of the economic fallout of the coronavirus pandemic, the Russia-Ukraine war, and the recent floods in the north-eastern region of Bangladesh.

A BB notice on Thursday said the rescheduling can be availed through a 2 per cent down payment on outstanding loans and the facility can be availed until August 31.

Businesses, which earlier put up the required collateral with banks to manage loans, will be permitted to enjoy the facility.

Those that did not can avail the support by showing that they have a sufficient amount of rawhide at their repositories.

READ MORE ON B3

STOCKS		WEEK-ON WEEK
DSEX ▲	CASPI ▲	
0.78%	0.58%	
6,376.94	18,727.51	

COMMODITIES		AS OF FRIDAY
Gold ▲	Oil ▲	
\$1,809.91	\$108.50	
(per ounce)	(per barrel)	

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▼ 0.21%	▼ 1.73%	▼ 0.21%	▼ 0.32%	
52,907.93	25,935.62	3,095.59	3,387.64	



As the price of yarn is falling in local markets, garment exporters are hoping to supply goods at competitive prices, which will lead to a rise in work orders in the months to come.

PHOTO: AMRAN HOSSAIN

Cotton price drop may lift garment orders

REFAYET ULLAH MIRDHA

Local readymade garment exporters are expecting a strong rebound of the inflow of work orders from December onwards as prices of cotton have started to decline in the international markets.

With the price of yarn also falling in local markets, local suppliers are hoping to supply goods at competitive prices.

On June 28, cotton traded between 92 cents and \$1.09 per pound in futures markets. In contrast, it was between \$1.31 and \$1.32 last month.

The high market prices of cotton and yarn, which has an impact on the cost of production at the factory level, had earlier prompted many international retailers to put on hold a big portion of their work orders.

When local manufacturers will be able to supply garment items at competitive prices for yarn cost reductions, buyers will also place big volumes of work orders again,

said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association.

If the current downtrend in international cotton prices continues for the next few months, a major impact may be noticed on

High prices of cotton and yarn had earlier prompted many retailers to put on hold a big portion of their work orders

local yarn sales from December onwards, said A Matin Chowdhury, managing director of Malek Spinning Mills, a major spinner and cotton importer.

"Yarn prices started declining in local markets over the last two months mainly because of a lower volume of work orders being placed by international retailers

and brands," said Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association.

The lower number of work orders resulted in a decline in the demand for yarn, he said.

The widely consumed 30 carded yarn sold between \$4.45 and \$4.60 per kilogramme yesterday. In February and March, it was hovering between \$5.25 and \$5.30.

Hatem, however, said the dip in cotton prices might not prevail in international markets once China starts buying cotton in bulk quantities.

Mohammad Ali Khokon, president of Bangladesh Textile Mills Association, said the local spinners have already purchased all the cotton they would be using till October at higher prices.

So, the impact of the decrease in cotton prices can be felt in the local markets from December onwards, he said.

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Farmers scatter fertiliser on a paddy field in Singra upazila of Natore to bring in harvests in the Aus season, which runs from July to August. Some 2,706,320 acres of land were cultivated in fiscal year 2019-20, leading to the production of an estimated 2.75 million tonnes during the season, whereas it was 2.77 million tonnes in the year before, according to the Bangladesh Bureau of Statistics. The photo was taken recently.

PHOTO: MOSTAFA SHABUJ

BB sustainability rating for IPDC

STAR BUSINESS REPORT

IPDC Finance Limited has recently been recognised in the "Sustainability Rating" by Bangladesh Bank for 2021.

This is the second consecutive year for IPDC to receive such recognition from the banking watchdog.

Bangladesh Bank started publishing the Sustainability Rating report in 2020 based on four indicators – sustainable finance, green refinance, corporate social responsibility and core banking sustainability of the banks and NBFIs of the country.

Only five non-bank financial institutions made it to the list and IPDC made it to the list in 2020 and 2021, IPDC Finance said in a press release.

IPDC Finance's Managing Director and CEO Mominul Islam received the award from Bangladesh Bank Governor Fazle Kabir at the "Sustainable Rating Recognition Ceremony" organised by the central bank at its headquarters in Dhaka on June 30.

The IPDC CEO expressed his gratitude to Bangladesh Bank and applauded the initiative of releasing the Sustainability Rating report for 2020 and 2021.

Islami among top 10 banks in BB sustainability rating

STAR BUSINESS DESK

Islami Bank Bangladesh has been listed as one of top 10 banks in sustainability ratings for 2020 and 2021 of the Bangladesh Bank.

The rating is based on four factors – sustainable finance, green refinance, corporate social responsibility and core banking sustainability.

Mohammed Monirul Moula, managing director, received a crest and certificate from Fazle Kabir, governor of Bangladesh Bank, at the central bank's head office in Motijheel, Dhaka recently, said a press release.

EU, New Zealand seal trade deal

AFP, Brussels

The EU and New Zealand sealed a free trade deal on Thursday after four years of talks, promising it would protect the environment and unite like-minded partners amid international turmoil.

"This is a historic moment in our cooperation," EU commission chief Ursula von der Leyen told reporters at a joint appearance with New Zealand's Prime Minister Jacinda Ardern, adding that the deal had come after "tough negotiations".

Ardern hailed a "historic further milestone in the strong partnership between two closely-connected like-minded friends." "And while this is an incredibly important day for our trade relationship, it's also a time to acknowledge the extraordinary time and challenges that Europe is facing," she added.

US inflation high but stable in May as spending slows

AFP, Washington

A key US inflation measure showed price increases held steady in the 12 months ended in May, while consumer spending growth slowed sharply, a good sign in the battle against soaring prices.

Any sign of moderation will be a boon to President Joe Biden whose approval ratings have tumbled, as his administration has struggled to find effective tools to help American families feeling the pain of surging gasoline, food and housing prices.

The trend also offers comfort to the Federal Reserve, showing its aggressive interest rate strategy is starting to have an impact to quell the fastest surge in inflation in more than 40 years.

The personal consumption expenditures (PCE) price index rose 6.3 per cent compared to May 2021, still high but the same pace as in the prior month, the Commerce Department reported Thursday.

The index jumped 0.6 per cent

compared to April, much faster than in the prior month, but slightly below what economists had projected.

But spending edged up just 0.2 per cent, less than half the increase in April and part of a steady downward drift as consumers pull back amid surging prices.

Buoyed by a stockpile of savings, helped by massive government aid, consumers have been the lynchpin in the rapid US recovery from the pandemic downturn.

But strong demand clashed with global supply chain snarls and the world's largest economy has been battered for months by a cresting inflation wave, made more painful by the surge in energy prices sparked by the Russian invasion of Ukraine in late February.

Excluding volatile food and energy prices, "core" PCE rose 0.3 per cent in the month, the same as in April, while the 12-month pace slowed slightly to 4.7 per cent, the report said.

Brian Deese, head of the White House National Economic Council, noted that the three-month annual average for core PCE fell to four percent from 5.2 per cent. "That is important moderation that we're seeing," he said on CNBC.

However, he said the headline continues to be driven by higher energy prices. Energy prices jumped four percent in the month, after dropping in April, and are 35.8 per cent higher than May 2021, the data showed.

The PCE price index is the Federal Reserve's preferred inflation gauge, as it reflects consumers' actual spending, including shifts to lower cost items, unlike the more well-known consumer price index, which jumped 8.6 per cent in May.

PCE also gives less weight to things like rent, vehicles and airline fares, which have contributed to the blistering pace of the CPI rise.

The Fed early this month announced the biggest hike in the benchmark lending rate in nearly 30 years, a

three-quarter point increase that was the third step in its counteroffensive against rising inflation, as it aims to cool demand.

Policymakers have signaled there is a good chance of another similar increase in late July, followed by more big steps in coming months.

That has raised concerns the Fed could push the economy into a recession – a price Fed Chair Jerome Powell signaled the central bank is willing to pay to control inflation.

The signs of consumers pulling back will weigh on second quarter GDP growth, after the Commerce Department revised first-quarter consumer spending sharply lower, cutting it to 1.8 per cent from 3.1 per cent, as the economy contracted 1.6 per cent.

Diane Swonk of Grant Thornton estimates that "consumers have drained about \$600 billion of the excess \$2.5 trillion in savings they amassed during the pandemic to deal with the bite of higher prices."

Blue bonds

FROM PAGE B4

The World Bank defines blue bonds "as a debt instrument issued by governments, development banks or others to raise capital from impact investors to finance marine and ocean-based projects that have positive environmental, economic and climate benefits." Like green bonds, blue bonds operate similar to any other debt instrument by providing capital to issuers who repay the debt with interest over time. As investors show growing interest in pledging capital to fix environmental challenges, blue bonds have emerged as the latest financing instrument to help protect the world's oceans and the economies that rely on their health.

Blue bonds gained attention in 2018, after the World Bank facilitated a bond agreement to offload a small portion of Seychelles' debt in exchange for marine protection. It served the dual purpose of stabilising the country's credit rating and investing in its economy, which is closely tied to the ocean.

Why issue blue bonds?
The primary reason for issuing blue bonds is to reduce the cost of capital for impact investors. This is done with the help of various international organisations.

For example, the World Bank is known to provide a free credit guarantee to the purchasers of blue bonds. This means that if the issuer is unable to repay the funds that they have borrowed, the World Bank

may repay the loan, at least partially. Since the World Bank is an institution with vast amounts of funding, this guarantee significantly decreases the risk for investors. As a result, even the minor return offered by blue bonds seems significant. Countries all over the world use credit guarantees and concessional loans with the goal of increasing the returns for their investors. Since the oceans are not affected by any single industry, it is tough to zero down on the source of pollution. This makes it important to spend the earnings of blue bonds on a wide variety of ecologically favourable projects.

Bangladesh needs to attract more blue investment

The value of the Bangladesh blue economy has been estimated to be \$6.2 billion or around 3 per cent of the GDP. However, this amount may be understated due to a lack of more accurate measurements and for methods prescribed in the System of the National Account not being followed. Consequently, global investors and other reports identify this lack of accurate data of the blue economy as one of the key constraints for raising funds for moving the sector forward. This kind of lack of proper information and data is not favourable because studies and reports that have been conducted on the Bangladesh blue economy suggest enormous potential and opportunities.

Studies indicate that

fully utilising the blue economy is a costly venture and thus would require huge investment in projects with time-bound completion and clear results. Furthermore, gaining benefits from nature gifted assets warrants careful planning and handling. At its core philosophy and reason for existing, the blue economy is fundamentally linked to the ocean and mining its benefits must be approached cautiously with the sincere goal of sustainable handling of the ocean's assets.

The promotion of the blue economy needs major investments and based on the experiences of several countries, long-term development financing is most desirable through fixed income securities or bonds.

The world has seen a surge in green or sustainable bonds in the last decade and the blue bond is the latest member of the sustainable bond family. Blue investments funded through blue bonds should be used at promoting the implementation and achievement of sustainable development goals in Bangladesh. Such endeavours must also contribute to good governance of the ocean and coastal habitats, deliver long-term value to marine and coastal ecosystems, and reduce carbon emissions as well as support the people whose livelihoods depend on the oceans.

The author is an economic analyst

Bank Asia among top 10 banks in BB sustainability rating

STAR BUSINESS DESK

Bank Asia has been listed as one of top 10 banks in sustainability ratings for 2020 and 2021 of Bangladesh Bank. The rating is based on four factors – sustainable finance, green refinance, corporate social responsibility and core banking sustainability.

Md Arfan Ali, president and managing director of Bank Asia, received a crest and certificate from Fazle Kabir, governor of Bangladesh Bank, at the central bank's head office in Motijheel, Dhaka recently, said a press release.

Potential of Hili land port

FROM PAGE B4

traders are more interested to import their non-duty-free items through other ports for various reasons.

"Hili land port could be a major source of revenue if all existing facilities are utilised but that is not happening due to the operator's indifference," he said.

"So, the government is being deprived of its due revenue from Hili Land Port while the operator is making brisk business," Rashid added.

Under the existing deal, the government holds a majority stake in the port with 51 per cent, of which the operator was given a 49 per cent share.

Rashid, also chairman of Hakimpur upazila parishad, demanded the government do more to utilise Hili land port. Shibli Sadiq, a local

lawmaker, recently gave a speech in parliament regarding the various mismanagement issues of the Hili port operator.

This correspondent tried to reach Md Kamrul Islam, joint commissioner of customs in Hili, for comment but he did not respond by the time this report was filed.

Dulal Chakraborty, operations manager of Panama Hili Land Port Limited, claimed they are fully capable of dealing with any import item and are providing better services than ever before. Hili is already connected with the metre and broad-gauge rail line of the Bangladesh Railway and there is a fully functional railway station as well but the port enjoys limited connectivity due to widespread allegations of smuggling.



Md Arfan Ali, president and managing director of Bank Asia Ltd, receives a crest and certificate of the Sustainability Rating 2020 and 2021 from Fazle Kabir, governor of the Bangladesh Bank, in the sustainability rating recognition programme held at the central bank head office in Motijheel, Dhaka recently.

PHOTO: BANK ASIA



Md Jasim Uddin, chairman of Bengal Commercial Bank, and Mahbubul Alam, vice-chairman, handed over a cheque to Ahmad Kaikaus, principal secretary to the prime minister, for the Prime Minister Relief and Welfare Fund for the flood-affected people at the Prime Minister's Office in Dhaka recently. Prime Minister Sheikh Hasina joined the event virtually from Gono Bhaban.

PHOTO: BENGAL COMMERCIAL BANK



M Kamal Hossain, managing director of Southeast Bank, receives a crest and certificate from Fazle Kabir, governor of the Bangladesh Bank, at the central bank's head office in Motijheel, Dhaka recently on being listed as one of top 10 banks in sustainability ratings for 2020 and 2021 of the Bangladesh Bank.

PHOTO: SOUTHEAST BANK

Automakers report lower Q2 US sales

AFP, New York

General Motors, Toyota and other automakers suffered a hit to US sales in the latest quarter as supply chain woes continued to crimp inventories, according to results released Friday.

GM sold 582,401 autos in the three months ending June 30, a drop of 15 per cent from the same period a year ago.

The Detroit giant said it is holding 95,000 partially-built vehicles in need of components that it expects to deliver by the end of 2022.

Such maneuvers have become the norm over the last year as manufacturers try to make headway on as many high-margin vehicles as possible amid limited supply of semiconductors and other key items.

On the positive side, GM said it scored strong sales for its pickup trucks, the Chevrolet Silverado and GMC Sierra, despite low inventories. And "pent-up demand" drove sales growth in other vehicles, including the Chevrolet Camaro and Chevrolet Colorado.

GM reaffirmed its full-year profit outlook, but its second-quarter net income range of between \$1.6 billion and \$1.9 billion lagged consensus estimates.

Meanwhile, Toyota reported sales of 531,105 over the same period, a drop of 23 per cent compared with the 2021 quarter, and the Japanese company also cited "ongoing inventory challenges" hindering its dealerships.

A bright spot has been a jump in sales of Toyota's electric vehicles, which have comprised more than 25 per cent of Toyota's sales so far this year.

Cox Automotive has forecast a 19.3 per cent drop in US auto sales for the second quarter.

"Even though economic conditions have worsened in the past months, the lack of supply is still the greatest headwind facing the auto industry today," said Charlie Chesbrough, senior economist at Cox.



Data from the Chattogram Port Authority showed that the country's premier seaport handled 32.55 lakh units of containers, including import, export and empty ones, in 2021-22, posting growth of 5.11 per cent from a year ago.

PHOTO: STAR/FILE

CTG PORT SETS RECORD in container, cargo handling

STAFF CORRESPONDENT, Ctg

Chattogram port handled a record volume of containers and cargoes in the just-concluded fiscal year riding on the rebound of Bangladesh's international trade as global economies reopened from the coronavirus pandemic-induced economic slowdown.

Data from the Chattogram Port Authority (CPA) showed the country's premier seaport handled 32.55 lakh twenty-foot equivalent units (TEUs) of containers, including import, export and empty ones, in 2021-22, posting a growth of 5.11 per cent from a year ago when it managed 30.97 lakh TEUs.

The figure included the containers loaded and unloaded at the main jetties of the port and the Pangoan Inland Container Terminal at Keraniganj and the Kamalapur Inland Container Depot in Dhaka.

The port registered 3.1 per cent container handling growth in 2020-21, 2.92 per cent in 2019-20, and 3.28 per cent in 2018-19.

Boxes totalling 30.04 lakh TEUs were handled in 2019-20 and it was 28.08 lakh TEUs in 2018-19, CPA data showed.

Commercial items, commodities,

machinery, chemical products and industrial raw materials, except those for cement and ceramics sectors, are imported using containers, while export-oriented goods are solely carried through containers.

The port registered 3.1 per cent container handling growth in 2020-21, 2.92 per cent in 2019-20, and 3.28 per cent in 2018-19

The port's overall cargo handling, including those containerised and bulk cargoes, grew 3.91 per cent year-on-year in FY22.

More than 11.81 crore tonnes of cargo moved through the port in 2021-22, up from 11.37 crore tonnes a year ago. A total of 10.16 crore tonnes were handled in 2019-20.

Vessel arrivals at the port also rose. A total of 4,231 vessels arrived in 2021-22, while the number was 4,062 a year ago.

CPA Chairman Rear Admiral M Shahjahan attributed the overall rise in cargo and container handling and vessel arrival in the last fiscal year to an increased

foreign trade helped by the improvement in the pandemic situation at home and abroad.

In Bangladesh, imports grew a staggering 41.42 per cent year-on-year to \$68.67 billion in the July-April period of FY22. It was \$48.55 billion in the same period a year ago, central bank data showed.

Merchandise exports stood at \$47.17 billion in the July-May period, up 34.09 per cent, year-on-year. The shipment was said to have crossed \$50 billion in FY22, the first time in the country's history.

"Continuous steps to improve the port's capacity and efficiency helped us handle a record number of cargoes and containers," said the CPA chief, adding that the port's container storage capacity has been beefed up and various new equipment is being added.

According to Shahjahan, the port has not been closed for a single day since the pandemic hit the country more than two years ago.

"We also did not face congestion whereas regional ports witnessed significant snarl-ups during the pandemic. As a result, our overall productivity has increased."

Chinese airlines buy 300 planes from Airbus

AFP, Beijing

Four Chinese airlines said Friday they will buy a total of 292 planes from Airbus in a \$37 billion windfall for the aviation giant, as the industry rebuilds after the coronavirus pandemic.

The orders come after a bumper year for Airbus, which posted record profits in 2021 after a two-year pandemic slump, giving the company a further boost over US rival Boeing.

China Eastern said Friday it had agreed to purchase 100 A320neo jets and China Southern said on the same day that it would buy 96 of the same model.

Air China and its subsidiary Shenzhen Airlines also confirmed the purchase of a combined 96 A320neo planes, according to separate filings.

Airbus said the deals showed "the positive recovery momentum and prosperous outlook for the Chinese aviation market".

Japan manufacturers' confidence drops

AFP, Tokyo

Confidence among Japan's largest manufacturers sagged for a second quarter on rising costs and supply constraints, though the service sector was boosted by economic reopening, a key survey showed Friday.

The Bank of Japan's closely watched Tankan survey showed confidence among large manufacturers at plus nine, below expectations of 12 and sharply lower than the 14 in the March survey. A positive figure means more manufacturers see business conditions as favourable than those that consider them unfavourable.

The survey reaches about 10,000 firms and is considered to be the broadest indicator of how Japan Inc. is faring.

Corporate Japan has faced several problems as the Ukraine war pushes up oil prices amid general inflation that has boosted raw material prices.

US manufacturing growth slows

AFP, Washington

American manufacturing growth slowed in June as new orders contracted, even though price increases showed signs of slowing, according to an industry survey released Friday.

The Institute for Supply Management said its manufacturing index fell to 53 per cent from 56.1 per cent in May, showing growth slowed significantly even though it stayed above the 50-per cent threshold indicating expansion for the 25th consecutive month.

That was the lowest level for the index since June 2020 during the pandemic downturn.

Prices showed signs of easing, but the drop in the overall index reflected new orders entering contraction territory, falling a whopping 5.9 points to 49.2 per cent, the report said.

Another Eid-Ul-Azha comes

FROM PAGE B1

to the CETP through the chromium drainage system and other effluents via the general drainage system.

But some tanneries transfer chromium effluents through the general drainage system, thereby obstructing the internal biological system of the CETP.

Besides, the CCRU also can't maintain the retention time because of the presence of excess effluents, prompting some chromium effluent to enter into the CETP, according to the DTIEWTPCL paper.

Satyendra Nath Paul, chief engineer of the plant management company, said large tanneries have been asked to set up their own CCRU so that the pressure on the CETP's chromium recovery system lessens. But they are yet to establish the system.

Small tanneries have been asked to discharge effluents properly.

A partial laboratory has been set up to monitor the function of the CETP and the CCRU and the lab is supposed to carry out at least 14 chemical tests. But it can perform five tests now.

Work orders to put in place the facilities to conduct the rest were placed three months ago. The supplier will deliver the machinery by August, said Paul.

In a letter to the DoE in June, the DTIEWTPCL detailed its plan to reduce the use of restricted chemicals and build a chemical warehouse, but the plans are yet to see the

light of the day.

At present, there is no provision for the salt treatment unit since the CETP has no reverse osmosis. It will take Tk 300-400 crore to set up the unit.

The company does not have the money to set up the unit, Paul says.

A dumping yard for



the solid waste will be constructed next to the CETP. Since there will be a huge rush of solid waste during Eid, a pond has been dug next to the proposed yard so that the extra waste can be thrown there, Ahmed said.

Some local and foreign companies have shown interest in solid waste management, but the estate authorities were not satisfied with their plans.

There are nine de-watering units to separate water from waste. Of them, six are functional. An official of the estate says work is on to make the rest ready before Eid.

CONTAMINATED CHEMICALS

STILL POLLUTING DHALESHWARI

In the first week of June, the Department of Environment (DoE) sent a letter to the DTIEWTPCL, saying the CETP is not fully effective.

It came to the conclusion following an analysis of the liquid waste released between January 2021 and

completed by July 5, said Ahmed.

MAKING MOST OF RAWHIDES STILL A FAR CRY

In Bangladesh, Eid-ul-Azha accounts for half of the leather that tanners collect throughout the year.

A lack of compliance is preventing the leather

sector from tapping its potential and expanding its footprint in the international market despite the availability of raw materials locally.

As a result, exporters are getting 30 per cent to 40 per cent lower prices for their products in the global market compared to competitors. The fair price can't be ensured in the local markets as well, since Bangladesh has not gained certification from the Leather Working Group (LWG), the global body for compliance and environmental certification in the leather and leather goods sector.

The number of sacrificial cattle in the country is 1.21

core this year, 2 lakhs more than the preceding year, according to the fisheries and livestock ministry.

RECENT SPOT VISIT

During a visit to Kalu Leather Corporation, located on the estate, on Thursday, it was found that it had stored 30 tonnes of salt to preserve the hides. Nine drums are being prepared to remove leather fur.

The company has set a target of procuring 1 lakh rawhides this season, said Abu Sayed, supervisor of the company.

Some other tanneries are also taking preparations to collect and process rawhides.

Some fishermen in Hemayetpur of Savar alleged that due to the pollution caused by the estate, they don't get enough catch in the Dhaleshwari compared to the past.

The Bangladesh Small and Cottage Industries Corporation under the industries ministry began implementing the estate in 2003 and completed it in June 2021.

Syeda Rizwana Hasan, chief executive of the Bangladesh Environmental Lawyers Association, said that the authorities took no effective initiative in the last five years to run the CETP efficiently.

"As many parties are involved, they only blame each other. So, the problem is not solved," she said, urging the authorities to sort out the problems quickly to stop environmental pollution.



Nawaz Ahmad, chairman of Paramount Insurance Company, virtually presides over the insurer's 23th annual general meeting recently. The meeting approved 10 per cent cash dividend for 2021.

PHOTO: PARAMOUNT INSURANCE



Sheikh Mohammad Salim Ullah, secretary to Financial Institutions Division, and Md Murshedul Kabir, managing director (additional charge) of Sonali Bank, signed an annual performance agreement in the division recently for the attainment of a list of targets set by the ministry in fiscal year 2022-23.

PHOTO: SONALI BANK

Relaxed loan rescheduling

FROM PAGE B1

Rawhide traders will be able to get new loans from banks on regularising their non-performing loans. Banks, however, can consider offering new loans based on their

relationship with the customers concerned.

Md Shakawat Ullah, general secretary of the Bangladesh Tanners Association, said associations of rawhide traders had set a target to collect around one crore animal skins this Eid.

According to the Ministry of Fisheries and Livestock, 1.21 crore animals could be sacrificed in the country this year.



This compound inside Hili land port sometimes remains empty as traders usually bring in duty-free food items and stone through the port since it lacks the infrastructure for other heavy goods. The picture was taken recently.

PHOTO: KONGKON KARMAKER

Potential of Hili land port remains untapped

Traders blame lack of facilities, neglect of port authorities

KONGKON KARMAKER

Hili land port in Hakimpur upazila of Dinajpur provides ample opportunity to facilitate cross-border trade between Bangladesh and India but its potential remains largely untapped even though both governments have taken a number of initiatives to this end.

Although export-import activities through Hili have risen in recent years, traders say this is mainly due to higher imports of duty-free food items as the port lacks many amenities while the existing infrastructure is suffering from neglect.

Imports through Hili land port rose by about 17 per cent year-on-year to 21.23 lakh tonnes in fiscal 2020-21 while exports grew by around 23 per cent to 0.27 lakh tonnes at the same time, according to data from the Bangladesh Land Port Authority (BLPA).

Having been declared a land port back in January 2002, Hili was established to facilitate cross-border trade after Bangladesh and India took the initiative considering its vast potential in this regard.

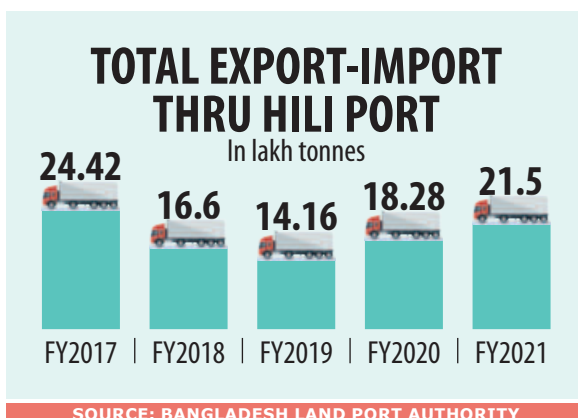
The port is about 71 kilometres (km) away from Dinajpur headquarters and 264 km away from Dhaka. On the Indian side, the distance between Hili and Kolkata is some 472 km but Indian Railways has already connected Balurghat with the country's railway network.

Besides, the state-owned rail transport company plans to include Hili under its network since residents of the area have long been clamouring for such services.

In 2005, the BLPA signed a deal with Panama Hili Port Link Limited to develop and maintain the required infrastructure.

However, the port did not start its journey under the private operator until two years later, when the entire complex took up just 10 acres of land.

Since then, the area has been extended to 22 acres



with port officials claiming that it is now capable of handling 2,000 tonnes of import goods each day.

On the other hand, officials of the Hili Land Port Importer-Exporter Group say the roughly 200 traders involved in cross-border trade through Hili mostly use multiple land ports for their activities despite it being costlier and time-consuming.

Many items could be imported from India through Hili but the customs authorities encourage bringing in duty-free food items like onions, rice, green chillies, wheat, spices and more, traders said.

Hili is also used for importing hard rock from the neighbouring nation but the port was used to import other heavy items, such as excavators and mixing drums, for the first time over the last six months.

Still though, other potential import items like spare parts for automobiles, thread and fabrics are not brought through the port despite the high demand for these goods in Bangladesh, they added.

Shahinur Islam, an importer of Hili, said he uses multiple land ports to import goods from India.

For example, he uses the Benapole land port for

importing spare parts of Indian automobiles as Hili land port is not equipped to handle such items.

"But it is really risky to take shipments back to Hili after importing them through Benapole," he added.

Traders say a solution to this problem could be posting a customs commiserate in Hili as there are many goods that cannot be handled with the port's existing resources.

Meanwhile, there are problems on the Indian side too, they alleged.

For example, there are quarantine stations nearby to process the perishable goods to be imported by Bangladesh and so, traders need to travel at least 150 km to Malda in India for this purpose.

This issue was raised various times during bilateral discussions but to no end.

Reza Humayun Kabir Shamin, president of the Dinajpur Chamber of Commerce and Industry, said he too raised the issue with Indian High Commissioner to Bangladesh Vikram Doraiswami during his visit to the country in November last year.

Traders went on to say the port compound area on the Indian side of Hili is not as large as required.

Amirul Islam, a clearing and forwarding agent of Hili land port, said the private port operator lacks the capacity to handle some heavy imported items.

He then demanded a smooth approach road between the entry port and Panama Hili Port Link Limited.

Traders say only locals of North Dinajpur in India are currently involved in import-export activities through Hili land port.

However, if traders of other Indian states are encouraged to use it for bilateral trade as well, then it could be a solution to the existing problem, they said.

Harun Ur Rashid, president of the Hili Land Port Importer-Exporter Group, admitted that trade through the port now mostly relies on duty-free imports as

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Blue bonds: An ocean of possibilities

MAMUN RASHID

Before delving into the matter of blue bonds, it is important to briefly understand the "blue economy" itself. Blue economy is a term in economics which relates to the preservation and exploration of the marine environment. The World Bank states that the blue economy is the sustainable use of ocean resources for the economic growth, betterment of livelihoods, jobs creation and the preservation of the ocean's ecosystem. The blue economy may encompass all economic activities related to the oceans, seas and coasts and it may cover a broad range of interconnected sectors.



The concept of a blue economy is an emerging one and it is stressed that the utilisation of such resources should be directly combined with also the preservation of it through better stewardship of those "blue resources".

The current value of the global blue economy is \$2.5 trillion per annum. As mentioned above, although the blue economy encompasses a wide variety of ocean-linked sectors and industries, fisheries and aquaculture alone generate direct or indirect employment for 10 per cent to 12 per cent of the global workforce with more than 90 per cent of the employment created in developing countries.

The blue economy and Bangladesh

Recently, experts have stated that despite the huge potential, the opportunity to move the overall economy forward through the development of Bangladesh's blue economy is underutilised due to a lack of proper initiatives, measurements, and coordination. Bangladesh's 710-kilometre coastline extending from the tip of Saint Martin's Island in the southeast to the west coast of Satkhira and 121,110 square kilometre sea area has exceptionally varying ecosystems having major ecological and fiscal significance and advantageous possibilities.

Blue investments funded through blue bonds should be used to promote the implementation and achievement of sustainable development goals in Bangladesh

Fisheries, shipping, and coastal tourism are the traditional uses of coastal and ocean resources. Furthermore, there are new sectors like offshore gas exploration, salt production and offshore renewable energy. The old and new sectors of ocean use have a high outlook of growth. Together with other ocean uses, the government has taken initiatives for major industrial expansion in the coastal regions including building a coal power plant, deep sea port, and liquefied petroleum and natural gas terminal. A distance of 660 kilometres from the coastline is available to Bangladesh but its mechanised boats and industrial trawlers are capable of fishing going out only 70 kilometres. Thus, there is still a significant amount of sea fishing frontier which Bangladesh is yet to take enough advantage of.

What are blue bonds?

Innovative financial solutions will be required to improve ocean and coastal resilience. Blue finance, in particular blue bonds, have great potential to help surmount existing challenges. Blue bonds are an innovative ocean financing instrument whereby funds raised are earmarked exclusively for projects deemed ocean friendly.

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Eurozone inflation hits record as gas crunch looms

AFP, Brussels

Eurozone inflation accelerated to another record high in June, official data showed on Friday, as Russia's war in Ukraine drives up energy prices and hammers the European economy.

The EU's Eurostat data agency said the increase in consumer prices in the 19 countries that use the euro reached 8.6 percent in June, leaping from the previous record of 8.1 percent a month earlier.

Consumer prices in the eurozone have hit records since November, buffeted by sky-high energy prices, which jumped by 41.9 percent over one year, caused by the fallout of Russia's invasion of its neighbour Ukraine.

But analysts also pointed to the rise in food prices, which accelerated by 8.9 percent, showing that the inflation problem was spreading through the economy.

"Historically, we have never had such a high figure for the contribution of food. It will have a big impact," said Philippe Waechter of Ostrum Asset Management.

The European Central Bank has said it will do whatever it takes to bring inflation back to its target level, with political pressure high to bring energy and food prices into check.

"With eurozone inflation now becoming more broad-based in nature, the outlook for the Eurozone for the rest of 2022 continues to look bleak," warned Pushpin Singh, Economist at the Centre for Economics and Business Research.

"This comes amid a mounting possibility of a severe gas crisis in Europe, with Russia using gas exports as a means to counter sanctions," he added.



The headquarters of the European Central Bank is pictured prior to a news conference in Frankfurt am Main, western Germany. The ECB has said it will do whatever it takes to bring inflation back to its target level, with political pressure high to bring energy and food prices into check.

PHOTO: AFP/FILE

Sri Lanka's inflation jumps beyond 50pc

AFP, Colombo

Sri Lanka's inflation hit a ninth consecutive record in June, official data showed Friday, rising to 54.6 percent a day after the IMF asked the bankrupt nation to rein in galloping prices and corruption.

It was the first time the increase in the Colombo Consumer Price Index (CCPI) crossed the psychologically important 50 percent mark, according to the department of census and statistics.

The figures came hours after the International Monetary Fund urged Sri Lanka to contain spiralling inflation and address corruption as part of efforts to salvage the troubled economy.

The IMF ended 10 days of in-person discussions with Sri Lankan authorities in Colombo on Thursday following the country's request for a bailout.