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 oort 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.

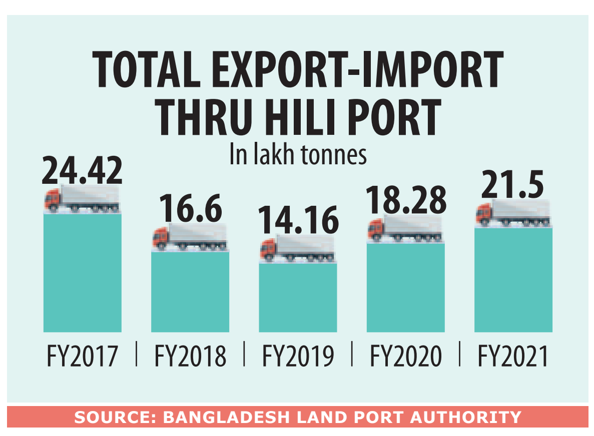
On the Indian side, the distance between Hili and Kolkata is some 472 km but Indian Railways has already connected Balurghat with the country's railway network.

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.