



Customs dispose of imported goods which were abandoned. The National Board of Revenue has formulated a new policy to expedite auctioning of goods which have either been abandoned or seized for being smuggled into the country. The photo was taken at Nasim Nagar in Dakshin Kattali of Chattogram.

PHOTO: STAR/FILE

New policy expedites auctioning of abandoned, smuggled goods

MOHAMMAD SUMAN, Ctg

Smuggled or abandoned liquor and cigarettes from now can be sold off at a minimum of 60 per cent of their value to shops listed by customs instead of being kept on hold for sale by Bangladesh Parjatan Corporation.

If such goods which have been seized are perishable, such as soybean oil, they can be handed over to the Trading Corporation of Bangladesh to be sold directly to people instead of being kept awaiting an auction.

If multiple auctions fail to sell off such goods, they can be sold off at a minimum of 60 per cent of their value without the knowledge of the National Board of Revenue (NBR).

All these were stated in a new policy formulated by the NBR and made public on Sunday to expedite auctioning of goods which have either been abandoned or seized for being smuggled into the country.

The policy expands on and amends an August 2021 statutory regulatory order issued by the NBR.

It makes it easier to make use of goods which are at risk of perishing for delays in the holding of auctions. It also enables disposal of goods which have perished, according to customs officials and users of the Chattogram port.

The government order simplifies and modernises procedures, including that for preservation of goods, issuing notices to owners, formation of auction committees, and determination of prices.

According to Custom House Chattogram, there were goods worth about Tk 10,432 crore inside 8,000 containers and several sheds inside the Chattogram port, all abandoned by importers over the past six years.

Over this period, customs earned only Tk 464.71 crore auctioning off such goods.

Meanwhile, it disposed of a staggering Tk 220 crore-worth goods which had

perished inside 979 containers as auctions were not held on time.

From September 12, Chattogram customs will start disposing of another 7,000 tonnes of goods which perished inside 382 containers.

Moreover, a Chattogram District Administration committee will start disposing of 63 containers of chemical goods which went bad for not being auctioned off on time.

Port users said if the auctions could have been arranged in due time, such wastage could have been averted while foreign currency could have been saved from the import of the same goods.

"The auction procedure of customs is very lengthy. The process should be made simpler," said Anamul Haque, proprietor of Amanat Trading, a bidder of the Chattogram port, told The Daily Star.

"We sent letters at different times to the NBR and customs to simplify the auction process and form taskforce committees

involving all related departments to expedite the procedure," he said.

"We hope that the order will help expedite the auction process," he said.

"...the auction bidding process has been made simpler by the new order," Santosh Soren, deputy commissioner of Custom House Chattogram, told The Daily Star.

The order clearly states what government parties concerned need to do and within how many days an auction needs to be completed. As a result...there is greater accountability," he said.

Auctions and disposals at times necessitate the involvement of a number of government bodies such as customs, ports, city corporations, Bangladesh Atomic Energy Commission, Department of Explosives and Department of Environment.

From now, the auction committees can seek government bodies to provide representatives as necessary to carry out the process.

Nagad opens 11 new service points

STAR BUSINESS DESK

Nagad, a mobile financial service provider of the Bangladesh Postal Department, launched a new 11 Nagad Sheba points at different districts across the country.

The districts are Dinaipur, Jhenaidah, Brahmanbaria, Feni, Bhola, Patuakhali, Netrakona, Sirajganj, Narsingdi, Rangamati, and Chandpur.

Its total service points stand to 45, a press release said. With the new service points, the Nagad service has been expanded across 8 divisions of Bangladesh.

The service will be available from 9 am to 4 pm every day at the Nagad head office and from 8 am to 3 pm at all 'Nagad Sheba' points as per the government's directives.

India's August trade deficit eases

REUTERS, Mumbai

India reported on Friday that its trade deficit narrowed slightly to \$28.7 billion in August from a record high of \$30 billion in the previous month. Here are the views of some analysts:

"Though the August print marks a moderation from July's record trade deficit, the deficit remains at unsustainably high levels, and is likely to raise financing concerns," Rahul Bajoria, chief India economist, said in a note. Bajoria forecast India's current account deficit (CAD) will rise to \$115 billion (3.3 per cent of GDP) in FY22-23.

"With the trade deficit staying at uncomfortably elevated levels, we acknowledge upside risk to our current account deficit forecasts, despite the recent fall in commodity prices."

"India's trade deficit contracted... driven by a lower oil trade deficit as oil imports contracted more than exports," Goldman Sachs economist Santanu Sengupta said. Oil imports declined by \$3.5bn to \$17.6 billion from \$21.1 billion in July.

He pegged India's CAD at 3.3 per cent of GDP in 2022, given elevated commodity prices, weaker global growth and a relatively resilient domestic economic recovery.

"Adjusting for the successively higher trade deficit in the past few months, we expect the current account deficit to widen to around 3.7 per cent of GDP in quarter ending June-22 and further to around 5 per cent of GDP in quarter ending September-22," said Upasana Chachra, Morgan Stanley's chief India economist.

Turkey's inflation hits 24-year high

REUTERS, Istanbul

Turkey's annual inflation climbed to a fresh 24-year high of 80.21 per cent in August, a bit below expectations according to data on Monday, after the central bank unexpectedly cut interest rates and stoked a nearly year-long cost-of-living crisis.

Inflation has raced higher since last autumn when the central bank gradually cut its policy rate by 500 basis points to 14 per cent, in an unorthodox easing cycle sought by President Tayyip Erdogan that set off a lira crisis.

EU gas price rockets higher after Russia halts Nord Stream flows

REUTERS, London

European gas prices rocketed as much as 30 per cent higher on Monday after Russia said one of its main gas supply pipelines to Europe would stay shut indefinitely, stoking renewed fears about shortages and gas rationing in the European Union this winter.

The benchmark gas price surged as high as 272 euros per megawatt hour (MWh) when the market opened after Russia said on Friday that a leak in Nord Stream 1 pipeline equipment meant it would stay shut beyond last week's three-day maintenance halt.

The Dutch TTF October gas contract had eased to 256 euros, up 23 per cent on the day by 0723 GMT but almost 400 per cent higher than a year ago. This year's price surge has squeezed struggling

already consumers and forced some industries to halt production.

Europe has accused Russia of weaponising energy supplies in

retaliation for Western sanctions imposed on Moscow over its invasion of Ukraine. Russia says the West has launched an economic war and



A turbine of the Nord Stream 1 pipeline is pictured at the plant of Siemens Energy in Muelheim an der Ruhr, western Germany.

PHOTO: AFP

sanctions have hampered pipeline operations.

The Nord Stream pipeline, which runs under the Baltic Sea to Germany, historically supplied about a third of the gas Russia exported to Europe but it was already running at just 20 per cent of capacity before flows were halted last week for maintenance.

Russian gas being supplied via Ukraine, another major route, has also been reduced, leaving the EU racing to find alternative supplies to refill gas storage facilities for winter. Several states have trigger emergency plans that could lead to energy rationing and raising prospects for a recession.

"Supply is hard to come by, and it becomes harder and harder to replace every bit of gas that doesn't come from Russia," said Jacob Mandel, senior associate for commodities at Aurora Energy Research.

Denim sales plunge for dry spell in Europe

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rid of overstocks, Ahmed added.

Shasha Denims' monthly export earnings have dropped to \$10 million from \$15 million, according to its managing director Shams Mahmud.

"Currently, I am not overbooked with orders whereas my mill usually remains overbooked for many months," he said.

Ananta Group's monthly output has declined nearly 20 per cent, said Sharif Zahir, managing director of the denim supplier, which makes 2.8 million pieces of denim products a month.

The global demand for denim items is falling because of the long dry spell and escalated inflation, said

Faruque Hassan, president of the BGMEA.

"Buyers are not cancelling orders, but they are putting them on hold," he said.

The global market for denim jeans was estimated at \$64.5 billion in 2022 and is projected to reach \$76.1 billion by 2026, growing at 4.8 per cent annually, according to Research and Markets, a research firm.

The denim jeans market in the US, the single largest apparel destination for Bangladesh, is said to be \$15.8 billion.

Bangladesh has a 24.6 per cent share in the global denim market, behind market leader China's 36 per cent.

Rejoinder, our reply

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involvement in unethical business activities by not making Faisal present at the meeting and concealing information.

As instructed by the Directorate of National Consumers Rights Protection (DNCRP), Kazi Farms asked its customer Faisal to come to the meeting. However, Faisal informed Kazi Farms that he would not be able to come to the meeting as he was not feeling well. Later in the day, Faisal was feeling well so he came to the DNCRP office, but the meeting had ended by then. However, Faisal met with DNCRP officials. This incident does not in any way prove any involvement of Kazi Farms in unethical business.

The DNCRP has recommended the Bangladesh Competition

Commission file a case against Kazi Farms for destabilising the market by hiking the price of eggs through illogical auctions.

Kazi Farms sells eggs through totally open and transparent auctions. It is not possible to destabilise markets through transparent auctions.

The DNCRP has completely misunderstood Kazi Farms' egg auction process and all of their allegations arise from this misunderstanding. Rather than giving Kazi Farms a fair chance to explain our egg sales process, they have conducted a media circus which is defamatory and unfounded.

OUR REPLY

The Daily Star report was based on an inspection carried out by the DNCRP.

We stand by our report.

Ctg port takes over 11 days to release goods

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Because of the Trade Facilitation Agreement signed by the members of the World Trade Organisation in 2017, countries have to measure and publish the average release time of internationally traded goods.

Import clearance processes were studied at three major ports: Chattogram seaport, Benapole landport, and the Hazrat Shahjalal International Airport.

The NBR took the initiative to publish the TRS to identify the problems and potential corrective actions needed to ensure speedy clearance of goods as part of its move to facilitate international trade.

The study suggested the elimination of manual manifest collection and submission of bill of entries, the establishment of a computer-based joint car pass system, and empowerment of transport operators to submit manifest directly to the ASYCUDA World.

For Chattogram seaport, which handles more than 90 per cent of Bangladesh's total internationally traded goods, the TRS recommended enhanced integration of its systems

with ASYCUDA.

It suggested the modernisation of the existing customs chemical lab.

For the Hazrat Shahjalal International Airport, the study suggested widening of the cargo handling capacity and simplification of the customs clearance process, rationalisation of customs policies, and eliminating of redundant steps across customs and port processes.

"Recommendations made in the study are expected to bring fruitful changes once they are implemented," said NBR Chairman Abu Hena Md Rahmatul Muneem.

Abdul Mannan Shikder, member for customs audit, modernisation and international trade of the NBR, thanked the Swiss State Secretariat for Economic Affairs for providing the much-needed capacity-building support to Bangladesh's customs and other government officials in conducting this study.

He hoped that a successful implementation of the study recommendations would help reduce the existing release time and function as the forefront of trade facilitation.

Forex below \$39b

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The country's reserves stood at \$46.19 billion in September last year.

The ACU is an arrangement by which the participants settle payments for intra-regional transactions among participating central banks on a net multilateral basis.

Bangladesh, Bhutan, India, Iran, the Maldives, Myanmar, Nepal, Pakistan and Sri Lanka are the members of the Tehran-headquartered ACU, which was established in December 1974.

The member countries of the ACU clear their payments every two

months.

Remittance is now maintaining an upward trend, but it has failed to protect the reserves from the fall because of the high import payments against the slower-than-expected export earnings, the official said.

Migrant workers sent \$2.03 billion in remittance in August after they had logged inflow to the tune of \$2.09 billion in July.

Import payments rose 23.23 per cent year-on-year to \$5.86 billion in July, when export earnings grew by 14 per cent to \$3.88 billion, central bank data showed.