

Use biotech in farm sector for food security

Experts say

STAR BUSINESS REPORT

Bangladesh should focus on using biotechnology in the agriculture sector to increase production and subsequently ensure food security so that no one goes hungry in the future, according to experts.

Agricultural biotechnology can give the country a massive boost in facing the challenges of population growth, climate change and decreasing availability of vital resources such as land and water for irrigation, they said.

These comments came at a view exchange, styled "Take Agri-biotechnology Forward: Policy Advocacy Coalition", organised by Farming Future Bangladesh (FFB), a firm that promotes biotechnology in agriculture.

The event was held at the Six Seasons Hotel in Dhaka.

A number of government officials from different institutions, academia, sectorial specialists, representatives from private sectors, scientists, environmentalists and lawyers took part in the event.

The speakers also criticised the environment ministry in regards to its "silent" and "sluggish" role in approving new varieties of agricultural products.

Md Abdul Kader, principal scientific officer of the Bangladesh Rice Research Institute (BRRI), said they submitted an application for the environmental and food safety assessment of GR2E Golden Rice in 2017 but have yet to get the final evaluation report from regulators.

"We are trying to form an effective advocacy alliance platform in Bangladesh to raise awareness of biotechnology and make the current regulatory framework effective and functional," said Md Arif Hossain, chief executive officer and executive director of the FFB.

Speaking as chief guest, Md Ruhul Amin Talukder, an additional secretary of the agriculture ministry, said that Bangladesh's agricultural success should be acknowledged and celebrated.



The challenges facing Chittagong port have intensified in keeping with the growth of the industrial sector of the country, said Mostafa Azad Chowdhury Babu, acting president of the Federation of Bangladesh Chambers of Commerce and Industry.

PHOTO: RAJIB RAIHAN

Ctg port must speed up goods delivery

Say speakers at roundtable

STAR BUSINESS REPORT

The Chattogram port must fast track the unloading of goods, install modern equipment, and improve service quality in order to cut congestion and facilitate Bangladesh's fast expanding global trade, speakers said yesterday.

"The system of releasing goods from the Chittagong port is quite complex. We need to get out of this as soon as possible," said Bangladesh Freight Forwarders Association Vice President Khairul Alam Sujan.

He urged the customs authorities to extend support to this end.

He spoke at a roundtable titled "Development of Chittagong port with domestic investment" organised by the Daily Ittefaq at the National Press Club in Dhaka.

Mostafa Azad Chowdhury Babu, acting president of the Federation of Bangladesh Chambers of Commerce and Industry, said the challenges facing the Chittagong port have intensified in keeping with the growth of the industrial sector of the country.

"Due to the continuous rise in the number of containers used to move export and import cargoes, additional time is being taken to release goods."

He called vessel congestion a permanent

feature and cited that Chittagong port is one of the ports in the world where releasing goods takes a higher time.

Businesses have to wait 11 days and six hours to have their cargo released after their arrival at seaports, including Chattogram port, according to the Time Release Study 2022 of the National Board of Revenue (NBR).

The Metropolitan Chamber of Commerce and Industry, however, said businesses require longer than 11 days as the NBR still physically examines documents against shipments.

At the roundtable, State Minister for Shipping Khalid Mahmud Chowdhury said the Chattogram Port Authority (CPA), the customs, and businessmen will have to work in a coordinated manner to reduce congestion.

Md Aynul Islam, general secretary of the Bangladesh Economic Association, said Chittagong port has geopolitical importance so there is a need to increase domestic investment.

"About Tk 1 lakh crore in revenue comes from the port. Therefore, the development of the port is necessary."

CPA Chairman Rear Admiral Mohammad Shahjahan said the development of institutions associated with the port is also needed to develop it.

"There is a lot of scope for domestic and foreign investment in various areas of the port."

Nurul Qayyum Khan, president of the Bangladesh Inland Container Depot Association, questioned why the Pangaon Terminal in Keraniganj of Dhaka was running at 25 per cent capacity whereas the Chattogram port faced container congestion now and often.

Sujan also said there was no scope to use old jetties for a long time.

"The sea level is rising due to climate change and tidal water enters the yard. The construction of the Bay Terminal will have to be accelerated. If the terminal does not open on time, the transportation of goods will be disrupted."

He called for including the provision of setting up specialised jetties in the draft master plan since specialised industries are being set up in the country and heavy and special machinery is being imported.

The port handles 93 per cent of the country's seaborne import and export cargoes and 98 per cent of containerised goods.

On average, 3.77 crore tonnes of bulk goods were handled every year from 2012-13 to 2016-17. It rose to 7 crore tonnes in the last fiscal year as the economy expanded.

ADB to extend \$14b for Asia-Pacific food crisis

STAR BUSINESS REPORT

Asian Development Bank (ADB) yesterday announced plans to provide at least \$14 billion over 2022 to 2025 to ease a worsening food crisis in Asia and the Pacific.

The fund will also be used to improve long-term food security by strengthening food systems against the impacts of climate change and biodiversity loss.

Nearly 1.1 billion people in the region lack healthy diets due to poverty and food prices, which have soared to record highs this year, the Manila-based lender said in a statement.

The funding will be channelled through existing and new projects in sectors, including farm inputs, food production and distribution, social protection, irrigation and water resources management and in projects leveraging nature-based solutions.

The ADB will continue to invest in other activities that contribute to food security such as energy transition, transport, access to rural finance, environmental management, health and education.

"Our support will be targeted, integrated, and impactful to help vulnerable people, particularly vulnerable women, in the near-term," ADB President Masatsugu Asakawa remarked at the ADB's 55th annual meeting.

The fund will also be used to improve long-term food security by strengthening food systems against the impacts of climate change and biodiversity loss

The Russian-Ukraine war disrupted supplies of food staples and fertiliser, straining a global food system already weakened by climate change impacts, pandemic-related supply shocks, and unsustainable farming practices.

The Asia and the Pacific are vulnerable to food shocks, as some of its countries depend on imported food staples and fertiliser.

Even before the war, nutritious food was unaffordable for significant portions of the population in many low-income member countries.

The ADB's food security assistance will promote open trade, improve smallholder farm production and livelihoods and ease shortages of fertiliser and promote its efficient use or organic alternatives.

It will also support investments in food production and distribution, enhance nutrition, and boost climate resilience through integrated and nature-based solutions.

A key focus will be to protect the region's natural environment from climate change impacts and biodiversity loss, which have degraded soils, freshwater, and marine ecosystems, said the press release.

"An important part of our long-term approach is to safeguard natural resources and support farmers and agribusinesses which produce and distribute much of the region's food, and to promote open trade to ensure it reaches consumers efficiently," said Asakawa.

The assistance will be drawn from across the ADB's sovereign and private sector operations, and seek to leverage an additional \$5 billion in private sector co-financing for food security.

Reforms key to more investment

FROM PAGE B1

Peter D Haas, American ambassador to Bangladesh, said his country supports the IBFB's goals of reducing corruption and bureaucracy, attracting foreign direct investment, and strengthening economic governance.

Celebrating 50 years of diplomatic relations of the two countries, the US focused on five key objectives for attaining targeted investment and economic success, he said.

The areas are firstly a peaceful and stable Bangladesh and secondly a Bangladesh that was committed to democracy, transparency, pluralism, tolerance, good governance, and respect for human rights, he said.

The third focus is a socially and environmentally resilient Bangladesh and the fourth is supporting the country's efforts to host Rohingya refugees until a safe, voluntary and dignified return to Myanmar is possible.

"Each of these first four goals underpin our fifth goal: supporting Bangladesh in its efforts to achieve sustainable and broadly shared prosperity, improve labour standards, expand and diversify Bangladesh's economy, and open it to greater regional and global trade and connectivity," said Haas.

"Of all the areas of our bilateral cooperation, I am convinced that

we can go furthest and fastest on economic issues," he added.

Haas then said many US and international businesses want to expand operations in the region.

"And we want to help Bangladesh create a business climate that is as welcoming as possible to foreign investment."

For the growing bilateral trade, the US embassy will welcome the first-ever full-time attaché from the US Department of Commerce very soon in Dhaka, which will eventually provide a direct liaison between US and Bangladeshi businesses.

"In short, together we have the foundation on which to expand our economic relationship," he said.

But in order to take things to the next level, two things must happen, one of which is that international companies and investors must become more aware of the opportunities Bangladesh presents.

Second, Bangladesh must be ready to welcome American businesses.

"I doubt this will come as a shock to any of you, but most heads of US companies do not wake up in the morning thinking 'Hmmm - maybe I should do business in Bangladesh,'" said Haas.

They usually have their hands full just keeping up with the US market and if they are operating globally,

they are probably operating in well-understood markets and are simply not aware of Bangladesh, he added.

But as members of the IBFB know, there are strong reasons to look at Bangladesh for market opportunities. And Bangladesh is worthy of their attention, he said.

First, even in these challenging times, Bangladesh has a great macroeconomic story to tell. It has been among the fastest growing economies in the world over the past decade.

The country's financial leaders have so far managed its debt well and are taking important steps to deal with the inflationary pressures resulting from the Russia-Ukraine war.

"Yes, times are tough. And as the World Bank recently pointed out, Bangladesh needs additional reforms in order to maintain its economic expansion going forward. But so far, the macroeconomic situation seems manageable," Haas said.

In other words, Bangladesh is a better place for American and other international business to devote their time and resources than other countries in the region or elsewhere around the globe.

As Bangladesh graduates to middle-income status, it will find it has many competitors also hungry for international business.

It is one thing to build a special

economic zone but that alone is not enough to attract the best investors, he said.

A smart company considering doing business overseas will certainly want to see certain things, including a developed transportation system, consistent access to power and water, and a well-trained workforce.

Bangladesh has made great strides in filling these needs but a company also wants certainty and security while political violence and electoral instability scare them.

A company wants a policy framework that is understood and laws that are consistently enforced. A company wants to know that if a dispute arises, it has access to courts that can quickly and fairly settle it.

A company does not want to be taxed more rigorously or investigated more thoroughly than its local competitors, Haas added.

This country has seen misery, fought famine and abject poverty, yet survived to become a lower middle-income country in 2015, said Zaidi Sattar, chairman of Policy Research Institute.

Now it is on way to make the LDC status graduation and is on track to become an upper middle-income country by 2031, he said.

Humayun Rashid, president of the IBFB, also spoke.

Private credit growth

FROM PAGE B1

sector also creates more jobs. But inflation will go up if funds are given to consumers."

Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, thinks the credit growth would have jumped to a large degree had banks sat on excess funds.

"Funds disbursed by banks are cheaper given the interest rate cap on loans," he said.

A large amount of the local currency has been mopped up by the central bank through the injection of US dollars into the economy since the last fiscal year as banks need the American greenback to settle import bills.

The central bank supplied a record \$7.62 billion to the market in the last fiscal year and more than \$3 billion this fiscal year so far.

Escalated import bills have driven up the credit growth, said an economist of the BB.

Imports surged to \$5.86 billion in July, up 23.2 per cent from a

year prior, owing to higher costs of commodities amid pent-up demand, supply shocks and the global energy crisis.

Emranul Huq, managing director of Dhaka Bank, said many importers are clearing import bills while opening letters of credit to avert any loss from the exchange rate fluctuation.

"They make the payments by taking loans in the form of post-import financing from banks. This has given a boost to the private sector credit growth."

This is because the taka has lost its value by 25 per cent in the past one year amid a shortage of the US dollar, which traded at Tk 105.35 yesterday.

The local currency may weaken further since the global supply chain disruption continues amid the dragging war.

Consumer financing is on the increase despite the price hike of goods and services, pushing up the credit growth, Huq said.

"We have to contain the consumer financing, otherwise the banking sector may face liquidity stress."

Thousands throng

FROM PAGE B1

trained with technical and vocational skills, said Fahim Mashroor, CEO of Bdjobs.com.

"Around 25,000 jobseekers visited the fair," he said.

Experienced and fresh graduates from different technical and vocational training institutes dropped curricula vitae in the company booths where spot interviews have been conducted by the human resource teams on the first day of the fair.

Major job categories were diploma engineers, technicians, electricians, graphic designers, nurses, cooks, delivery riders etc.

National Skill Development Authority (NSDA) Member Mohammad Ziauddin took part in the fair's inauguration programme as the chief guest where Technical Education Board Chairman Md Ali Akbar Khan was the special guest.

The recent job market trends show that there are better job opportunities for people trained in vocational and technical knowledge compared to the ones who have completed general education, Mashroor said.

He said there are thousands of people who have completed bachelor's and master's in business administration from universities and colleges, but most of them are finding jobs for years.

"On the other hand, most of the students from technical and vocational institutes get job offers even before completing their training courses. The salary is also high compared to general graduates."

The recent growth of different manufacturing industries has created huge job opportunities for technical and vocational skilled professionals.

He said Bdjobs.com will arrange such job fairs in all major cities in the coming months.

Nagad gets extension

FROM PAGE B1

Md Siraz Uddin, Director general of the Directorate of Posts, could not be reached for comments.

On April 2 after getting the extension for the fifth time, he told The Daily Star that he was hopeful that all procedures might be completed within the deadline, set to expire this month, to set up the subsidiary.

The Directorate of Posts had sent documents to the posts, telecommunication & information technology ministry. The documents

might have been sent to the law ministry for vetting in order to amend laws, he had said.

Laws would have to be amended because existing rules don't allow the BPO to set up such a company.

The government has already moved to amend the Post Office Act, 1898 and the Post Office (Amendment) Act 2010. As per the central bank, the BPO is supposed to establish a subsidiary to run the MFS in a model similar to a public private partnership.

The government agency is

expected to hold a 51 per cent stake in the subsidiary while Nagad Ltd, a private company, will own the rest.

"Nagad is now in the process of getting a full-fledged licence to run its business operation. It will take some time to complete the entire regulatory process," said Muhammad Zahidul Islam, head of public communications at Nagad.

"We are optimistic to complete all procedures within the extended time."

Nagad is an MFS brand of the BPO. It is operated by Third Wave

Technologies Ltd, which renamed itself Nagad Ltd in February last year.

The private firm provides service to the BPO under a revenue-sharing model. The state-run agency gets 51 per cent of the revenue and Nagad receives the remainder.

On August 30, the central bank gave a letter of intent to the investors of Nagad Ltd to form a non-bank financial institution named Nagad Finance.

As per the business plan, Nagad Finance will promote its products and services through Nagad Ltd.