



About 40 per cent to 50 per cent of the world's old ocean-going ships have been dismantled in the shipbreaking area in Bangladesh in the past two decades, according to the Bangladesh Ship Breakers and Recyclers Association.

PHOTO: RAJIB RAIHAN

SHIP RECYCLING ACT

Nearly five years on, govt supervision yet to come about

MOHAMMAD SUMAN

Bangladesh Ship Recycling Act, 2018 was enacted four and a half years ago but its implementation has stayed limited to just the formation of a board.

Construction of waste treatment plants and the board's permanent offices, manpower recruitment, insurance benefits for workers and punishment for law violators after regular inspections are yet to come about.

However, members of Bangladesh Ship Recycling Board, which was formed eight months ago, said processes were underway for these activities.

"The activities of the board have not begun although the board has been constituted," the board's director general, Md Zafar Ullah, also an additional secretary to the Ministry of Industries, told The Daily Star.

"Permanent appointment and recruitment of staff for the board is under process. A proposal for recruitment of workforce is awaiting approval at the Ministry of Public Administration," he said.

"It will not be possible to implement

the activities if these works are not completed," he said.

The act, passed in parliament in February 2018, states that a gazette notification informing of the 13-member "Bangladesh Ship Recycling Board" has to be issued as soon as possible after the act comes into being.

The board will have an additional secretary to the Ministry of Industries as the chairman while as members representatives of Bangladesh Customs, Directorate of Environment, Bangladesh Navy, the Bangladesh Ship Breakers and Recyclers Association and others.

The government can appoint any government official as director general of the board and s/he will be the chief executive of the board, says the act.

The main functions of the board are overall supervision and evaluation of ship recycling operations and approval and implementation of government plans.

The members of the board or any person authorised by the board may inspect shipyards, imported ships and ship recycling operations and the yard authorities are bound to render necessary assistance.

If necessary, the board can interrogate any person and collect records, the act said.

Countries around the world enacted their own laws becoming signatories to the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009.

The convention stipulates that the Bangladesh government has to take effective measures to achieve the necessary capacity within a maximum of five years after formulation of the act.

A treatment plant for ship waste management was supposed to be set up within three years of the act coming into effect but the Ministry of Industries could not decide on the location in the last four and a half years.

Sources said the plant was planned to be located at a convenient location near the economic zone in Mirsharai area.

A study on the plant has already been conducted at a cost of Tk 4 crore and negotiations are underway with Japan International Cooperation Agency (JICA) to finance the project at a cost of around Tk 500 crore. However, nothing has been finalised.

The director general, Md Zafar Ullah, said they were already in discussions with JICA over the financing and this would be done very quickly. The implementation of this project has been delayed mainly due to the Covid-19 pandemic.

Mohammad Siddique, general secretary of the recyclers association, told The Daily Star that though a board was formed last January, all its members were yet to be ensured.

Only two meetings of the board have been held so far. However, the board has no activity since there is no office and workforce of its own, he said.

According to the recyclers association, the ship breaking industry started to take shape at Sitakunda in the 1960s.

About 40 per cent to 50 per cent of the world's old ocean-going ships have been dismantled in the shipbreaking area in the past two decades.

However, accidents involving workers and environmental degradation have been increasing due to a lack of a policy in the country.

The government passed Bangladesh Ship Recycling Act, 2018 in the face of domestic and international pressure.

Garment exports to US surge

STAR BUSINESS REPORT

Garment exports to the US rose 54.43 per cent year-on-year in the January-July period to hit \$5.71 billion as the demand for locally made garment items is growing among American consumers, according to data from the country's Office of Textiles and Apparel (OTEXA).

In fiscal 2021-22, Bangladesh's overall shipments to the US amounted to \$10.41 billion, around \$9.01 billion of which were garments.

US imports of apparel items increased by 39.06 per cent in the January-July period compared to the corresponding period the year before.

China remains the top supplier of apparel products for the US, registering 40.01 per cent year-on-year growth in the January-July period, when US imports from China stood at \$12.79 billion.

At the same time, US imports from Vietnam reached \$10.91 billion with 35.30 percent year-on-year growth.

Other top exporting countries such as Indonesia, India, Cambodia, South Korea, and Pakistan also posted significant growth in shipments to the US during the same period.

The surge in the country's imports is being caused by its ongoing recovery from the Covid-19 pandemic and increased shopping that resulted in retail sales growth.

However, the upward trend might not sustain in the fourth quarter of 2022 due to historic inflation levels, raise in Fed rates, downturn in economic growth compared to projections, and an anticipated recession in the country, a garment exporter said.

He then said the unusually long summer this year may also affect the winter clothing range.

"However, we observed that Bangladesh's total export maintained significant growth until August 2022, which means US imports from the country might stay on a positive trend till September, and may falter afterwards as retail sales is affected by economic turmoil and buyers being cautious about overstock and current production," he added.

Walton approves 250pc dividend

STAR BUSINESS DESK

The board of directors of Walton Hi-Tech Industries PLC approved 250 per cent cash dividend for the general shareholders and 150 per cent cash dividend for sponsors and directors for financial year 2021-2022.

The company virtually held its 16th annual general meeting, where it approved the staggering dividends along with the audited financial statements for FY 2021-2022, a press release said.

SM Shamsul Alam, vice-chairman of the company, presided over the meeting.

Golam Murshed, managing director of Walton Hi-Tech Industries, SM Ashrafur Alam, SM Mahbul Alam, SM Rezaul Alam, SM Monjurul Alam Ovee, Tahmina Afrose Tanna, Raisa Sigma Hima, directors, and Ahsan H Mansur, Samsul Alam Mallick, Prof M Sadiqul Islam, and Prof Zakir Hossain Bhuiyan, independent directors, were present.

Eskayef injectables facility

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complex products which are already in the pipeline to address unmet patient needs," she added.

"I believe the exceptionally talented individuals at Eskayef will differentiate us from others," said Rahman.

She said the unwavering commitment to quality has always been at the forefront of Eskayef's drive to serve humanity.

"Earlier this year, we received US FDA approval for our oral products and now this approval for injectable products has solidified our position, at the global level, as a manufacturer with the highest quality products for the people of Bangladesh and across the world," she added.

Other major global approvals of Eskayef are from the Medicines and Healthcare Products Regulatory Agency of the United Kingdom, European Medicines Agency which

inspects good manufacturing practice standards, Brazilian Health Regulatory Agency, Therapeutic Goods Administration of Australia, and South African Health Products Regulatory Authority.

The press release said Eskayef was proud to be uniquely positioned as a Bangladeshi company with these coveted approvals from the world's most stringent regulatory authorities, positioning itself to become a truly global company by setting the highest standards of quality, safety and efficacy of its medicines.

Eskayef Pharmaceuticals is one of the organisations of Transcom Group founded by the late Latifur Rahman, a towering symbol of ethical business in Bangladesh.

Eskayef has been producing medicines for 32 years and currently exports its medicines to 67 countries across six continents of the world.

Govt to purchase

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The remainder of 30,000 tonnes will be brought in from Sabic Agri-nutrients Company of Saudi Arabia at a cost of Tk 200 crore. The BCIC will import 30,000 tonnes of phosphoric acid at Tk 233 crore for its DAP Fertiliser Company Ltd.

The purchase committee also gave its nod to a proposal of the Implementation Monitoring and Evaluation Division to appoint a joint venture of Dohatec Media Bangladesh and GSS Infotech Ltd of India as a consultant for the Digitalising Implementation Monitoring and Public Procurement Project involving

Tk 51.23 crore.

A proposal of the Public Works Department under the housing and public works ministry received consent to award a contract to Engineers & Architects Ltd to construct three 14-story residential buildings in the Mohammadpur Housing Estate in Dhaka. The ministry would have to spend Tk 144 crore for the structures.

The meeting approved a total of six purchase proposals to the tune of Tk 1,027 crore. Of the sum, Tk 378 crore would come from the government's coffer, while Tk 649 crore would be taken as loans from local banks and external sources.

Bourses end in black

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On the contrary, travel lost 3.1 per cent, paper declined 1 per cent, and general insurance gave up 0.3 per cent, according to the brokerage house.

Investors' activity was mostly centred on pharmaceuticals and engineering, which accounted for 16.3 per cent and 9.5 per cent of the

turnover, respectively.

The Caspi, the all-share index of the bourse in the port city, rose 16 points, or 0.08 per cent, to end the day at 19,180.

Of the securities, only 60 advanced, 77 went down, and 109 remained unchanged. Turnover fell slightly to Tk 101 crore.

UAE, Oman to boost trade and investment ties

REUTERS, Dubai

The UAE and Oman are exploring investment opportunities worth 30 billion dirhams and will increase bilateral economic cooperation in strategic sectors, according to a statement released during President Sheikh Mohammed bin Zayed's visit to the Sultanate.

Considered one of the Gulf's weaker economies, increased trade and investment support from a regional heavyweight - the UAE is the Gulf's second biggest economy - will help the Sultanate progress with plans to diversify its economy away from oil.

During the visit, Abu Dhabi investment fund ADQ and Oman Investment Authority agreed to establish a 592 million dirham venture capital fund to invest in technology companies in Oman and explore 30 billion dirhams of investments in sectors across renewable energy, food and agriculture, communications, logistics and healthcare. No specific details or timeframe for new investments was given.

ADQ and OIA have previously signed a 10 billion dirham investment partnership agreement.

A new \$3 billion joint railway company was also established to set up and operate a rail link between Oman's Sohar port and the UAE's network, cutting down transport time and boosting trade routes.

The UAE and Oman have committed to long term economic development plans to diversify revenue away from hydrocarbons.

"Today's engagement builds on our recent efforts and commitment to develop tangible investment partnerships in key markets, such as Oman, that complement our investment strategy and growth aspirations," Mohamed Hassan Alsuwaidi, ADQ's chief executive officer, said in a statement.

Tata launches low-cost electric car in India

REUTERS, New Delhi

Tata Motors launched India's lowest priced electric car at a little over \$10,000 on Wednesday as the country's only electric vehicle (EV) maker looks to draw in more buyers.

Tata leads India's EV market, helped by government subsidies and high tariffs on imports.

Its move comes as domestic rival Mahindra & Mahindra is in talks with investors to raise up to \$500 million for its EV unit and plans to launch its first electric sport-utility vehicle (SUV) in January.

Tata's Tiago EV, an electric version of its popular Tiago hatchback, will have a sticker price starting from 849,000 rupees (\$10,370). The bulk of cars sold in India, the world's fourth-largest car market, are priced below \$15,000.

That is much cheaper than India's next most affordable EV - the electric version of Tata's Tigor

compact sedan which starts at around \$14,940. China, however, has some EV models that start as low as 32,800 yuan (\$4,525).

The Tiago EV's operating cost is expected to be about a seventh of the gasoline version, making it a "compelling proposition", said Shailesh Chandra, managing director of Tata Motors Passenger Vehicles and its EV subsidiary.

"We are not chasing to be the lowest cost," said Chandra, adding the aim was to pack in connected car features and other advanced technologies while keeping the price accessible. Chandra said the car's "disruptive" pricing would open new opportunities and markets for Tata in smaller towns and cities, where buyers tend to be more price-conscious.

Tata, India's third-largest carmaker, last year raised \$1 billion from TPG for its EV unit at a \$9.1 billion valuation, and has outlined

plans to launch 10 electric models by March 2026.

India's car market is tiny compared to its population, with electric models making up just 1 per cent of total car sales of about 3 million a year, but the government wants to grow this to 30 per cent by 2030.

The cheapest version of the Tiago EV - Tata's third electric car - will have a driving range of 250 kilometres (155 miles) on a single charge, while a more expensive version will offer a range of 315 km.

Chandra said data from existing Tata EV owners showed average daily use of about 50 km, which prompted the company to provide a shorter driving range to keep the price down.

"There's always a challenge of how we strike the right price," Chandra said, adding the current sticker price was only for the first 10,000 buyers.

Oil prices rise on US production outages

REUTERS, London

Oil prices rose on Wednesday in US trading hours as production cuts caused by Hurricane Ian outweighed downward pressure from a strengthening dollar and expected US crude stockpile builds.

Brent crude futures were up 80 cents, or 0.9 per cent, at \$87.07 per barrel by 1229 GMT, while US West Texas Intermediate (WTI) crude futures rose 97 cents, or 1.2 per cent, to 79.47 per barrel. Both contracts erased earlier falls after rising over 2 per cent in the previous session.

In the Gulf of Mexico, about 190,000 barrels per day of oil production, or 11 per cent of the Gulf's total, were shut-in due

to Hurricane Ian, according to offshore regulator the Bureau of Safety and Environmental Enforcement (BSEE).

Global equities pulled off two-year lows on Wednesday, after the Bank of England said it would step into the bond market to stem a damaging rise in borrowing costs, thereby dampening investors' fears of contagion across the financial system.

The dollar hit a fresh two-decade peak against a basket of currencies on Wednesday as rising global interest rates fed recession concerns. A strong dollar reduces demand for oil by making it more expensive for buyers using other currencies.

US crude oil stocks rose about

4.2 million barrels for the week ended September 23, while gasoline inventories fell about 1 million barrels, according to market sources on Tuesday, citing figures from industry group the American Petroleum Institute.

Distillate stocks rose by about 438,000 barrels, according to the sources. The report comes ahead of official Energy Information Administration data due 1430 GMT.

Goldman Sachs cut its 2023 oil price forecast on Tuesday, due to expectations of weaker demand and a stronger US dollar, but said global supply disappointments only reinforced its long-term bullish outlook.