



Farmers are seen selling mung bean at a local market in Dumki upazila of Patuakhali. While farmers previously sold raw mung bean for just Tk 50 to Tk 60 per kg, they now sell the processed version for as much as Tk 130 per kg thanks to an increasing number of processing facilities. PHOTO: STAR/FILE

GARMENT OF MAN-MADE FIBRE Commerce ministry for 10% cash incentive on export

REFAYET ULLAH MIRDHA

The commerce ministry will again write to the finance ministry to provide a 10 per cent cash incentive to garment exporters making goods out of man-made fibres to offset the pandemic's fallout and challenges of Bangladesh's country status graduation.

A previous letter did not result in any allocation for the purpose in the national budget, Senior Commerce Secretary Tapan Kanti Ghosh told The Daily Star over the phone.

Garment exporters demanded the incentive citing the severe fallouts of the pandemic, the Russia-Ukraine war and possible challenges once Bangladesh graduates from an underdeveloped to a developing country in 2026, he said.

Development of a man-made fibre-based garment industry is important for three important reasons – tackling the graduation challenges, pandemic's fallouts and grabbing a bigger global market share.

Because the price of garment items made from the man-made fibres is higher than those of made from cotton, he said.

Currently there is no special cash incentive for the man-made fibre-based garment items but it is needed, said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).



This is why the BGMEA wrote to the government last year to provide a special allocation for the incentive because global demand for man-made fibre-based garments was higher than that for cotton based ones, he said.

Of garment items produced in the world, 78 per cent are made from man-made fibres and the rest from cotton.

In Bangladesh, the picture is the opposite.

Of garment items shipped from Bangladesh, 74 per cent is made from cotton fibres and the rest is manufactured from the non-cotton fibres.

The price gap between cotton and man-made fibre-made items is also large. For instance, if a garment item made of cotton is sold at \$5 apiece, the asking price of a man-made fibre apparel item is \$10.

Moreover, China and Vietnam have been increasing their share of the global man-made fibre apparel markets. So, this is the time for Bangladesh to grab a bigger market share, Hassan also said.

If the government pays more cash incentives, more investment will come to the sector and the country will be more competitive globally, he said. As a result, it will be easier to face the graduation challenges, Hassan also said.

It is possible to pay the direct cash incentive to the garment exporters up to 2026 focusing the graduation. By that time, the sector will grow further and the incentive might not be needed after 2026, Hassan said.

Increasing export of man-made fibre-based garment items will also help offset the dollar crisis as the sector will also help to bring in more foreign currency on export receipts, he added.

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Mung bean cultivation expanding in Patuakhali

Availability of milling machines changing farmers' fortunes

SOHRAB HOSSAIN, Patuakhali

Idris Ali, a farmer of Kartikpasha village in Patuakhali's Dumki upazila, has been cultivating mung beans after harvesting Aman paddy for about 20 years now.

At first, he would grow mung beans, known as moong daal in Bangladesh, simply to meet the needs of his own family. But after seeing that yields were good, Ali sensed an opportunity to profit from the crop.

He then gradually increased cultivation and eventually sold some raw mung beans at a local market for Tk 40 to Tk 50 per kilogramme (kg).

However, he could have made as much as Tk 130 per kg by supplying processed mung beans instead but was unable to as there were no milling machines nearby at the time.

Now though, a milling machine is available in the Thanabridge area of Dumki town.

"So, I no longer sell raw moong daal in the market. I get double the price by milling the beans before selling it in the market," Ali said, adding that he will cultivate the crop on one acre of land this year.

Similarly, Harun Or Rashid, a farmer of Barguna sadar upazila, recently processed 10 kgs of mung beans at a local market called Kewrabunia Bazar.

Having kept two kgs for himself, Rashid sold the remaining eight kgs for at least Tk 120 per kg.



Farmers are making higher profits due to the availability of small processing mills. PHOTO: SOHRAB HOSSAIN

"I grew mung beans on 70 decimals land last year but considering the good prices at present, I plan to increase cultivation," he said.

Like Ali and Rashid, many other farmers in the region are expanding mung bean cultivation as the availability of miniaturised processing mills has brought a big change in their fortunes.

KM Nasiruddin, who owns the milling machine in the Thanabridge area, said the

equipment was set up through a private initiative last January.

Now, many locals come to mill mung beans, rice, wheat and spices at a cost of about Tk 10 per kg, he added.

Abdul Awal, deputy assistant agriculture officer of Patuakhali sadar upazila, said Aman paddy is the main crop of the region.

After harvesting Aman paddy in January, farmers plant different types of

crops fit for the spring season between January and March.

Watermelon is the most highly-cultivated crop while mung bean comes in second. That scenario may soon change though as after milling machines were brought to the area, farmers are planning to expand cultivation of the legume crop.

This is because other than being highly profitable, mung bean roots increase soil fertility, saving on the use of urea fertiliser for the subsequent cultivation of Aman paddy in the same field, he added.

Patuakhali Shaukat Hossain, an official of the Department of Agricultural Extension (DAE) in Patuakhali, said the availability of milling machines is encouraging more farmers to grow mung beans, which produce good yields in the region due to its favourable soil and climate conditions.

As such, at least 600 kgs of mung beans are produced per acre, making it more profitable compared to other crops.

Md Nazrul Islam, deputy director of the Patuakhali DAE, about 86,000 hectares of land in the region were used to cultivate mung bean last year.

"But due to the growing interest among farmers, a target has been set to use 88,000 hectares of land for mung bean cultivation this year," he added.

Islam went on to say that the mung beans grown in the region are being exported to Japan for their high quality.

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Ensure stable energy prices for economic recovery DCCI urges govt

STAR BUSINESS REPORT

The Dhaka Chamber of Commerce and Industry (DCCI) yesterday urged the government to focus on ensuring uninterrupted and affordable energy for both local and export-oriented manufacturing units to further accelerate Bangladesh's economic recovery in 2023.

Also, emphasis should be placed on improving the ease of doing business and developing an infrastructural environment that is conducive for attracting local and foreign investment, according to a press release from the trade body.

In addition, the country's exports need to be diversified while facilitating access to credit for cottage, micro, small and medium enterprises should take priority as well, it said.

The global economic downturn stemming from the Covid-19 pandemic and ongoing Russia-Ukraine war have hindered Bangladesh's growth. However, the enterprising spirit of the local business community and joint efforts of the public and private sectors have largely assisted the country's economic recovery.

Still though, the recent increase in energy prices is disrupting the production of energy-intensive industries, making it increasingly difficult for them to compete in international trade, it added.

So, the DCCI is of the view that long-term planning should be adopted following a predictable pricing policy for determining energy prices.

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The jute sector in Bangladesh is facing a lot of problems, including a drastic fall in exports, said Abul Hossain, chairman of Bangladesh Jute Mills Association. PHOTO: STAR/FILE

Jute millers seek low-cost fund

STAR BUSINESS REPORT

Jute millers have urged the government to speed up the formation of a low-cost fund for the jute sector to allow entrepreneurs to modernise machineries of their dilapidated mills and increase productivity.

The view was shared at an annual general meeting of Bangladesh Jute Mills Association (BJMA) on Saturday.

At the meeting, BJMA Chairman Abul Hossain said the Ministry of Textiles and Jute requested the finance ministry to create an initial low-cost fund of Tk 500 crore out of its proposed Jute Sector Development Fund of Tk 10,000 crore.

"We hope this fund will be developed within a short time," he said.

The BJMA also lamented a lack of implementation of the mandatory jute packaging act-2010.

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