



An inside view of the Bangabandhu Sheikh Mujibur Rahman Tunnel under the Karnaphuli river in Chattogram. The photo was taken in November last year. PHOTO: STAR/FILE

Taiwanese firm invests \$17m in Bay Economic Zone

STAR BUSINESS REPORT

Makalot Industrial Co Ltd, a Taiwanese readymade garment manufacturer, is going to invest \$17 million to produce sports shoes and apparel items at the Bay Economic Zone.

The company has secured registration under the name of Makalot (BD) Ltd to invest in Bangladesh, according to a press release from the Bangladesh Economic Zones Authority (Beza).

Chou Hsin-Peng, chairman of Makalot (BD), and Ziaur Rahman, managing director of Bay Group Ltd, signed an agreement to this end at the office of the Beza in Dhaka yesterday.

Makalot (BD) has rented 10,000 square metres of space at the zone, a privately-owned industrial estate for leather and leather goods, at Kaliakair in Gazipur to set up the factory.

The company will manufacture monoclature active sportswear, ready-to-wear sleepwear, leisure wears and outdoor wear in the factory where at least 2,000 Bangladeshi nationals will get jobs directly.

After signing the deal, Chou Hsin-Peng said Bangladesh has a good investment environment and the company has the plan to raise investments in the future in various other sectors.

Ziaur Rahman said the new investor would start the process of setting up the factory quickly. The Bay Economic Zone will be known as a Taiwanese investment hub if Taiwanese investment continues to flow in, he said.

Sheikh Yusuf Haroon, executive chairman of the Beza, said the Beza has been able to create a healthy investment-friendly environment in Bangladesh.

The private economic zone is playing a supporting role to Beza's investment promotion.

As of December, the Bay Economic Zone has mobilised \$67.50 million in investments from local firms, who would create jobs for about 1,500 people collectively.

Karnaphuli tunnel may again incur time and cost overruns

MD ASADUZ ZAMAN

Constructing Bangabandhu Sheikh Mujibur Rahman Tunnel under the Karnaphuli river in Chattogram is set to turn costlier apparently for poor feasibility studies as the need for new components have arisen alongside adjustments to the rise in the price of the US dollar.

Though the tunnel was scheduled to be partially opened this month, Bridges Division is planning to seek a one-year extension for incorporating the additional components, according to the planning ministry's documents.

An additional Tk 315 crore will be sought, raising the overall cost to Tk 10,690 crore, while the tunnel project is expected to be complete by December 2023, read the documents.

This is the second time the project plan is being revised. It may be proposed at a meeting of the Executive Committee of the National Economic Council (Ecne) on January 17.

Of the additional cost, around Tk 25 crore will be required for new components of the toll plaza and Tk 109 crore for the service area.

A project evaluation committee of the planning ministry has asked the tunnel project officials to verify the financial analysis regarding the cost overrun, including whether it was as per rates provided by Public Works Department.

Security and traffic management had not been taken into account at the start of the project, Project Director Harun-

or-Rashid told The Daily Star yesterday.

"Now these issues have been incorporated and that's why the duration and cost of the project were revised," he said.

Payments for the project have become costlier due to the high price of the dollar, he added.

When the project was undertaken in 2015, each dollar was around Tk 85 but now it is Tk 106, he said.

"The roads are complete for vehicle movement. Now the most important part of the tunnel, electro-mechanical work, is going on. The overall progress of the construction now stands at 95 per cent," he claimed.

However, the planning ministry documents show that the project's physical progress is at around 87 per cent.

Whether big infrastructure projects are delivering proper economic and financial benefits have always been a major concern, said Towfiqul Islam Khan, senior research fellow at the Centre for Policy Dialogue.

The lack of a proper feasibility study is a major reason for such delays and cost overruns. It remains to be seen whether the studies take the economic and financial benefits into consideration, he said.

"For this reason, the country's economy, especially the private sector, would not get the proper benefits timely," he added.

The project was supposed to be completed two years ago, meaning the country has missed its economic and

financial returns, he said.

Like this, most major projects in the country are not completed on time, he said.

The Ecne approved the multi-lane road tunnel project in November 2015 at a cost of Tk 8,446.64 crore. The project was set to be complete by December 2021.

Afterwards the project was revised, with the cost increasing to Tk 10,374.42 crore and completion deadline extended to December 2022.

Earlier, in November in the last year, the prime minister's former Principal Secretary Ahmad Kaikaus visited the tunnel area and said it will be partially opened to traffic by the end of January 2023."

China Communication Construction Company deployed more than 800 workers to construct the tunnel, which connects the port city on the north end with Anwara upazila on the south.

At a depth of 18 to 31 metres under the Karnaphuli, the length of the main tunnel is 3.32km.

The length of each of its two tubes, having four lanes, is 2.45km. There will be a 5.35km connecting road at the western and eastern ends of the main tunnel and a 727m flyover at the Anwara end.

It will be used as an alternative route to Cox's Bazar, Teknaf and Matarbari and northern Chattogram, and play an important role in improving the Asian Highway Network, strengthening connectivity between Bangladesh and neighbouring countries.

Welcome to America in 2023

AL MAMOON

Tamed inflation, descending gas prices, more job openings coming to the market every month, and the US dollar's continued reign in the currency market all promise a prosperous 2023 for everyone in America - citizens, residents, students, or even visitors. If you are planning to come as a tourist, enrol here as a student or visit the US by any other means, try it now.

The best of times for students

2022 saw an avalanche of Bangladeshi students in America. There was a pent-up demand created during the pandemic and universities were hungry for foreign students.

On top of that, Community College Initiative (CCI) is drawing a number of undergraduate students in recent years.

Traditionally, community colleges could not bring foreign students on their own. But the state department has changed the rules of the game in their favour.

Selected community colleges are now opening their doors to the wider world and the expenses of foreign students are borne by the state department for a one-year academic programme.

Taming inflation

"Americans are finally beginning to feel relief after months of rapidly rising prices of basics such as a food, fuel, and rent. Overall inflation has fallen for five straight months and is expected to continue its descent in 2023."

This is how Abha Bhattarai summarised the US inflation scenario in the Washington Post on December 30.

Inflation is restrained more in non-food prices, with gasoline at the top. The average gas price that rose to \$5 a gallon nationally in June has now landed at \$3.5, quite close to the pre-pandemic rate. Food prices are also downward in the spiral.

All well that ends well

In recent months, the US workforce has felt a strain of retirement surge as the baby boomer generation, referred to as the population group born after World War II, is quitting.

Millions of Americans left or lost their jobs in March-April 2020 when businesses laid off employees and workers were forced to stay home. The demographically active population, people between 18 and 64, returned to the job market as businesses gradually reopened. But Covid-induced disability and other lingering effects led others to withdraw forever. A wave of boomers, 65 and older, are the major contributors in this cohort of an astounding 3.5 million workers.

What is there for us in this retirement surge? We have nothing to lose and everything to gain!

There are 1.7 job openings for every jobless person in America. Whether you are a student's spouse who can work legitimately, a Bangladeshi who has filed for immigration but is not legalised yet, or a Bangladesh-born naturalised American, it is good news for all of them.

To be or not to be

When it comes to remittance earnings, we seldom mention the money that comes in from the US. The myth is, all our foreign currency is coming from the Middle East, but the reality is a bit different.

Those who came here as asylees, diversity visa lottery winners, dependents, or students have paid back to their country. As of November of 2022, our US diaspora sent \$3.2 billion, second only to those living in Saudi Arabia who sent home \$3.7 billion.

We have ways to maximise it. We need to focus on the niche market. To be or not to be that is the question.

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UK becoming less attractive for investment

Manufacturers warn

REUTERS, London

Britain has become less competitive and less attractive to foreign investors as a result of soaring energy costs and recent political turmoil, manufacturers said in an industry survey released on Monday.

The proportion of manufacturers who think Britain is a competitive location halved to 31 per cent from 63 per cent a year ago, and 43 per cent said Britain had become less attractive to overseas investors, according to the survey by Make UK, the main trade body for British manufacturers, and accountants PwC.

The survey of 235 businesses took place from November 1 to November 22, when the turmoil of Liz Truss's short-lived government was fresh in people's minds, and 53 per cent of firms said ongoing political instability had damaged business confidence.

This week finance minister Jeremy Hunt is due to outline plans to sharply scale back energy subsidies for businesses.

Make UK said the plans are likely to lead to exacerbate cuts to jobs and production that were already in the pipeline.

When the survey took place in November, two thirds of manufacturers expected to reduce headcount or cut output because of high energy costs.

READ MORE ON B2



Workers are seen on the production line at Nissan's car plant in Sunderland, Britain. Manufacturers in the UK have struggled of late, with closely watched S&P Global business surveys showing they suffered a severe downturn in December than its peers. PHOTO: REUTERS/FILE

Fu-Wang Foods to produce puffed rice

STAR BUSINESS REPORT

Fu-Wang Foods, one of the leading listed confectionary makers, has announced that it would produce puffed rice, which is called muri in Bangla, and sell it under the name "Fuwang Muri".

In a disclosure on the Dhaka Stock Exchange (DSE) website yesterday, the company said its board of directors had decided to set up a production line to produce puffed rice/muri.

The product is expected to be available in markets at the end of February this year, said the company.

An estimated Tk 30 lakh will be invested in the project and daily production capacity will be 10 tonnes, it added.

The company's stock price remained the same at Tk 23.50 at the DSE yesterday. READ MORE ON B2