More than 90 per cent of Bangladesh's international trade of about $130 billion goes through sea routes. Currently, 90 container feeder vessels, including eight owned by a Bangladeshi operator, connect the Chattogram port with the ports in Sri Lanka, Singapore, Malaysia and China.

PHOTO: STAR/FILE

Foreign ships face uncertainty in getting key certificate

Allege operators of foreign container feeder vessels

DWAIPAYAN BARUA, *Ctg*

Operators of foreign container feeder vessels are allegedly facing unusual delays in obtaining the waiver certificate or failing to secure the document they need before loading cargoes to and from Bangladesh.

More than 10 foreign vessels have alleged that they have run into the problem in the past two weeks, making them worried about increasing shipping costs and time. This may prompt them to lose interest in continuing their service to and from Bangladesh.

Owing to the uncertainty, Dubai-based feeder operator Unifeeder yesterday decided to pull out Hansa Homburg, one of its two container ships, from the Chattogram-Colombo route.

Shahed Sarwar, deputy managing director of Crown Navigation, the local agent of Unifeeder, said it applied for the waiver certificate for the vessel to the Mercantile Marine Department (MMD) of the Department of Shipping on February 12, seeking permission to load Chattogram-bound import containers at Colombo on February 28.

After four days, the MMD refused to issue the certificate following objection from the Bangladesh Ocean Going Ship Owners' Association (BOGSOA), he said.

After knowing about the development, the regional office of Unifeeder in Singapore yesterday informed Crown Navigation that it was going to discontinue operating the vessel on the route, according to Sarwar.

The waiver is a document that displays the full details of the exporter, importer, how the shipping is done (container or groupage), the name of the ship, scale, the goods exported and the value of it and the cost of freight.

Leaders of the shipping agents who have already started meeting with the authorities over the issue have called for an immediate solution.

This is because if more foreign ship operators lose interest in Bangladesh and withdraw services, it may impact the shipping trade badly since the country's seaborne import-export trade is still mostly served by foreign ships, they said.

More than 90 per cent of Bangladesh's international trade of about $130 billion goes through sea routes.

Currently, 90 container feeder vessels, including eight owned by a Bangladeshi operator, connect the Chattogram port with the ports in Sri Lanka, Singapore, Malaysia and China.

The country's lone container ship operator – HR Lines –operates six ships on the Chattogram-Colombo route and two on the Chattogram-Singapore route.

Hyundai Merchant Marine (HMM), Singapore operates vessels on Chattogram, Singapore, South Korea and China routes.

One of its vessels, HMM Chittagong, has been denied the waiver, said its local agent. Another ship, HMM Dhaka, has been granted the waiver for loading cargoes from Singapore but was denied permission to take export cargoes from Chattogram.

The Bangladesh Flag Vessel (Protection) Act 2019 was passed with a provision for locally owned vessels to carry 50 per cent of all sea-borne cargoes.

Owing to the uncertainty, Dubai-based feeder operator Unifeeder yesterday decided to pull out Hansa Homburg, one of its two container ships, from the Chattogram-Colombo route

According to the rules, local agents of a foreign vessel need to apply to the MMD in Chattogram to obtain the waiver certificate 15 days before they load any cargoes to and from Bangladesh. This aims at enabling national flag carriers to get adequate cargoes.

On February 5, the government published the Bangladesh Flag Vessel (Protection) Rules, 2023 and included obtaining the opinion of the BOGSOA before issuing the waiver certificate.

Now, the MMD forwards the application to Bangladesh Shipping Corporation and the BOGSOA and seeks opinion before issuing the document.

Agents of foreign container ships say though the law was enacted two years ago, they faced no problem in getting the waiver certificate till last month since the number of Bangladeshi flag vessels was low.

As both import and export to and from Chattogram fell in the last several months owing to global economic slowdown, local vessels are not getting adequate cargoes. So, the problem has arisen, said the top official of a shipping agent.

Bangladesh Shipping Agents Association Chairman Syed Mohammad Arif said the association follows rules and is always extending support to protect the interest of the national flag-carrying vessels.

"At the same time, we also need to ensure that our foreign trade is not disrupted."

On the Chattogram-Colombo route where Bangladeshi operator has strong presence, 75 per cent of containers were carried by international feeder vessels in January. It would be less than 5 per cent in other routes, said one agent.

Arif said some foreign ships have been given the waiver for one-way traffic. "This means they have been given the permission to bring import cargoes and they can't carry export cargoes. But this is not economical for them."

BOGSOA Chairman Azam J Chowdhury said the certificate is being issued abiding by rules. "We are also working to quicken the process of issuing the certificate."

Global securities regulators to meet in Dhaka tomorrow

STAR BUSINESS REPORT

A two-day meeting of Asia Pacific Regional Committee (APRC) of the International Organization of Securities Commissions (IOSCO) is going to be held in Dhaka from tomorrow.

The IOSCO is an association of organisations that regulate the world's securities and futures markets and members of it are typically primary securities or the main financial regulators of the respective member countries. At present, it has 233 members.

Prof Shibli Rubayat Ul Islam, vice-chairman of the IOSCO, will inaugurate the meeting whereas Shigeru Ariizumi, chairman of the IOSCO, will be present on the concluding day.

On the first day, supervisory and enforcement directors will hold closed door meetings, informed the Bangladesh Securities and Exchange Commission (BSEC) through a press conference on its premises yesterday.

Representatives from various countries will discuss regulatory technology, online monitoring of stock brokers, controlling manipulation and insider trading, and way of effective supervision of the market.

The top officials of the regulators will share their experiences that will help all to gather information.

Dollar edges lower from six-week peak

REUTERS, *London*

The dollar edged lower on Monday but kept close to Friday's six-week high, after a flurry of economic data reinforced market expectations of tighter monetary policy from the Federal Reserve.

The US dollar index, which measures the dollar against six other major currencies, slipped 0.1 per cent to 103.91. It is still up almost 1.8 per cent for the month, keeping it on track for its first monthly gain since last September. It hit a six-week high of 104.67 on Friday.

Liquidity is expected to be thin on Monday, with US markets closed for Presidents' Day.

Data from the world's largest economy in recent weeks has pointed to a still-tight labour market, sticky consumer prices, robust retail sales and higher producer prices, raising expectations the US central bank had more to do to tame inflation, and that interest rates would rise.

But with markets expecting the Fed funds rate to peak just under 5.3 per cent by July, analysts said the move in the dollar may have run its course.

"The dollar has had quite a big move this month on the back of rates repricing and the question is how much further that's going to run," Chris Turner, global head of markets at ING said.

"I'd say the majority of what we're calling a 'corrective rally' in the dollar has been seen," Turner added.

Hawkish comments from Fed officials have also underpinned the US dollar, as they signalled interest rates would need to rise to quash inflation.

Sweden's crown outperformed after core inflation ticked up in January, while minutes from the central bank's last meeting showed policymakers backed more rate hikes to bring inflation under control.

The euro fell 1.1 per cent against the Swedish crown to 11.059 crowns while the dollar was down 0.8 per cent to 10.3604.

"We now see the Riksbank hiking by 50 basis points in April and 25 basis points in June," said Torbjörn Isaksson, chief analyst at Nordea, who previously saw one more 25 basis point rise in April.

Pumpkin farming spreading in Barishal's chars

SUSHANTA GHOSH

Pumpkin has become the most favoured crop among farmers based along the Arial Kha river in Barishal as the popular variety of winter squash brings better returns compared to other crops.

As a result, thousands of farmers in char areas of the region are now inclined towards pumpkin cultivation.

Nesharuddin Howlader, a farmer of Rajdhar village under Charmonai union in Barisal sadar upazila, said he planted a hybrid breed of pumpkin on two acres of land this season.

With the required seeds having cost about Tk 14,000, Howlader spent a total of around Tk 1 lakh on his farm to produce at least Tk 2.5 lakh worth of pumpkin.

So far, he has harvested about 12 kilogrammes (kg) of the fruit from his pasture along the river, where all the fields bear a lush green look.

Jahangir Hossain, a farmer of the same area, planted pumpkins on 60 decimals of land and is currently selling his produce at a local wholesale market for Tk 20 per kg.

According to other locals, at least 60 pumpkins are sent to a wholesale market in Barishal city every day from this char alone.

Mohsin Khan, a local pumpkin trader, said he moved to the village from Dhaka amid the coronavirus pandemic and started cultivating pumpkins.

As business has been good, he is now enjoying swift profits after overcoming the losses caused by Covid-19.

Khan went on to say that pumpkin is more profitable to farm compared to other crops as it takes less effort and expenditure.

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A farmer in Rajdhar village of Barishal sadar upazila is seen collecting pumpkins for sale at a wholesale market in Barishal city. Farmers in the region are particularly fond of cultivating the winter squash as they provide better profits for less effort compared to other crops.

PHOTO: TITU DAS

Pakistan's current account deficit falls to $0.2b in Jan

REUTERS, *Pakistan*

Pakistan's current account deficit (CAD) dropped to $0.2 billion in January 2023, down 90 per cent from last year as the rupee's depreciation slowed down imports, the central bank said on Monday.

In less than a month, the cash strapped nation's currency has lost more than a quarter of its value against the US dollar after the removal of artificial caps, and fuel prices have risen by more than a fifth as the government implemented fiscal measures required to unlocking funds from an International Monetary Fund (IMF) bailout.

During the first seven months of the current fiscal year, the country's current account deficit decreased by 67 per cent

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