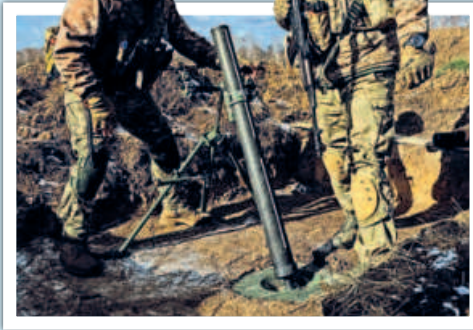
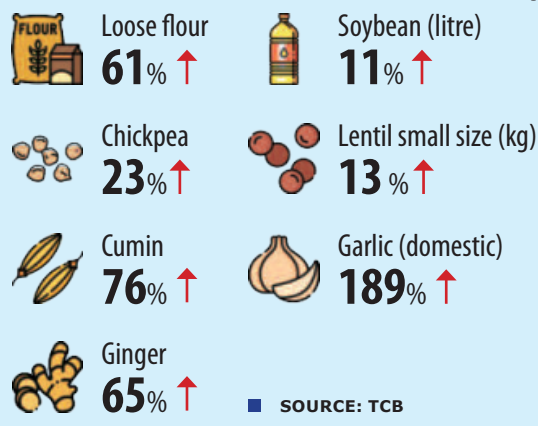


# Star BUSINESS



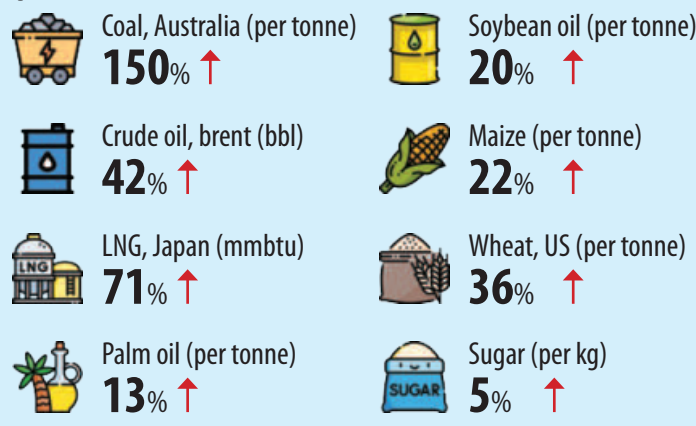
## RISE IN RETAIL PRICES IN ONE YEAR



## ONE YEAR OF UKRAINE WAR

## GLOBAL COMMODITY PRICES

SOURCE: WB COMMODITIES PRICE DATA



## Consumers feel the heat of war everywhere

SOHEL PARVEZ and MD ASADUZ ZAMAN

Nearly a year ago when President Vladimir Putin launched a full-scale invasion of Ukraine, many had thought that the war would end soon.

It hasn't. The war has prolonged and it has left scars in Ukraine and affected the lives and livelihoods of people in almost every corner of the world.

The people of Bangladesh were not spared as well. Every family is feeling the pinch of the conflict, which is taking place thousands of miles away from the delta.

"The effect of the war is visible in every nook and cranny of the country," said Jalal Uddin Ahmed, a private sector employee.

"When I commute in a bus and the ticket issuer asks for a higher fare than I used to pay earlier, I can feel the heat of the war on my wallet."

Ahmed is the breadwinner of a four-member family living in Dhaka for 34 years.

In the past one year since the war broke out, the 55-year man saw the overall cost of living of his family go up by more than 50 per cent.

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# Economy bleeds while reality only getting harsher for people

MD FAZLUR RAHMAN and AKM ZAMIR UDDIN

Russia's war in Ukraine might be taking place 5,800 kilometres away from Bangladesh and the country is not involved militarily in the dragging conflict in any way, but its economy and people have been paying heavy prices.

The war, which began on February 24 last year, has hit Bangladesh's robust economic recovery from the coronavirus pandemic. The economy grew at a slower-than-expected pace in the last fiscal year and the growth might decline further in the current financial year as well.

Inflation has stayed at an elevated level after surging to a multi-year high in August owing to global supply disruptions,

higher import costs and a spike in fuel, gas and electricity prices. Higher consumer prices have hit hard the poor and the fixed-income groups disproportionately since their earnings did not rise in line with the expenses, forcing them to slash consumption, both food and non-food.

The war-induced higher global commodity prices and slowdown in external demand have led to a sharp widening of the current account deficit, depreciation of the taka and a decline in foreign exchange reserves.

The taka, which was under pressure even before the war began, lost its value by about 25 per cent against the US dollar since February last year, driving up the cost of imports in a



country that relies on external sources for 80 per cent of wheat, nearly 100 per cent of crude oil and processed petroleum products, a majority of fertiliser, edible oil and sugar.

The forex reserves were down by 28 per cent.

The global energy crisis prompted the government to

close diesel-fueled power plants, introduce rolling blackouts and cancelled the purchase of liquefied natural gas from international spot markets, affecting households and factories alike.

In order to tame the pressure on state coffers, the prices of fuel, fertiliser, gas and electricity

were raised in an unprecedented manner. But the pressure did not go away.

Owing to higher global prices, importing the same volume of nine essential commodities – crude oil and refined oil, LNG, wheat, fertilizer, palm oil, coal, soybean oil, maize and rice – was expected to cost an additional \$8.2 billion in 2022 in comparison to 2021, according to the budget speech of the finance minister in June.

Exports shot up to a record high in the last financial year, which ended in June, riding on pent-up demand. But the shipment growth is expected to slow in line with falling demand in Europe and the United States, which together account

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STOCKS		AS OF MONDAY
DSEX ▼	CASPI ▼	
0.14%	0.12%	
6,218.83	18,360.21	

COMMODITIES	
Gold ▼	Oil ▲
\$1,834.28	\$77.01
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.03%	▼ 0.21%	▼ 0.06%	▲ 0.49%
60,672.72	27,473.10	3,306.86	3,306.52



Fuel prices surged over the past year as the ongoing Russia-Ukraine war put pressure on global supply. As a result, diesel and other lubricants were hard to come by for most. Here, a gas station attendant is seen pumping diesel into a drum for use in a generator during power outages in the capital. PHOTO: STAR/FILE

# SMEs to conglomerates -- none left unscathed

AHSAN HABIB

Businesses of almost all segments of the economy have been passing tough times since last July, when the Russia-Ukraine war started to have an impact in a multitude of ways.

From small and medium enterprises (SMEs) to conglomerates, the conflict took a toll on all businesses this year, even ones which were left unscathed in the 2007-08 world financial crisis.

Sales and profits of manufacturers shrank alongside new investment in industries, hampering the creation of new jobs.

Top officials of several non-listed conglomerates confirmed that their sales and profits were squeezed by around 12 per cent year-on-year in 2022 while over 70 per cent of listed companies showed lower profits during the July-December period.

Furthermore, around 19 per cent of listed companies were downed into losses in the six-month period

## ONE YEAR OF UKRAINE WAR

whereas they had logged profits in the same period of the previous year.

The war disrupted global supply chains when the world economy was already weak for the pandemic, said Abdul Matlub Ahmad, former president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

"So, the impact of the war seems acute," he added.

Europe was dependent on Russia to meet their demand for fuel, which was seriously impacted for the war. So, energy prices soared and it impacted businesses.

The price of every barrel of Brent crude oil crossed \$120 in June 2022. In August, the Bangladesh government raised the prices of

diesel and kerosene by 42.5 per cent.

The price of petrol underwent a 51.16 per cent jump and octane became dearer by 51.68 per cent, driving up transportation costs.

The US economic policy was on recalling its dollars so a crisis of the currency was a reality and it also affected businesses as most manufacturers' raw materials need to be imported, Ahmad said.

The foreign exchange reserve of Bangladesh dropped 28 per cent to \$32.6 billion in the last one year, according to Bangladesh Bank data.

The taka lost its value by about 22.3 per cent in the last one year because of the US dollar shortages, making imports expensive, the data shows.

On top of that, the recent earthquake in Turkey deepened the European problem. Already, hunger and poverty are rising worldwide, including Bangladesh, said Ahmed, also chairman of Nitol Niloy Group.

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## Join the Best to be the Best

A trendsetter in the fast growing financial sector of Bangladesh, Eastern Bank Limited (EBL) is the most awarded and recognized brand in the country's banking sector. We are extremely passionate about creating and maintaining lasting value for our customers and all our stakeholders. We consider our employees as our greatest asset and core brand. At EBL, we have developed a people friendly culture and created an enabling environment to inspire them to excel and optimize their true potential. Our Future Leader Development Program is designed in a way the benefits of which are for a lifetime. At EBL we never say we offer you job, we say we shape your career.

**Your Knowledge**

We are seeking exceptionally motivated graduates with a minimum CGPA 3.00 out of 4.00.

**Your Attitude**

We are looking for applicants with drive and ambitions, who aspire to become leaders and innovators in financial industry and have genuine interest to pursue a banking career with EBL.

**Your Skill**

We look for candidates with well developed problem solving and analytical skills, good interpersonal skills and motivation to excel. Proficiency in English language is a must. CEFR (Common European Framework of References for languages) Level C assessment tool – Aptis by the British Council will benefit you in the selection process.

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We offer a great career for the performers with excellent rewards, exciting learning opportunities and a world class work environment. After completion of extensive learning and development program, successful future leaders are absorbed as **Senior Officer** or **Principal Officer** (depending on academic result and performance during selection process).

**Your Commitment**

Selected candidates will be committed (by signing a Surety Bond) to serve EBL for a period of minimum 03 (three) years.

**Your Action**

We encourage suitable candidates to log on to [www.ebl.com.bd/career](http://www.ebl.com.bd/career) and apply on or before **March 07, 2023**. Candidates will be treated strictly on merit. Only shortlisted candidates will be communicated and any sort of persuasion will result in disqualification. EBL reserves the right to accept or reject any application without assigning any reason whatsoever.

## Increase industrial energy efficiency to cut costs

**KfW Development Bank director says**

STAR BUSINESS DESK

Increasing industrial energy efficiency is an effective way for Bangladesh to achieve significant cost savings and long-term energy security, said Michael Sumser, director of KfW Development Bank, at an event.

He made the comment at a programme titled "New Financing Solutions for Energy Efficiency Interventions", organised by Infrastructure Development Company Ltd (Idcol) at InterContinental Dhaka on Sunday, said a press release.

**Idcol has financed/ approved over Tk 2,500 crore in RMG, textile, cement, steel, and commercial/ industrial building sectors for energy efficient machinery**

The event highlighted new financing solutions of Idcol.

In addition to long-term concessional taka loans, Idcol will be able to offer long-term fixed-rate Euro and USD loans in association with KfW and GCF.

"Idcol has already financed/ approved more than Tk 2,500 crore in RMG, textile, cement, steel, and commercial/ industrial building sectors for energy efficient machinery and equipment," said Alamgir Morshed, executive director and CEO of Idcol. "Various initiatives have been undertaken by the government to promote energy efficiency and conservation across different industries," said Md Khurshid Alam, executive director of Bangladesh Bank.



A man shops imported perfumes in a shop in Peshawar, Pakistan on February 15. Parliament approved on Monday a supplementary finance bill that increases sales tax from 17 to 25 per cent on imports ranging from cars and household appliances to chocolates and cosmetics.

PHOTO: REUTERS/FILE

# Pakistan hikes tax on luxury goods for IMF deal

AFP, Islamabad

Pakistan's parliament has given the go-ahead for the government to raise taxes on a raft of luxury imports and services in a bid to unlock the next tranche of an International Monetary Fund (IMF) loan.

Faced with critically low foreign exchange reserves, the government has already halted most imports – apart from food and pharmaceuticals – but hopes to boost revenue with the broad tax hike.

Years of financial mismanagement and political instability have pushed Pakistan's economy to the brink of collapse, exacerbated by a global energy crisis and devastating floods that submerged a third of the country in 2022.

However, with an election due by the end of the year, the government is reluctant to be too harsh in case it is punished at the polls.

Parliament approved on Monday a supplementary finance bill that increases sales tax from 17 to 25 per cent on imports ranging from cars and household appliances

to chocolates and cosmetics.

People will also have to pay more for business-class air travel, wedding halls, mobile phones, and sunglasses.

A general sales tax was raised from 17 to 18 per cent.

**Faced with critically low foreign exchange reserves, the government has already halted most imports – apart from food and pharmaceuticals**

"The prime minister will also unveil (further) austerity measures in the next few days," Finance Minister Ishaq Dar told the national assembly as the bill was passed, adding "we will have to take difficult decisions".

Pakistan is desperate to unlock the next tranche of a \$6.5 billion loan facility with the IMF but struggling to meet tough conditions set by the global financier.

The IMF is demanding that Pakistan boosts its pitifully low tax base, ends exemptions for

the export sector, and raises artificially low energy prices that are meant to help poor families.

"Those who are making good money in public or private sectors need to contribute to the economy," IMF Managing Director Kristalina Georgieva told German state broadcaster Deutsche Welle at the weekend.

"It shouldn't be that the wealthy benefit from subsidies. It should be the poor who benefit from them." Dar told parliament when tabling the bill this month that the luxury tax would generate an additional 170 billion rupees (\$650 million).

"These are the items which are widely used by the rich class," he said, adding it would "put minimum burden on the common man".

While an IMF cash injection will not be enough to rescue Pakistan on its own, it is necessary to boost confidence and open the doors for friendly nations such as Saudi Arabia, China and the United Arab Emirates to offer further loans.

## UL Solutions, BGMEA for collaboration on RMG safety

STAR BUSINESS DESK

A delegation of UL Solutions, a global independent safety science company, met with Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), at BGMEA Complex in Uttara, Dhaka on Monday to discuss possible collaboration in providing safety solutions and services to garment factories in Bangladesh.

Charan Singh, senior director of regional operations of UL Solutions, led the delegation, said a press release.

**The discussion also focused on how UL Solutions could support the factories in maintaining compliance with regulations and standards and reducing environmental impacts**

Golam Sarwar, country manager of UL Bangladesh, Sharif Mollah, business development manager of emerging markets, and Rashed Ahmed, head of business, were also in the delegation.

They discussed how UL Solutions could support Bangladeshi garment factories in remaining up to the mark in terms of industry safety requirements.

The discussion also focused on how UL Solutions could support the factories in maintaining compliance with regulations and standards and reducing environmental impacts of their operations, the press release also said.

UL Solutions delivers testing, inspection and certification services together with software products and advisory offerings that support customers' product innovation and business growth.

Neela Hosna Ara, director of the BGMEA, was present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (FEB 21, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	1.5 ↑	5.47 ↑
Coarse rice (kg)	Tk 48-Tk 52	2.04 ↑	7.53 ↑
Loose flour (kg)	Tk 55-Tk 58	-4.24 ↓	61.43 ↑
Lentil (kg)	Tk 95-Tk 100	-4.88 ↓	0
Soybean (litre)	Tk 168-Tk 172	0.59 ↑	6.25 ↑
Potato (kg)	Tk 20-Tk 22	-6.67 ↓	20 ↑
Onion (kg)	Tk 30-Tk 35	-18.75 ↓	-31.58 ↓
Egg (4 pcs)	Tk 47-Tk 50	14.12 ↑	27.63 ↑

SOURCE: TCB



Hassan O Rashid, managing director of Prime Bank, and Nazeem Noordali, chief operating officer of International Islamic Trade Finance Corporation (ITFC), exchanged signed documents of a master murabaha agreement on trade facility at a hotel in Dhaka recently. Abdihamid Aweis Abu, general manager of trade finance of the ITFC, Faisal Rahman, additional managing director of the bank, and Shams A Muhaimin, deputy managing director, were present.

PHOTO: PRIME BANK



Kazi Mahbubul Alam, district commissioner of Gopalganj, attended the disbursement of agricultural loans of AB Bank to 400 small and marginal farmers through smart cards at Sheikh Fazlul Haque Mani Stadium in Gopalganj yesterday. Mahabub Ali Khan, president of Gopalganj District Awami League, Abdul Kader Sarder, deputy director of the Department of Agricultural Extension in Gopalganj, Tarique Afzal, managing director of the bank, and other officials were present.

PHOTO: AB BANK

## Economy bleeds

FROM PAGE B1

nearly 80 per cent of the country's total external demand.

Remittances are not rising to the expected level although Bangladesh sent a record number of workers abroad last year.

Rising prices of fertiliser may cause some farmers to reduce their use of the input, leading to lower agricultural production and higher food prices at a time when the world is facing a food crisis.

According to the Agricultural Market Information System, an inter-agency platform based in Rome, fertiliser prices have decreased 40 per cent since hitting record nominal highs last spring. Still, prices remain nearly twice their level of two years ago.

And Mokhlesar Rahman, a farmer in Bogura, told The Daily Star yesterday: "This was the first time in many years, we have had to buy fertiliser by standing in line."

The war has hurt the employment sector since businesses have adopted a wait-and-see approach when it comes to investments as uncertainty persists.

Falls in employment are larger than those in GDP at 1.6 per cent, said the International Food Policy Research Institute (IFPRI) in a paper on the impacts of the war on Bangladesh's economy in July.

"Overall, the combined effect of the world price shocks is a decline in consumption for all households, with larger declines for households toward the lower end of the income distribution. The result of the global crisis is, therefore, an increase in inequality within Bangladesh."

Falling household consumption leads to greater poverty, particularly in rural areas. According to the most recent household survey in Bangladesh, 14 per cent of the country's population has an adult equivalent consumption level that falls below the \$1.90 poverty line.

The increase in world prices raises the national poverty headcount rate in Bangladesh by 3.3 percentage points, equivalent to an additional 5 million people falling below the

poverty line, said the IFPRI.

The heightened uncertainty has forced Bangladesh to turn to the International Monetary Fund (IMF) for support with a view to tackling macroeconomic instability and protecting the vulnerable. The lender has approved a \$4.7 billion fund.

The war also showed how important it has been for Bangladesh to bring in structural reforms in some areas that have been neglected for years.

Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, says that the global commodity market has almost absorbed the price shock emanating from the war-induced crisis. But Bangladesh has failed to contain the prices in the domestic market.

Although the price of fertiliser has decreased significantly in recent times, there is still uncertainty. Russia, Ukraine, and Belarus are the key producers of fertilisers globally.

The price of LNG has decreased to a tolerable level in the global market as well.

"Good things are happening in the global market. But they have not brought any major impact to our economy as we have not taken any time-befitting initiatives after the war," he said.

"We have failed to absorb the shock. And the common people are now suffering because of the wrong decisions taken by the policymakers."

According to Mansur, uncertainty is deepening amid the dollar crisis.

"The central bank should have allowed the floating exchange rate and withdrawn the cap on the lending rate."

The former official of the IMF suggested taking measures to help the country ride out the crisis.

"If we don't take the issue with the utmost importance, the economy will fall into deep trouble in the days to come."

"This has worsened the living standard of the people. And the global supply chain disruption has threatened the food and energy security of the country."

He said Bangladesh was now in a critical condition because of the ongoing geopolitical tension.

"It is difficult for us to side with any particular country. The tension has even brought a negative impact on the implementation of development projects."

Zahid Hussain, a former lead economist of the World Bank Bangladesh, said there was no alternative to increasing the supply of US dollars.

"Only administrative measures on import controls will not bring much benefit."

He said the exchange rate volatility has shown that attempts to manage it artificially might not work ultimately.

"In fact, since the dollar rate for remittances was left largely to the market, money sent home by our workers has started picking up."

The economist recommended examining how the country could cut tax exemptions.

Bangladesh would have to see how it could explore natural resources such as gas in order to cut the country's heavy reliance on imports, Hussain added.

## Mustard farmers

FROM PAGE B4

Latif Akanda, a director of the ORC. The agency provided seeds of the Bari Mustard-14, Bari Mustard-17 and Bari Mustard-18 varieties, he added.

Similarly, the Bangladesh Agricultural Development Corporation (BADC) increased its distribution of mustard seeds to expand cultivation, said Md Mostafizur Rahman, member director for seed and horticulture at BADC.

BADC supplied 1,000 tonnes of mustard seeds in 2022 and aims to provide 2,200 tonnes this year in an effort to support the government's plan to increase domestic production of oilseeds and thereby reduce imports.





Workers at a farm in Bhadai village under Aditmari upazila of Lalmonirhat are seen collecting seeds from mustard plants for sale at local markets. Encouraged by good prices in the previous season, growers increased mustard cultivation in 2022 with each maund of the oilseed now selling for up to Tk 4,000. PHOTO: S DILIP ROY

## Mustard farmers pleased with yields, prices

S DILIP ROY

Farmers in the greater Rangpur region are so far pleased with their mustard yields amid the ongoing harvesting period while prices for the major oilseed are higher compared to what they were last season.

According to growers in the region, they are getting up to six maunds of mustard from each bigha of land, which cost about Tk 6,000 to cultivate.

Each maund (roughly 37 kilogrammes) of the crop is now bringing them between Tk 3,600 to Tk 4,000 in local markets while the rate was Tk 3,000 to Tk 3,200 last season.

After harvesting their Aman paddy crops, farmers started sowing mustard plants in mid-October of 2022. And following the current harvest, they will plant Boro paddy seedlings in the same field as mustard cultivation improves soil fertility.

Sources at the local Department of Agricultural Extension (DAE) said 52,552 hectares of land across five districts in the region – Lalmonirhat, Kurigram, Rangpur, Gaibandha and Nilphamari – were used to grow mustard in 2022 while it was 39,290 hectares in 2021.

Mustard cultivation expanded in the 2022 season as record prices for edible oil encouraged

farmers to increase acreage of the crop.

Besides, the DAE provided incentives for farming mustard with a target to produce one lakh tonnes of the oilseed.

As a result, farmers sowed mustard on eight lakh hectares of land in the cultivating season, which was the highest in recent decades, showed data from the DAE.

Bangladesh annually requires 20 lakh tonnes of edible oil, around 90 per cent of which is met through imported soybean seeds, crude soybean and palm oil from Argentina, Brazil and Indonesia.

The country spent Tk 35,730 crore to import oilseeds and edible oil in fiscal 2021-22, which was four times the Tk 8,160 crore registered in 2009-10, as per Bangladesh Bank data.

Abdul Malek, a farmer of Anantapur village under Phulbari upazila of Kurigram, said he got 40 maunds of mustard from seven bighas of land at a cost of Tk 43 thousand this season.

He already sold 20 maunds of the crop for Tk 3,700 per maund at a local market. Last year, he harvested a total of 17 maunds from three bighas of land and sold it for Tk 3,000 per maund.

“As I got the expected yields and prices for mustard last season, I increased the acreage



this time,” he said, adding that he hopes to expand cultivation even further in the coming season.

Mizanur Rahman, another farmer of the same village, said he is pleased with his bumper production this season as he got 23 maunds of mustard from four bighas of land.

Rahman went on to say that more farmers would be enthusiastic about growing the crop if prices remain above Tk 3,000 per maund.

Naresh Chandra Das, a farmer of Thanahat village in Chilmari upazila of Kurigram, said he cultivated mustard on 10 bighas of land this season while it was four bighas in 2021.

Das, who has already sold 18 maunds of the oilseed for Tk 3,700 per maund, then said the present market price has

made him more interested in increasing acreage.

In addition, Das enjoyed good yields of Boro paddy by planting the crop in the same field after mustard cultivation. So, he hopes to do the same this year too.

“Mustard cultivation increases soil fertility and preserves the balance of the environment,” he added.

Manindra Nath Barman, a farmer of the Bhatbari area of Lalmonirhat sadar upazila, said he once gave up on mustard cultivation for not getting the expected prices.

After having grown the oilseed on up to 10 bighas of land about a decade ago, Barman again tried his hand at farming mustard on just one bigha in 2021.

Considering the promising results, he planted the crop on six bighas of land in October 2022.

“I got expected production this year and the price is also good,” Barman said, adding that more farmers like him would engage in mustard cultivation if the current market price continues.

Alamgir Hossain, a mustard trader in Lalmonirhat town, said there is huge demand for mustard among the common people.

“We buy mustard from local farmers and sell it to wholesalers at different places,” he added.

Biplab Kumar Mohanta, deputy director of the DAE in Kurigram, said farmers were given seed and fertiliser incentives for the current season to bring them back to mustard cultivation.

“Farmers are being given all kinds of technical assistance,” he added.

Shah Alam, additional director of the DAE in Rangpur, said that as mustard is a three-month crop, farmers can grow it with less cost and effort.

In a bid to encourage farmers, the Oilseed Research Center (ORC) under the Bangladesh Agricultural Research Institute had doubled its seed distribution in 2022, according to Md Abdul

READ MORE ON B2

## Road to Smart Bangladesh

RASHAD KABIR

When Prime Minister Sheikh Hasina declared the vision of “Digital Bangladesh”, there were very few people who believed it would eventually come true. But after one decade, it is no longer a dream, it’s now a reality.

Prime Minister Sheikh Hasina has announced another master plan on December 12, 2022 to take Bangladesh towards the next step, which is “Smart Bangladesh”.

“Smart” refers to the use of advanced technologies, such as the internet of things, artificial intelligence, blockchain, big data, robotics, drone technology, 3D printing and other cutting-edge technologies to improve various aspects of society.

The “Smart Bangladesh” ecosystem will stand on four key pillars – “Smart Citizen”, “Smart Government”, “Smart Society” and “Smart Economy”.

The “Smart Citizen” goal will be to empower citizens of Bangladesh with a “digital first” mindset driving campaigns and implementing widespread digital literacy programmes. These citizens will use digital technologies, such as mobile and internet, to access information.

The “Smart Government” should implement 100 per cent paperless offices and hyper personalised service platforms across priority areas like healthcare, education, agriculture, revenue management and public security. Although Bangladesh made a good start of digitalising government services by automating over 2,000 government service, a serious jump is still needed in order to achieve the target of 2041.



“Smart Society” refers to a civilisation that uses technology and innovation to raise the standards of living for its people. Citizens will adopt digital tolerance, ethics and values. A cashless payment ecosystem, “Smart City” and “Smart Grid” will be integral components.

“Smart Economy” is significant considering that Bangladesh plans to make ICT one of its revenue-generating pillars by 2041. It is estimated that by 2041, the overall ICT economy’s will be of \$50 billion and at least 50 unicorn startups will be dominant in Bangladesh’s market.

Although the government’s goal of creating a “Smart Bangladesh” by 2041 is a bold decision, its implementation will be a major challenge. The government needs to prepare a concrete masterplan through extensive discussions with relevant stakeholders. It will be best if a taskforce can be established whose primary goal will be to coordinate with relevant stakeholders. To support emerging technology, regulatory frameworks must be promptly modified. There should be policies in place to support and protect technology IP valuation.

Last but not the least, utmost importance and care should be given on development of human resource. Till now, universities have not been able to embed emerging tech in their curriculum. There is still a huge gap between the academia and industry which should be minimised as soon as possible.

In a nutshell it can be said the dream of Bangabandhu Sheikh Mujibur Rahman was to have a country free of poverty, characterised by social and economic fairness and by shared wealth. Continuing from Digital Bangladesh Vision 2021, the Bangladesh government has adopted Vision 2041 with the express goal of eradicating extreme poverty and achieving high-income country status by 2041. It’s the action and work of today that will decide how soon we will be able to reach the goal. The government and private industry should work hand in hand to materialise the dream of “Smart Bangladesh”.

The author is the managing director of Dream71 Bangladesh and a director of the Bangladesh Association of Software and Information Services.

## Eurozone recovery accelerates in Feb

AFP, Brussels

Economic growth in the eurozone accelerated in February and hit a nine-month high, according to the closely watched S&P PMI output index.

Data from the survey published on Tuesday showed the indicator at 52.3, up from 50.8 in January. A reading over 50 represents economic growth.

Output in the single currency bloc turned around in January after a slump tied to supply chain disruptions, the Covid pandemic and the war in Ukraine.

With inflation still high but falling and China reopening its economy after strict Covid lockdowns, European growth has returned, raising hopes the eurozone will escape falling into recession.

“Business activity across the eurozone grew much faster than expected in February,” said Chris Williamson, chief business economist at S&P Global Market Intelligence.

The higher figure for the purchasing managers’ index (PMI) would be consistent with the eurozone economy growing at just under 0.3 percent in the first quarter of this year, he said. But the combination of faster growth and still high, though falling, inflation will encourage the European Central Bank to further raise interest rates, he warned.

The ECB has raised interest rates five times since July 2022 and has signalled that it plans to keep doing so in March and probably beyond.

On Friday, the governor of the French central bank, Francois Villeroy de Galhau, described the effort as “a long-distance race” to bring inflation down to the ECB’s target of two percent. “Growth has been buoyed by rising confidence as recession fears fade and inflation shows signs of peaking, though manufacturing has also benefitted from a major improvement in supplier performance,” Williamson said.



Technicians work on the assembly line of German carmaker Volkswagen’s electric car in Dresden, Germany. Business activity across the eurozone grew much faster than expected in February, said Chris Williamson, chief business economist at S&P Global Market Intelligence. PHOTO: REUTERS/FILE

## Russian economy contracts 2.1% in 2022

AFP, Moscow

The Russian economy contracted by 2.1 percent last year, the government’s statistics agency Rosstat said Monday, absorbing Western sanctions over Moscow’s military intervention in Ukraine better than expected.

The data was published on the eve of a keenly awaited speech to parliament by President Vladimir Putin, days before the first anniversary of the launch of Russia’s offensive against Ukraine on February 24.

“The 2.1 percent contraction in Russian GDP in 2022 was smaller than expected and is consistent with an expansion in the fourth quarter, providing further evidence to suggest that the economy stabilised after the initial hit from sanctions in the second quarter,” said Liam Peach at Capital Economics.