

Star BUSINESS



The number of multi-storey buildings is on the rise to meet the housing demand in Dhaka, one of the most populous cities in the world. However, the properties are increasingly going out of the reach of most of its inhabitants owing to skyrocketing prices.

PHOTO: RASHED SHUMON

World's best green factory now in Bangladesh

REFAYET ULLAH MIRDHA

Bangladesh now not only has the most green garment factories but yesterday also became home to a textile factory which scored the highest rating of United States Green Building Council.

Green Textile Limited Unit 4 scored 104 out of 110 in a platinum level of the council's green building certification programme Leadership in Energy and Environmental Design (LEED), which is used worldwide.

A joint concern of Epic Group and Envoy Legacy, the factory is situated in Nijhury Baraid Bazar at Bhaluka in Mymensingh, around 70 kilometres away from the capital Dhaka.

The previous record holder was PT Ungaran Sari Garments Pringapus 6 and 7 in Indonesia. It had been holding the top spot since May 2018 scoring 101 out of 110.

Moreover, two weeks ago, Bangladesh became home to 52 out of the 100 top-rated green industrial units worldwide, according to the council.

This came about on February 1 when KDS IDR Limited, a garment factory in Kalurghat, received a LEED platinum certification.

Platinum is the LEED programme's highest certification level while gold the second highest and silver third. A fourth level for industrial units is for just meeting minimum requirements.

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WEEKLY INTERVIEW



'Reuse of plastic waste growing'

JAGARAN CHAKMA

Plastic recycling plants in Bangladesh are becoming a vital part of the circular economy as foreign buyers are prioritising sourcing plastic products from Bangladesh manufacturers who use recycled plastic along with virgin materials.

At present about 80 per cent of the plastic waste is collected in the country in various ways and various products are being made through those being recycled into plastic granules.

Around 300 small and medium plastic recycling plants have been set up in the country while conglomerates including Pran-RFL Group and Akij Group have also invested in this sector

"We could not imagine what the industrial value of recycle plastic was just 10 to 12 years ago which now has become an important part of the plastic industry," said Shamim Ahmed, president of the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA).

He frankly disclosed this emerging new business idea and environment protection initiative through a telephonic interview with The Daily Star yesterday.

Referring to a recent study on the overall plastic industry of Bangladesh, he said around 300 small and medium plastic recycling plants have been set up in the country while

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Demand for luxury flats intact despite economic woes

JAGARAN CHAKMA

The demand for luxury apartments has remained unchanged while the sales of regular properties and initiation of new housing projects are in the slow lane amid the ongoing economic crisis, according to market players.

Sustained inflationary pressure stemming from global crises, such as the Russia-Ukraine war, has driven up apartment prices by increasing the cost of raw materials.

As such, construction costs have gone up by Tk 1,500 to Tk 12,000 per square foot depending on the size and location of the property, as per an assessment by the Real Estate and Housing Association of Bangladesh (REHAB).

Officials of building technology and ideas ltd (bti), one of the top realtors in the country, say the approval of new housing projects has come down to one-third of normal levels due to the new Detailed Area Plan (DAP).

For example, the Rajdhani Unnayan Kartripakkha (Rajuk) would approve an average of 100 building plans per month before

the new DAP took effect. Now, it approves 33 plans per month.

The 20 year master plan was approved last July with the aim of making Dhaka a liveable and modern mega city by 2035.

Despite these constraints, the

booking has stayed the same for us as we did not increase prices. We have compromised with profit margins."

Khan then said bti has 72 ongoing construction projects in different parts of Dhaka.

have slowed the construction of new projects under mutual agreements with landowners as raw material prices have been on the rise.

Even opening letters of credit (LCs) to import materials has become very challenging for companies owing to a US dollar shortage.

Ahmed went on to say that this is because banks are more willing to work with companies with export exposure as they can bring in foreign currencies.

"So, opening an LC with 100 per cent advance payment can be a daunting task for now," he said, adding that the import of mechanical items such as elevators and generators is being delayed.

According to Ahmed, landowners are taking more time to settle their agreements considering the implications of the new DAP. So, rolling out new projects is on the decline as well.

"I think there are ups and downs in every business cycle. First came the Covid-19 pandemic. Then the Russia-Ukraine war broke out. Now, a global economic slowdown

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demand for luxury apartments remains constant as the target customers are of an economic stratum, which has been less affected by economic crises compared to the general public.

"Our target customers can afford to buy apartments as they are premium customers, so the economic crises have not hit them as immensely as the general people," said FR Khan, managing director of bti.

"Even the rate of apartment

However, he did acknowledge that fresh bookings have declined significantly as property prices have gone out of reach for many due to price hikes amid the inflationary pressure.

Tanvir Ahmed, managing director of Sheltech Group, another realtor in Bangladesh, said his company's sales have slowed as people are holding onto their finances and observing the situation.

Besides, many developers



AT A GLANCE

- Palm oil prices rose by Tk 8-10/litre at retail in a week
- Prices driven by hike in int'l market and poor supply
- Bangladesh needs 2.2m tonnes of cooking oil a year
- About 92% of the demand is met with imports
- Of the imports, soybean 42% and palm oil 50%

Soybean oil costs way more, pushing up palm oil use alongside its price

Abu Bakar Siddique
A wholesaler in Karwan Bazar

Palm oil Tk 10 costlier than govt rate

SUKANTA HALDER

Wholesale and retail prices of palm oil in Dhaka have increased by Tk 8 to Tk 10 per litre in the last couple of days, which importers and traders say was caused by price rises in international markets and a reduction in supply.

Though the government last December had fixed the rate of loose palm oil at Tk 117 per litre, retailers said they were charging Tk 125 to Tk 127.

Wholesalers had attributed the price increase to a supply shortage, said Ikramul Haque Naeem, manager of Abdur Rauf Enterprise, a retailer in Karwan Bazar, one of the largest kitchen markets in Dhaka city.

The change has been recorded by state-run Trading Corporation of Bangladesh in its daily market rate data.

In the international market, the price of each tonne has gone up from \$940 to \$1,040, said an

importer. Palm oil is used in the production of foods such as cake, chocolate, biscuits, margarine and frying fats, according to industry insiders.

It is also found in cosmetics, soap, shampoo, cleaning products and can be used as a biofuel.

Soybean oil costs way more, pushing up palm oil use alongside its price, said Abu Bakar Siddique, a wholesaler in Karwan Bazar.

According to a government

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STOCKS		WEEK-ON WEEK
DSEX	0.66%	6,205.12
CASPI	0.50%	18,334.84

COMMODITIES		AS OF FRIDAY
Gold	\$1,811.06	(per ounce)
Oil	\$76.38	(per barrel)

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
0.24%	1.29%	0.53%	0.62%	
59,463.93	27,453.48	3,282.30	3,267.16	

প্রচলিত ব্যাংকিং সেবার পাশাপাশি
সাইথইস্ট ব্যাংকের ১৩৫টি শাখা, ২২টি উপশাখা ও
৭১টি এজেন্ট ব্যাংকিং আউটলেট থেকে
ইসলামিক ব্যাংকিং-এর সকল আধুনিক ও
প্রযুক্তিভিত্তিক সেবা গ্রহণ করতে পারবেন।

সাইথইস্ট
ত্রিজারা
ইসলামিক ব্যাংকিং

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Traders busy at Fishery Ghat, a wholesale market for marine and sweet-water fish in Chattogram city. By 2041, the maritime sector can be the main driver of the economy and will help create a developed and smart Bangladesh, State Minister for Shipping Khalid Mahmud Chowdhury said yesterday.

PHOTO: STAR/FILE

Bangkok Hospital arranges seminar on health awareness

STAR BUSINESS DESK

Bangkok Hospital's Bangladesh office has organised a health awareness seminar titled "Advanced 360° Cancer Treatment Services at Bangkok Hospital Headquarters" at Cadet College Club, Purbachal on Friday.

The seminar informed the club members and attendees about personalised treatment plans, cutting edge technology, and comprehensive cancer care services, including early detection, accurate diagnosis, advanced treatments, and palliative care of different types of cancer, said a press release.

Dr Wutthi, a surgical oncologist of Bangkok Hospital Thailand, and Dr Saiti, a breast surgeon/oncologist, delivered their speeches on technological advancement along with various services of the hospital.

Bangkok Hospital's Bangladesh office signed a medical service agreement with Cadet College Club Ltd after the seminar.

Dr Nilanjan Sen, managing director of Bangkok Hospital Office Bangladesh, Kazi Sharhan Saif, executive director, and Mohammad Shohid, operations director, were present.

Maritime sector can help boost forex reserve

Says state minister for shipping

STAR BUSINESS REPORT, Chattogram

Bangladesh's foreign exchange reserve would hit \$200 billion dollars, if the country can properly utilise its maritime sector, State Minister for Shipping Khalid Mahmud Chowdhury said yesterday.

The state minister made the comment as the chief guest of a programme at International Maritime Academy at Chotojoynagar in Gazipur.

Bangladesh earns a lot of foreign exchange from the maritime sector and the sector still has immense potential, he said.

Bangladeshi marine cadets earn a huge amount of foreign currency by serving domestic and foreign ships, Chowdhury said.

By 2041, the maritime sector can be the main tool of the economy to create a developed and smart Bangladesh, he hoped.

Father of the Nation Bangabandhu Sheikh Mujibur Rahman framed the

Territorial Zone and Maritime Boundary Act and the government has been working for the development of the sector following that Act, he said.

Previously there was only one marine academy in Chattogram to train marine cadets, Chowdhury said.

Under proper guidance of Prime Minister Sheikh Hasina, four more new marine academies have been constructed in Rangpur, Pabna, Sylhet and Barishal, he said.

Cadets trained up in these academies are enriching Bangladesh's marine fleet and they are earning foreign exchange every year which is contributing to the economy, he said.

Lawmaker Meher Afroz Chumki, International Maritime Academy Managing Director Emdadul Haque Chowdhury and Academy Commandant Zaki Ahad along with faculty members, cadets were also present at the programme.

City Bank, BAU in agri research deal

STAR BUSINESS DESK

City Bank and Bangladesh Agricultural University (BAU) recently signed a memorandum of understanding (MoU) on financial assistance for agricultural research and development to ensure sustainable food security in Bangladesh.

Mashrur Arefin, managing director and CEO of the bank, and Prof Lutful Hassan, vice chancellor of the university, signed the deal at City Bank Centre in Dhaka, said a press release.

Under the deal, both organisations will work together to establish a knowledge partnership which will assist education and human resources development in the field of agriculture with the objective to increase agricultural production and its quality, capacity building and innovation.

AKM Momintul Islam, professor of the university, Md Zainul Abedin, director of Bangladesh Agricultural University Research System, and Mohammad Mahbubur Rahman, additional managing director of the bank, were present.

Prime Bank gets new DMD

STAR BUSINESS DESK



Prime Bank has recently promoted a senior executive vice-president to the post of deputy managing director (DMD).

The official, Syed M Omar Tayub, was working as a senior executive vice-president and head of micro, small and medium enterprises banking in Prime Bank concurrently, said a press release.

Tayub is currently serving on deputation as the managing director and chief executive officer of Prime Bank Investment, a subsidiary of Prime Bank.

He started his career at Standard Chartered Bangladesh.

He obtained his honour's and master's degrees in physics from the University of Chittagong and did an EMBA from the Institute of Business Administration at the University of Dhaka.

Kellogg's offers Ramadan package

STAR BUSINESS DESK

Kellogg Company has started offering "Snehbhara Ramadan", a package containing Kellogg's Oats (400gm) and Kellogg's Chocos (385gm), for Tk 600 from today.

The American multinational food manufacturer's team from India and Ashraf Bin Taj, managing director of International Distribution Company Bangladesh, launched the offer at Lakeshore Hotel Gulshan, Dhaka yesterday, said a press release.

Kellogg's offers different variants of cereals in Bangladesh such as Corn Flakes, Chocos, Muesli, Granola, and Oats.

Kellogg's Chocos is a quick and chocolaty cereal breakfast, which is loved by the children.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (FEB 25, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	2.27 ↑
Coarse rice (kg)	Tk 48-Tk 52	2.04 ↑	4.17 ↑
Loose flour (kg)	Tk 56-Tk 60	-1.69 ↓	65.71 ↑
Lentil (kg)	Tk 95-Tk 100	-4.88 ↓	0
Soybean (litre)	Tk 168-Tk 172	0.59 ↓	3.98 ↑
Potato (kg)	Tk 20-Tk 22	-22.22 ↓	20 ↑
Onion (kg)	Tk 30-Tk 35	0	-31.58 ↓
Egg (4 pcs)	Tk 44-Tk 50	10.59 ↑	23.68 ↑

SOURCE: TCB



Shoppers browse in a supermarket in north St. Louis, Missouri. Tighter monetary policy has yet to fully impact consumers and shows that the Fed has more work to do in slowing down aggregate demand, says an economist.

PHOTO: REUTERS/FILE

US consumer spending posts biggest gain in two years

REUTERS, Washington

US consumer spending increased by the most in nearly two years in January amid a surge in wage gains, while inflation accelerated, adding to financial market fears that the Federal Reserve could continue raising interest rates into summer.

The report from the Commerce Department on Friday was the latest indication that the economy was nowhere near a much dreaded recession. It joined data earlier this month showing robust job growth in January and the lowest unemployment rate in more than 53 years.

"Clearly, tighter monetary policy has yet to fully impact consumers and shows that the Fed has more work to do in slowing down aggregate demand," said Jeffrey Roach, chief economist at LPL Financial in Charlotte, North Carolina. "This report all but ensures the Fed will continue on its rate hiking campaign for a lot longer than markets

anticipated just a few weeks ago."

Consumer spending, which accounts for more than two-thirds of US economic activity, shot up 1.8 per cent last month. That was the largest increase since March 2021. Data for December was revised higher to show spending dipping 0.1 per cent instead of falling 0.2 per cent as previously reported. Economists polled by Reuters had forecast consumer spending rebounding 1.3 per cent.

When adjusted for inflation, consumer spending increased 1.1 per cent, also the biggest gain since March 2021. The so-called real consumer spending had declined in November and December.

Consumers boosted purchases of long-lasting manufactured goods like motor vehicles, household furnishings and equipment as well as recreational goods and vehicles. They also bought clothes. Goods outlays rebounded 2.8 per cent. Spending on services was

also strong, rising 1.3 per cent as Americans frequented restaurants and bars. There were increases in spending on healthcare, recreation and transportation services.

The overall surge in spending came as wages and salaries jumped 0.9 per cent. An 8.7 per cent cost of living adjustment, the biggest increase since 1981, for more than 65 million Social Security beneficiaries offset a drop in government social benefit. That reflected the expiration of the extended child tax credit.

Spending was also likely flattered by difficulties ironing out seasonal fluctuations from the data at the start of the year. Some economists expect payback in February.

Nevertheless, the strong performance put consumer spending on a higher growth path at the start of the first quarter. Consumer spending slowed in the fourth quarter, with most of the loss in momentum happening in the last two months of 2022.

Demand for luxury flats intact

FROM PAGE B1
caused by the war is affecting us all," he added.

Realtors are worried about the slowdown in sales as they were forced to adjust apartment prices in line with the price hike of construction materials.

Also, there is the impact of the new DAP to consider, said Kamal Mahmud, first vice-president of the REHAB, and managing director of Skiros Builders Ltd.

He pointed out that while realtors received a good response from customers during the REHAB Fair in December owing to various offers, those sales do not represent the year-round business situation.

Around 10,000 apartments were sold in 2021 as some customers were able to shrug off the pandemic's fallout while the government extended amnesty for the investment of untaxed income in the housing sector.

However, apartment bookings came down to about 6,000 units in 2022 due to the ongoing economic crisis stemming from the war.

"There are no ready apartments available in the market as realtors are cautious about new ventures and are only constructing previously approved projects," said Mahmud.

However, a senior official of Brac Bank who deals with home loans says the demand for financing apartment purchases has stayed the same despite the economic crisis.

Regarding the reduced number of new projects, he said realtors that took permission in advance for high-rise buildings are completing the construction in phases as they know the Rajuk will not provide such approval in the near future.

"Customers who are buying apartments, both luxury and regular, are those who have the ability to make such large purchases. So, the price hike does not matter much to them."

Germany seeks

FROM PAGE B4

Scholz, accompanied by executives from big German firms like Siemens, met Prime Minister Narendra Modi in New Delhi and was due to head to Bengaluru to visit German software firms including SAP.

Officials said Scholz would press for progress towards a trade deal between the European Union and India that has long been held up by disagreements on tariffs and access for Indian workers to Europe.

A German official in Berlin said the two sides remain "quite some distance apart".

"Some people want to complete this by the end of this year. Others say that even summer next year is ambitious," the official said on condition of anonymity.

The two sides also differ on the Ukraine war, with India refusing to condemn Russia's invasion and ramping up purchases of oil from its biggest supplier of arms.

"If we want to work together effectively on global challenges, we need a solid, reliable and rules-based international order. Attacking your neighbour, seizing territory by force, committing terrible war crimes, cannot be tolerated," Scholz said in the interview.

"With India we share the foundation of democracy and the respect of international law. Together, we stand for state sovereignty

and peaceful conflict resolution worldwide," he said.

Scholz, 64, also said the Group of 20 should not ease up on pressuring Russia during India's current presidency and continue to send a "strong message".

Germany, France and Britain on Friday insisted that any final statement from a meeting of G20 finance ministers in Bengaluru due to wrap up on Saturday must also condemn Russia's war.

A second German official said that behind the scenes, India was using "clear words" in its discussions with Russia to show that New Delhi is not happy about the conflict.

"Last autumn in a meeting with (Russian) President (Vladimir) Putin, Prime Minister Modi expressed himself in a very pronounced way: '(This is) no time for war', the official said.

It was unclear whether Scholz would raise concerns about minority and media rights in the world's biggest democracy during his talks with the Hindu nationalist premier.

Last week Indian tax officials raided the local offices of the BBC in an action rights groups linked to a documentary by the British broadcaster about Modi's role in deadly sectarian riots in 2002.

The Indian government denied the two were linked.

Japanese suppliers face

FROM PAGE B4

asked to cut prices received the requests while they were under existing contracts with the clients.

The survey also showed that many suppliers are absorbing higher costs by trimming personnel expenses because clients do not see the need for their suppliers to raise prices to reflect rises in labor costs.

An automotive parts maker receives a request for a price cut from

its client every half year, losing 1 pct of its sales each time, an employee of the supplier told a JAM meeting at the office building for the lawmakers of the House of Councillors, the upper chamber of parliament, on February 9.

JAM leader Katahiro Yasukochi said he wants big companies to accept price hikes by suppliers, calling for legislation to punish companies that unduly reject price increase requests.



Workers in Barishal city unload sand sourced from Sylhet. Working while daylight prevails earns each of them Tk 700 a day. The photo was taken near Beltola Ferry Ghat two weeks ago. PHOTO: TITU DAS

MCCI for continuation of energy subsidies

STAR BUSINESS REPORT

The Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) has requested the government to continue the subsidy on the energy sector so that the private sector can stay afloat amid the double blow dealt by the coronavirus pandemic and the Russia-Ukraine war.

The pandemic hit the economy in 2020, its second wave came in 2021, and Bangladesh is yet to recover from it fully.

At a time when the economy was trying to return to its high growth trajectory, the war emerged out of nowhere, derailing the recovery and dealing a major blow to businesses.

"The government can think of continuing the subsidy in the energy sector at least by another year considering the double effect," said Md Saiful Islam, president of the MCCI.

He made the request while speaking to reporters at the office of the country's oldest trade body.

"If the energy prices go up, it would increase the production costs and reduce the competitiveness in the export market," he said.

On the other hand, if the subsidy is withdrawn in line with the conditions of the International Monetary Fund (IMF), it will impact the inflationary pressure within the country as well, he said.

The multilateral lender has laid out 20 conditions recently for Bangladesh with its \$4.7 billion loan programme. The conditions include reducing subsidies.

A number of officials of the finance ministry recently said the subsidy for gas and electricity will be increased by Tk 17,000 crore to Tk 40,000 crore in the revised budget.

MCCI RECOMMENDS...

- ▶ Continue subsidy on energy prices for one year
- ▶ Clarify the processes of price adjustment
- ▶ Extend time for licence renewal
- ▶ Ease imports of raw materials, capital machinery
- ▶ Automate NBR

"We are going through an unusual situation so the government can think if it can extend a relief to businesses at least for one year," said Islam.

About the recent economic situation, the entrepreneur said the foreign exchange reserve slightly rose in the last eight weeks.

"Export and remittance receipts are also rising while foreign assistance is

also flowing in. So, the pressure on the balance of payments might be easing in the upcoming days."

Foreign currency reserves stood at \$32.45 billion on February 22, down nearly 30 per cent from \$45.84 billion a year ago, Bangladesh Bank data showed.

"Nevertheless, businesses should have a clear direction about how the energy prices would be adjusted as the government has announced that it would make a gradual adjustment in the prices of energy," said Islam.

"Then it would be better for businesses to make plans."

Islam said the MCCI is well aware of the challenges facing the country.

"We also know that the government will not be able to offer much support after the graduation of Bangladesh to a developing country from the group of the least-developed countries in 2026."

"So, we are focusing on policy support for the ease of doing business in the long run."

"Every country in the world is providing policy support to their businesses. But it is meagre in our country," he said, adding that policy support can reduce the hassles for entrepreneurs.

The MCCI chief pointed out that local businesses need to take several licences and the process of getting licences and having them renewed is a complex task.

"In rural areas, getting trade licences and renewing them is like a nightmare. But there is no binding anywhere in the world that a trade licence has to be renewed every year," he claimed.

For the ease of doing business, the government should issue all licences related to the environment and fires for five years, Islam said.

"In the meantime, government agencies will carry out inspections and will revoke licences if any breach of laws is detected."

About the import restrictions maintained by the government, the MCCI president said it is a good step if it can restrict the inflow of luxury items.

"But if the step impacts the import of raw materials and capital machinery, it would be a matter of concern because raw materials are used in import-substitute industries. Then it may give a spike to the import of finished products."

He said though the central bank has put no restriction on the import of raw materials, in reality, banks can't open letters of credit until they have adequate dollars.

"So, it takes longer to import raw materials."

During the media briefing, MCCI Vice-president Habibullah N Karim and Director Syed Tareque Md Ali were also present.

India's economic growth likely slowed further

REUTERS, Bengaluru

India's economic growth likely slowed further in the October-December quarter amid weakening demand and is set to lose more momentum as a series of interest rate hikes weigh on activity, according to a Reuters poll of economists.

Gross domestic product (GDP) growth in the last quarter slipped to an annual 4.6 per cent, according to the median forecast of 42 economists in the February 10-24 survey.

The economy had expanded 13.5 per cent in April-June – boosted largely because of pandemic-related statistical distortions – before moderating to 6.3 per cent in July-September.

The monthly survey also showed growth in Asia's third-largest economy was expected to slow further to 4.4 per cent in the current quarter, and across 2023/24 would average 6.0 per cent, lower than the 6.5 per cent official government estimate published on January 31.

Forecasts for the October-December data, due on February 28, ranged widely, from 4.0 per cent to 5.8 per cent. However, all survey respondents predicted growth to be lower than the previous quarter and three quarters of respondents forecast growth below 5.0 per cent.

"There are base effects that are normalising and pulling down the annual numbers. The support from agriculture might be lower and also manufacturing could be a drag," said Sakshi Gupta, principal economist at HDFC Bank.

She added that on the demand side, exports and consumer demand were likely to have contributed to the slowdown, while investments held steady.

"Inflation is continuing to remain very high and interest rates are increasing. Pent-up demand has also started moderating," said Gupta.

The Reserve Bank of India has raised interest rates by a cumulative 250 basis points since last May to tackle inflation and is likely to do so again in April. Those past moves are expected to have a lagged effect on consumption and economic growth.

US dollar holds seven-week high

REUTERS, New York

The dollar held a seven-week peak on Friday, as another round of data showing still-high inflation reinforced expectations that interest rates could stay higher for longer.

Hotter-than-expected data has helped the greenback to strengthen against many of its major peers this week, sending the dollar index up 0.6 per cent at 105.20 to a seven-week high and putting it on track to post its largest weekly gain since late September.

The euro was also on pace to post its biggest weekly loss against the dollar since late September.

Stoking the dollar's recent surge is the personal consumption expenditures (PCE) price index, tracked by the Federal Reserve for monetary policy, which rose 0.6 per cent last month after gaining 0.2 per cent in December. The PCE price index accelerated 5.4 per cent in the 12 months through January, after rising 5.3 per cent in December.

Palm oil Tk 10 costlier

FROM PAGE B1

Danish notification last December, the price of a five litre bottle of soybean oil was supposed to be sold at Tk 906 (meaning a litre was costing Tk 181).

Refiners stopped giving a discount of Tk 40 on each carton (20 litres) of soybean oil and a 5 litre bottle is now selling for at Tk 880-890, said Mohammad Bablu, manager of Mayer Doya General Store in Karwan Bazar.

Five days ago, each maund (around 37 kilograms) of palm oil was Tk 4,770 and now it is Tk 4,820 to Tk 4,830, informed Siddique.

He also claimed that refiners were leaving 20 per cent to 25 per cent of his demand unmet.

Refiners might be charging more for rises in the international market, said Abul Hashem, general secretary of Bangladesh Edible Oil Wholesalers Association.

Indonesia has reduced palm oil exports, for which each maund was costing \$80 to \$90 more in the international market, said Taslim Shahriar, senior assistant general manager at the Meghna Group of

Industries, one of the country's biggest commodity importer and processor.

Indonesia is the world's biggest palm oil producer having a major control of the international market.

Futures price rose 1 per cent on Thursday, trading near a seven-week high, as higher crude oil prices made palm a more attractive option for biodiesel feedstock, according to Reuters.

Lingering concerns about tight supply from top producer Indonesia and weaker Malaysian production outlook have supported the market over the past two weeks, it said.

Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market, it added.

The country's annual demand for cooking oils stands at around 2.2 million tonnes, 90 per cent to 92 per cent of which is imported, according to the commerce ministry.

Of the import, 42 per cent is soybean oil and 50 per cent palm oil as of 2022.

ICT can play key role

FROM PAGE B1

Danish Ambassador to Bangladesh Winnie Estrup Petersen said: "The potential that Bangladesh has for tech sector has brought our attention. It's the next tech powerhouse."

"The growth of Bangladesh's IT sector is undeniable and the government's commitment to digital Bangladesh must be commended and acknowledged," she said.

It is also important to make technology work for democracy, she added. The Denmark's ambassador said Danish companies have already discovered Bangladesh as an ICT sourcing destination. "And I am sure that it has huge potential in the years to come."

The Daily Star Editor and Publisher Mahfuz Anam moderated the session titled "Ambassadors Night".

"There is a hidden agenda in what we are doing tonight and that is to make the envoys as ambassadors of

Bangladesh, promoting the potential of Bangladesh's IT sector in your country," Anam said.

"The local tech companies must have taken note that there is a brain gap. Let's fill up the gap."

Bangladesh's State Minister for Foreign Affairs Md Shahriar Alam said the government has always played a supporting role in the development of the technology sector.

"We will work with BASIS to build Smart Bangladesh. If BASIS wants, we can sit with its 2,000 members and formulate policies to form Smart Bangladesh."

Academia and the government should collaborate on research and development while promoting the sector and building skilled human resources to fuel IT service exports, said President of Bangladesh Association of Software and Information Services (BASIS) Russell T Ahmed.

Reuse of plastic waste

FROM PAGE B1

conglomerates including Pran-RFL Group and Akij Group have also invested in this sector.

The association estimates that Bangladesh now uses around 40 per cent of plastic waste through recycling plants whereas a World Bank's study found it to be 30 per cent in 2020, said Ahmed.

He finds four reasons for the increase in recycling in Bangladesh – growth of a circular economy, demand for recycled plastic from buyers, growing awareness and the government's National Action Plan for Sustainable Plastic Management.

According to Shamim, investors are automatically drawn to any manufacturing process that deals with plastic waste recycling.

Buyers now set preconditions when placing purchase orders for manufacturing processes to use at least 20 per cent recycled plastic with virgin materials, he said.

Against this backdrop, plastic exporters are sourcing recycled plastic flakes from local recyclers which in some cases were costlier than virgin plastic, he said.

The national action plan sets a target of recycling 50 per cent of the plastics used by 2025, phasing out single-use plastic by 90 per cent by 2026 and reducing plastic waste generation by 30 per cent by 2030, all from what was in fiscal year 2020-21.

Besides, the government's 8th Five Year Plan aims to phase out single-use plastic like cups, plates, stirrers and cutlery, candy wrappers, sachets, extruded polystyrene, cigarette filters, cotton swabs, water and juice bottles, bags and multilayer plastic packaging.

Meanwhile, the association and the Department of Environment has taken up initiatives to ban use of plastic cutlery, cotton swabs, coffee stirrers and water and juice bottles in coastal areas.

In 2020, a High Court also directed authorities concerned to ban single-use plastic in coastal areas and in all hotels and motels across the country.

And to embrace the country's heritage, many Bangladeshis are starting to use earthen pots, said Shamim.

He, however, acknowledged that the use of plastic and the amount of associated waste generated has increased due to the rapid pace of urbanisation and development despite an increase in waste collection.

He finds four reasons for the increase in recycling in Bangladesh – growth of a circular economy, demand for recycled plastic from buyers, growing awareness and the government's National Action Plan for Sustainable Plastic Management

The country's annual per capita plastic consumption in urban areas tripled to nine kilograms (kg) in 2020 from three kg in 2005.

Dhaka's annual per capita consumption of plastic is 22.5 kg, significantly higher than the national average.

Shamim believes the national action plan's target to phasing out single-use plastic by 90 per cent by 2026 and reducing plastic waste generation by 30 per cent by 2030 would be achieved.

Moreover, the plastic recycling industry will play a vital role in exports as well as creating employment, he said.

To make the initiatives stick there needs to be wider buy-in from all stakeholders, including the government, the private sector, development partners, and citizens, he said.

World's best green factory



FROM PAGE B1

A global champion in terms of the number of LEED certified factories, Bangladesh has 63 platinum-level garment units, 110 gold, 10 silver and four just LEED certified.

Besides, over 500 other garment factories are awaiting LEED certification for their green initiatives, according to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

China has the second highest number of platinum-level factories with only 10 and Pakistan third with nine. India and Sri Lanka have six each while Taiwan and Vietnam four.

Meanwhile, Myanmar and the US each have two platinum-level factories while Ireland, Italy, Indonesia, Mexico, Poland, Paraguay, Romania, Turkey and the UAE have one each, according to the council.

Local businesspeople started building LEED certified structures following two industrial disasters – the Tazreen Fashions fire in 2012 and Rana Plaza collapse in 2013 – in a bid to brighten their image and thereby attract more international retailers and brands.

It is not mandatory for international clothing retailers and

brands to pay extra for goods sourced from LEED certified industries even though these manufacturers spend millions to make their factories green.

Still, buyers prefer to place work orders at green units as they know the goods are produced in compliance with environmental and safety standards.

International retailers and brands do not pay more for products of the green factories, said Tanvir Ahmed, managing director of Green Textiles Limited, one of the owning companies of Green Textile Limited Unit 4.

But the buyers prioritise green factories when placing work orders, he said.

The green garment factories of the group exports woven shirts and trousers worth \$80 million per month, he added.

Confidence on Bangladeshi garment items have grown a lot among international clothing retailers and brands because of green initiatives, said Mohiuddin Rubel, a director of the BGMEA.

As a result, international retailers and brands are coming here with a lot of work orders even when times are bad, Rubel said.



Wooden and plastic-made furniture and decorative items might be present everywhere, both indoor and outdoor, but cane-made alternatives easily replace many of them and offer more variation. The photo was taken from the Sehora area in the Mymensingh city recently.

PHOTO: MD AMINUL ISLAM

Japanese suppliers face price cut requests

ANN/ THE YOMIURI SHIMBUN

Many small suppliers in Japan have received requests for price cuts from their clients despite rises in raw materials and other prices, according to a survey by a major labor group.

The survey of 477 companies by the Japanese Association of Metal, Machinery, and Manufacturing Workers, or JAM, highlights the severe situation surrounding small and midsize suppliers.

If such companies remain unable to pass the higher costs on to their clients, they would not be able to raise salaries for their workers. Employees of small and midsize companies account for about 70 pct of Japan's labor force.

According to the survey, conducted for about two months from late November 2022, 36 pct of respondents said their clients requested them to lower prices.

Of those asked to lower prices, 63 pct said they partially met the requests, while 15 pct acted on the requests almost entirely. Only 22 pct said they declined.

Sixty-one pct of those
READ MORE ON B2

Cheap and durable, cane products hold huge potential

MD AMINUL ISLAM, Mymensingh

Though plastic, plywood and board furniture have captured the market, the demand for those made from cane has not disappeared completely.

Rather, the consumption of furniture items and showpieces produced from the natural fibre is growing as customers are increasingly becoming aware of its eco-friendly feature.

"We regularly make around 20 items, including sofa sets, easy chairs, bookshelves, trays, room partitions, tables, stools and cradles. We also supply items as per designs sought by customers," said Md Sohel Mia, proprietor of Mymensingh Cane House in the divisional city. He has been running the business for 20 years.

Canes are also used to make show-pieces and they have high in good demand. People buy them as gift items, said Md Rashed Mia, also a furniture maker.

Zohir Khan, another manufacturer, says the demand for show-pieces goes up on various occasions.

A sofa set is sold between Tk 8,000 and Tk 20,000. "Such a set sofa can easily be used for 10 to 12 years. And after small repairing and varnishing, it could be used for another 10 years."

Local furniture makers collect canes from Pabna and Khagrachhari. The raw material is also imported from Myanmar and Bhutan.

The price of cane has increased by 50 per cent within a span of a year, said Sohel.

"But we have not increased the price accordingly since customers might respond negatively."

If the supply of locally produced quality cane can be increased, the profit would go up,

said industry people.

Imported canes are mainly used for making items such as sofas, chairs and tables since the quality of canes is better and they last long.

Sales are good but the profit is less as the price of cane is higher, said furniture makers while talking to this correspondent in the city's Sehora area.

Customers belonging to the middle class make up the largest base of customers of cane-made furniture and decorative items.

"We regularly make around 20 items, including sofa sets, easy chairs, bookshelves, trays, room partitions, tables, stools and cradles. We also supply items as per designs sought by customers."

Also, people who work at government offices and non-government organisations and see transfer on a regular interval are among the clients since the light-weight furniture can easily be shifted from one place to another, said industry people.

The making of furniture and showpieces from cane has also created jobs.

On average, a worker earns Tk 600 a day, said Al Amin, a worker.

"Earnings are reasonable," he said, adding that workers can find jobs outside of the city as well.

Md Abdus Salam, deputy general manager of the Bangladesh Small and Cottage Industries Corporation (BSCIC) in Mymensingh, said items made from cane had

a very high good demand among the well-off in the past.

"But with the flooding of cheap plastic and plywood-made products, the overall demand has gone down."

He said cane products could grow as an industry. "And it can create jobs for thousands of people, mainly in the rural areas."

If the BSCIC receives any proposal to promote cane-made products, the government agency will work on it, said the official.

M Sirajul Islam, a former professor of the agricultural economics department at the Bangladesh Agricultural University (BAU), said the promotion of cane as a small and medium industry can surely enrich the country's rural economy.

"Cane products are sophisticated items for many who prefer organic products compared to those made using iron, steel and plastic. Cane is grown on non-agricultural land. The promotion of its cultivation can support small and marginal farmers as a bonus crop."

In the past, mats that were widely available in almost all households in Bangladesh were made from the cane by the rural people, especially women, said Prof Sirajul.

There is a huge potential for cane production in Mymensingh, Sylhet, Rangpur and the hilly regions, according to AHM Saiful Islam, a professor of the agricultural economics department at the BAU.

"Due to global climate change, people are showing more interest in recyclable jute and cane items."

Both Sirajul and Saiful urged the authorities to take initiatives for the promotion of cane products since these products have high demand in overseas markets as well.

Building an organisation that promotes learning

MAMUN RASHID

In today's rapidly changing business environment, organisations that fail to adapt and evolve run the risk of becoming obsolete. As the management guru Peter Drucker said, "The only sustainable competitive advantage is an organisation's ability to learn faster than the competition."

Indeed, to stay ahead of the curve, organisations must be able to quickly acquire new knowledge and skills, and continuously improve their processes and practices. Building a learning organisation is key to achieving this. It enables companies to create a culture of continuous learning and improvement and to develop the capabilities needed to thrive in an increasingly complex and dynamic world.

Organisations need to foster a culture of learning where they encourage employees to learn, experiment, and share knowledge openly. Leaders should model the behaviours they want to see in their employees. They should prioritise learning, openly share their own knowledge and experiences, and encourage their employees to do the same.

Collaborative work environments facilitate learning as employees can share their knowledge and experiences and learn from each other. Failure is often an important part of the learning process. By encouraging employees to take risks



and experiment with new ideas, and providing a supportive environment where failure is seen as an opportunity to learn and improve, organisations can provide necessary room to learn and grow.

A learning organisation needs to provide access to resources such as books, online courses, and industry events, and encourage employees to use them to further their learning and development. Leaders should recognise and reward employees who demonstrate a commitment to learning and development and create a culture where learning is seen as a valuable and necessary part of the organisation's success.

Technology can play a critical role in aiding to build a learning organisation. A learning management system can be used to manage, deliver, and track learning and development programmes. Online training programmes can be used to provide employees with access to training that may not be available in person and can be a cost-effective way to deliver training.

Technology can provide tools for collaboration, such as video-conferencing and virtual meeting software, which can facilitate knowledge sharing and peer-to-peer learning. Knowledge sharing platforms, such as intranets and wikis can be used to capture and share knowledge, and to provide employees with access to the information they need to perform their jobs effectively.

Technology can also be used to collect data on learning and development activities, such as completion rates and learner satisfaction, and generate reports that can be used to evaluate the effectiveness of these activities.

To develop a learning culture and build for the future, organisations can start by assessing their current learning and development practices, including what is working well and what needs improvement. Collecting data on the learning needs and preferences employers can help better develop a learning strategy.

Developing a learning strategy that is aligned with organisation's goals and objectives is imperative for the success and effectiveness of the strategy.

Building a learning organisation takes time and effort, but the benefits are worth it. As Einstein once said, "Intellectual growth should commence at birth and cease only at death."

Performance should be backed by consistent learning and knowledge seeking. Only with a commitment to lifelong learning can organisations aim to achieve greatness and unlock their full potential.

The author is an economic analyst

World Bank promises 'concessionality' in debt restructuring

REUTERS, Bengaluru

The World Bank will "provide as much concessionality to the debt treatment" for distressed economies as possible, its president told a meeting with the International Monetary Fund, India, China, and other creditor nations on Saturday.

The remarks come amid calls by China, the world's largest bilateral creditor, that global lenders should take haircuts on loans extended to developing nations hurt by the impact of the Russia-Ukraine war and the Covid-19 pandemic.

The United States, meanwhile, has repeatedly criticised China over its "foot-dragging" on debt relief for dozens of low and middle-income countries. "The World Bank is committed to providing net positive flows in a way that maximizes concessionality in the restructuring process," David Malpass said at the Global Sovereign Debt Roundtable in India's Bengaluru city on the sidelines of the G20 financial leaders' meet.

Malpass also said that he noted "constructive remarks" by a deputy China central bank governor at a G20 meeting on Friday that "gave room to move forward" on settlement of debt issues.

Reuters reported earlier this month that India, the current president of the G20 bloc, is drafting a proposal for G20 countries to help debtor nations by asking lenders to take a large haircut on loans.

On Friday, Chinese Finance Minister Liu Kun told the G20 financial leaders that international financial institutions and commercial creditors should follow the principle of "joint action, fair burden" in debt settlements.



Tourists pose for picture on Mai Khao Beach as a plane lands at Phuket International Airport in Phuket province in Thailand on February 13. Thailand's economy is expected to grow 3.8 per cent this year, helped by a rebound in the vital tourism sector, while inflation should cool to its target range, its finance minister said yesterday.

PHOTO: AFP

Germany seeks to deepen business ties with India

AFP, New Delhi

German Chancellor Olaf Scholz arrived in India on Saturday seeking to deepen business ties between the world's number four and five economies and push for progress on an EU trade deal despite differences over Ukraine.

"We want to further strengthen our bilateral relationship with India and our cooperation on global issues, such as mitigating climate change and transforming our economies in a just, green and sustainable way," Scholz told the Times of India in an interview.

"There is huge potential for intensified cooperation, in sectors such as renewables, hydrogen, mobility, pharma, digital economy, and many more," Scholz told the paper.

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