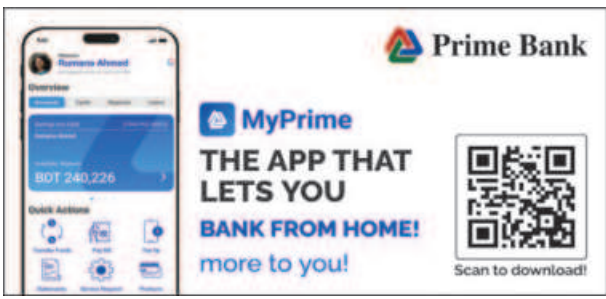


star BUSINESS



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

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 Karttripakkha (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.



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

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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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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ICT can play key role to diversify exports

Envoys say at BASIS SoftExpo

STAR BUSINESS REPORT

Bangladesh’s export basket dominated mainly by garments needs to be diversified, where ICT can play the key role, experts said yesterday.

Garments account for 90 per cent of exports to EU from Bangladesh, but ICT can be a very promising and important sector for the diversification, EU Ambassador Charles Whiteley said.

“The shortfall we have in Europe for ICT experts will grow to 8 million by 2030 from the current 1.5 million.”

“We have a kind of brain gap in the EU. We will be scouting the world for talent, not to steal talent, but to work with the talent,” he added.

He was speaking at a session titled “Ambassadors Night” on the sidelines of the BASIS SoftExpo 2023.

Australian Ambassador to Bangladesh Jeremy Bruer said one of the fields where Bangladesh has made significant progress is the ICT industry.

“The accessibility to internet, for example, has spared in this country.”

It is not only an achievement, but an indication of the potential that exists for increased economic activity in ICT not just between Australia and Bangladesh, but also between Bangladesh and the world in general, he said.

“Australia’s trade with Bangladesh has grown extremely dramatically in the last 10 to 15 years. It’s now \$3 billion a year. We want to see this grow and expand.”

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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

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

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

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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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
তিজারা
ইসলামিক ব্যাংকিং

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