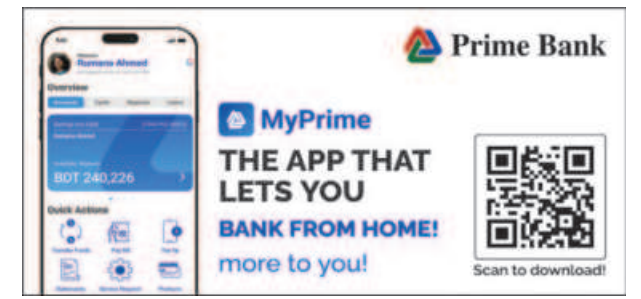


# Star BUSINESS



## Unique Meghnaghat Power secures \$463m loans from abroad

STAR BUSINESS REPORT

Unique Meghnaghat Power Ltd has signed an agreement with lenders for a foreign loan of \$463 million for 15 years to meet its debt requirement, said one of its owners yesterday.

The company is a joint venture of Unique Hotel & Resorts PLC, Strategic Finance Limited, Nebras Power Investment Management BV, and GE Capital Global Energy Investment BV.

It was established as a special-purpose vehicle for the construction and operation of a 584-megawatt gas-based combined cycle power plant in Narayanganj on a build-own-operate basis for 22 years.

A special-purpose vehicle is a subsidiary company that is formed to undertake a specific business purpose or activity.

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### WHAT IS THE TRAP?

The middle-income trap refers to a situation whereby a middle-income country is failing to transition to a high-income economy due to rising costs and declining competitiveness

### RECOMMENDATIONS

- Improve human capital
- Make economy greener
- Build infrastructure without excessive loans
- Enhance productivity
- Raise tax-to-GDP ratio
- Diversify exports
- Improve digital infrastructure

### Where Bangladesh stands?

- Bangladesh became a lower middle-income country in 2015
- Its per capita income was \$2,793 in fiscal 2022, which is \$31 lower than initial estimate

### PER CAPITA INCOME

- Lower-middle income More than \$1,085
- Upper-middle income More than \$4,255
- Developed More than \$13,205



## Analysts warn of middle-income trap

STAR BUSINESS REPORT

Analysts have warned that Bangladesh may fall into the middle-income trap unless it takes measures to improve human capital, make the economy greener, build infrastructure without taking excessive loans and increase efficiency.

They also called for diversifying export products, raising the tax-to-GDP ratio and increasing investment to improve digital infrastructure.

The recommendations came at a seminar, "Advancing green growth and avoiding middle-income trap: Sharing Asian experience", organised by Asian Development Bank (ADB) in InterContinental Dhaka yesterday to celebrate 50 years of the ADB's engagement with Bangladesh.

The middle-income trap refers to prolonged low growth rates which are likely to be experienced by a country after it makes a rapid transition from low-income to middle-income status with the aid of cheap labour and export-driven economic models.

According to the World Bank's latest classification of countries, a country exceeding a per capita income of \$1,085 is marked as a lower-middle-income country. Bangladesh graduated from that category in 2015.

If a country can exceed a per capita income of \$4,255, it will be regarded as an upper-middle-income country. To be regarded as an upper-income country or a developed

**The middle-income trap is a reality in the world as many countries fell into it while 21 countries managed to upgrade to upper-income status in the past three decades, said Bangladesh Bank Governor Abdur Rouf Talukder**

# Customs detects Tk 382cr money laundering thru RMG exports

MOHAMMAD SUMAN

The Customs Intelligence and Investigation Directorate (CIID) has unearthed that four Dhaka-based apparel exporters laundered Tk 382 crore using fake documents.

The agency, an office under the National Board of Revenue (NBR), said

Asia Trading, Sabiha Saiki Fashion, Emu Trading Corporation, and Ilham shipped readymade garments valued Tk 382 crore to several countries in 1,762 consignments between 2017 to February 2023.

Although they exported 18,355 tonnes of goods, no US dollar came to the country against the consignments, according to the findings of a probe of the CIID.

"In the past, the CIID detected the imports of various items using fake permits. Such a forgery in the case of exports was never identified," said CIID Director General Mohammad Fakhrul Alam at a press briefing at his office in Dhaka yesterday.

A team of the CIID in Chattogram unearthed the anomalies after a month-long investigation.

"We are working to take legal action against them. Of course, a case will be filed for money laundering," Alam said.

The findings came at a time when the allegation of money laundering and siphoning off money abroad through trade mis-invoicing is rife.

In 2021, the Global Financial Integrity said Bangladesh lost \$8.27 billion on

average annually between 2009 and 2018 to mis-invoices of the values of import-export goods by traders. The attempts aimed at evading taxes and moving money across international borders illegally.

### HOW IRREGULARITIES WERE UNEARTHED

On January 31 this year, a CIID team, acting on a tip-off, seized nine consignments of Sabiha Saiki Fashion at the depot of Summit Alliance Port Ltd in Chattogram and found huge quantities of

the company between 2021 and 2022. It found that export earnings were not brought back.

A member of the committee, on condition of anonymity, said that Limax Shippers Ltd, a clearing and forwarding agent, processed the consignments.

"Then we collected all export data of the C&F agent and found that the situation was very dire. Initially, we worked on four firms and found out the forgery."

According to customs officials, Asia

has been brought back to the country.

According to the CIID, Sabiha Saiki Fashion exported 997 tonnes of goods worth Tk 18 crore, Emu Trading Corporation sent 2,523 tonnes of goods worth Tk 63 crore, and Ilham shipped 660 tonnes of goods worth Tk 17 crore.

They exported garment items to the countries such as the UAE, Malaysia, Singapore, Qatar, the UK, Saudi Arabia and Nigeria. Limax Shippers acted as the C&F agent to perform the customs procedures in favour of the companies, according to the CIID.

Customs detectives say the four firms shipped goods using fake export permits in order to launder money. As there was no bank involved in the process, the proceeds from the shipment would not come to the country.

Officials say customs officials, in general, provide faster services in order to facilitate exports and the firms have taken advantage of that.

They alleged that money launderers used the permits of genuine exporters to secure clearance from the customs department as officials can't verify the authenticity of the bill of exports online with banks.

"They have used fake sales contracts," said one official.

Alam said the CIID was also looking into whether the customs officials who were in charge of the clearance of documents failed in their duties.

"Investigation is going on. All will be

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goods not declared on paper. They also found evidence of using fake documents.

After carrying out primary investigations and cross-checking information with the bank, they came to the conclusion that the proceeds would not come to the country if the products were exported.

An eight-member probe committee was formed to look into the irregularities of the company.

The probe body examined 86 shipments worth \$18.45 lakh made by

Trading Corporation exported 46 tonnes of ready-made garments worth Tk 90 lakh to the United Kingdom through Chattogram Port in December 2021.

In order to facilitate the shipment, the exporter used fake documents and the CPC-1072, a custom procedure code used to send samples of goods to buyers.

Asia Trading Corporation also sent goods worth Tk 282 crore in 1,382 consignments to the UK, Singapore, the United Arab Emirates, and Malaysia in the four years from 2018, but no single dollar

## \$18b export potential to EU unutilised: study

STAR BUSINESS REPORT

Bangladesh is yet to utilise \$18 billion worth export opportunities to the European Union availing duty and quota free privileges enjoyed by the South Asian nation as a least developed country (LDC), according to a study shared yesterday.

Of the amount, untapped export potential for garments is \$16 billion, finds the study conducted by the Research and Policy Integration for Development (RAPID) in collaboration with Friedrich-Ebert-Stiftung (FES) Bangladesh.

"We cannot take the advantage because of low productivity and lack of diversity of exportable products," said Mohammad A Razaque, chairman of the RAPID.

He was presenting the paper at a seminar titled "50-year of European Union (EU) Bangladesh Partnership: Charting Ahead on A Legacy of Success" at Sheraton Dhaka.

The 27-member EU is the largest export market for Bangladesh as almost half of Bangladesh's merchandise exports are destined to the region, said Razaque.

The country accelerated its exports from just \$2 billion in fiscal year 2000-01 to \$23.2 billion in fiscal year 2021-22, he said.

This came about taking advantage of the Everything But Arms (EBA) initiative, a scheme designed for providing preferential duty-free and quota-free market access of goods originating from the LDCs, he said.

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While most people assume that harmful antibiotics are used to rear chicken in Bangladesh, the truth is that most farmers are using healthy prebiotics, probiotics and essential oils, according to industry people.

PHOTO: STAR/FILE

## 'No antibiotics used in poultry'

STAR BUSINESS REPORT

Bangladesh's poultry industry operators and farmers use prebiotics, probiotics and essential oils instead of antibiotics to help produce good quality meat and eggs, said a top leader of the poultry industry yesterday.

Prebiotics are specialised plant fibres that aid in stimulating healthy bacteria whereas probiotics are live microorganisms that have health benefits. Essential oils are concentrated extracts from plants.

"There is firm belief among consumers that we use antibiotics, but reality is that we are using prebiotics, probiotics and essential oils. Consumers can now buy eggs and chicken meat with a guarantee from the market if they want," said Moshir Rahman, president of the Bangladesh branch of the World's Poultry Science Association (WPSA).

He made this remark on

READ MORE ON B3





An 'Apon Bazar' was inaugurated on the Beximco Industrial Park premises in Gazipur on Sunday by Beximco, bKash and Apon Wellbeing, enabling around 40,000 workers of the park receiving salaries through bKash to purchase daily necessities at a price cheaper than that in shops outside. KM Akram Hossain, senior general manager (finance and accounts), and Khalid Shahriar, head of human resources and compliance of Beximco Industrial Park, ATM Mahbud Alam, head of payroll business of bKash, and Saif Rashid, managing director of AponTech, were present. PHOTO: BKASH



Piyush Gupta, chief executive officer of DBS Bank of Singapore, held a discussion with Brac Bank officials, including Selim RF Hussain, managing director and CEO, reaffirming cooperation in various areas during a visit to the latter's head office in Dhaka last month. The DBS CEO was accompanied by Tan Su Shan, group head of institutional banking, Tahsina Banu, Dhaka chief representative, Surojit Shome, India CEO, Tien-Ann Lim, head of international centres, and Sriram Muthukrishnan, group head of product management, global transaction services. PHOTO: BRAC BANK



Md Nazrul Islam, deputy managing director of Union Bank, and Md Abdul Hai, secretary to Bangladesh Rural Electrification Board (BREB), exchanged signed documents of an agreement on banking services at the latter's head office at Nikunja-2, Khilkhet in Dhaka recently. Dipankar Biswas, member (finance) of the BREB, Md Hossain Patwary, controller for finance and accounts, and Md Shahriar Rauf, in-charge of corporate affairs and branding division of the bank, were present. PHOTO: UNION BANK



Ali Reza Iftekhar, managing director and chief executive officer of Eastern Bank, and Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), pose at the launch of a co-branded credit card by Eastern Bank, the FBCCI and Visa to mark the apex business body's golden jubilee during the FBCCI Business Excellence Award 2023 and Gala Night at Bangabandhu International Conference Center in Dhaka on Monday. PHOTO: EASTERN BANK



Emranul Huq, managing director and chief executive officer of Dhaka Bank, signed an agreement with Md Nazrul Islam, director of Financial Inclusion Department of Bangladesh Bank, at the BB office in Dhaka on Sunday for availing a Tk 100 crore "Refinance Scheme for Digital Nano Loan" of Bangladesh Bank. Other senior officials from both the sides were present. PHOTO: DHAKA BANK



Mohammad Rayhan, chief executive officer of Walton Plaza, Humayun Kabir, deputy managing director of Walton Hi-Tech Industries PLC, and Amin Khan, senior executive director, handed over 101 free products to Md Nazrul Islam, a businessperson of Morrelganj municipality in Bagerhat, at a function in Morrelganj Walton Plaza on Monday. Islam won the products on purchasing a Walton refrigerator under an ongoing "Digital Campaign Season-17". PHOTO: WALTON HI TECH INDUSTRIES PLC

## Stocks fall after a day's gain

### STAR BUSINESS REPORT

The prime index of Dhaka Stock Exchange (DSE) fell yesterday on making gains the day before.

The DSEX, the benchmark index of the top bourse in Bangladesh, lost 11 points, or 0.18 per cent, to reach 6,231.

The DS30, the blue-chip index, decreased 0.26 per cent to reach 2,217 points while the DSES, the Shariah-compliant index, went down 0.34 per cent to 1,355 points.

However, turnover, a key indicator of the market, rose 24 per cent from that on the previous day to reach Tk 563 crore.

Of the securities, 31 advanced, 102 declined and 201 did not show any price movement.

Union Capital Limited made the biggest gain with an increase of 10 per cent.

Rupali Life Insurance Company Limited, aamra networks limited, Rangpur Dairy & Food Products Limited and National Feed Mill Limited were among the top gainers.

Monno Agro & General Machinery Limited lost the most, shedding 4.4 per cent.

Renwick, Jaineswar & Co. (BD) Ltd, Beacon Pharmaceuticals Limited, Metro Spinning Limited and Legacy Footwear Limited were also in the list of those suffering significant losses.

Rupali Life Insurance Company Limited was the most-traded stock, with issues worth Tk 36 crore changing hands.

The Sea Pearl Cox's Bazar Beach Resort & Spa, aamra networks limited, ADN Telecom Limited and Genex Infosys Limited also accounted for significant turnovers.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAR 14, 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 46-Tk 50	-4 ↓	3.23
Loose flour (kg)	Tk 58-Tk 60	3.51 ↑	57.33 ↑
Lentil (kg)	Tk 95-Tk 100	0	4.88
Soybean (litre)	Tk 168-Tk 172	0	0
Potato (kg)	Tk 18-Tk 22	-11.11 ↓	5.26 ↑
Onion (kg)	Tk 25-Tk 35	11.76 ↓	-36.84 ↓
Egg (4 pcs)	Tk 42-Tk 45	-7.45 ↓	17.57 ↑

SOURCE: TCB

## Sugar price keeps rising

FROM PAGE B4  
Trading Corporation of Bangladesh showed yesterday.

Packaged sugar is not available in the market, according to traders.

On February 1, the government fixed the prices of loose and packaged sugar at Tk 107 and Tk 112 per kg.

Ziaul Haque, a wholesaler in the Khatunganj Chaktai wholesale market, said dealers were meeting only 10 to 20 per cent of the demand of wholesalers for sugar.

"The price of sugar has been on the rise for a week because of the supply shortage."

A hike in transport costs is also being added to the product cost as trucks have to wait two to four days at

the mail gates due to the delay in the delivery of the product, according to Haque.

He claimed sugar price is being increased by creating an artificial crisis in the market.

Biswajit Saha, director for corporate and regulatory affairs at City Group, one of the largest processors in Bangladesh, said: "It will take more time to reap the benefits of the duty cut since the sugar that has already been imported and is awaiting release will not be covered by the duty reduction facility."

He said that the government had cut the duty to control the price of the product during Ramadan, but it was too late.

"Had the decision been

taken a month earlier, the benefits would have been visible before Ramadan."

Ramadan might begin on March 24.

Saha described the supply situation as normal and said there was no scope for creating an artificial crisis.

Globally, sugar prices rose to \$0.45 per kg in February from \$0.42 in January, according to data from the World Bank.

Businesses in Bangladesh imported 3.28 lakh tonnes of raw sugar and 139.25 tonnes of refined sugar in January and February. In the same months last year, about 4.88 lakh tonnes of raw sugar and 8,770 tonnes of refined sugar were imported, data from the NBR showed.

## Sea Pearl to buy

FROM PAGE B4  
Chattoogram, among notable projects.

It is one of the three companies that are implementing the Dhaka Bypass Expressway Project, a public-private partnership initiative, he said. "After completion of the project, we will collect tolls for 22 years."

Mamun said SEPL's annual turnover stands at Tk 200 crore to Tk 250 crore. It carries out the repair and maintenance of many large bridges and collects tolls from them.

Sea Pearl shares closed 0.29 per cent higher at Tk 312.50 on the DSE yesterday.

## UK unemployment at historic low

AFP, London

British unemployment remains near its historical low but wages are still falling in real terms, official data showed Tuesday on the eve of a budget.

The unemployment rate was stable at 3.7 per cent in the three months to the end of January compared

with the three months to the end of December, the Office for National Statistics (ONS) said in a statement.

Wages excluding bonuses rose 6.5 per cent — but dived 3.5 per cent when inflation is taken into account.

"Although the inflation rate has come

down a little, it's still outstripping earnings growth, meaning real pay continues to fall," said ONS economic statistics director Darren Morgan on Tuesday.

Britain remains plagued by strikes as workers protest over pay failing to keep pace with consumer prices.

## US consumer prices increase solidly in February

REUTERS, Washington

US consumer prices increased in February amid sticky rental housing costs, but economists are divided on whether rising inflation will be enough to push the Federal Reserve to hike interest rates again next week after the failure of two regional banks.

The Consumer Price Index (CPI) rose 0.4 per cent last month after accelerating 0.5 per cent in January, the Labor Department said on Tuesday. That lowered the year-on-year increase in the CPI to 6.0 per cent in February, the smallest annual gain since September 2021. The CPI rose 6.4 per cent in the 12 months through January.

The annual CPI peaked at 9.1 per cent in June, which was the biggest increase since November 1981.

Excluding the volatile food and energy components, the CPI increased 0.5 per cent after rising 0.4 per cent in January. In the 12 months through February, the so-called core CPI gained 5.5 per cent after advancing 5.6 per cent in January.

Economists polled by Reuters had forecast both the CPI and core CPI climbing 0.4 per cent on a monthly basis. Monthly inflation is rising at double the rate that economists say is needed to bring inflation back to the Fed's 2 per cent target.

The inflation report was published amid financial market turmoil triggered by the collapse of Silicon Valley Bank in California and Signature Bank in New York, which forced regulators to take emergency measures to shore up confidence in the banking system.

It was also released before the Fed's policy meeting next Tuesday and Wednesday, and followed a report last Friday showing a still-tight labor market, but cooling wage inflation. Economists said Tuesday's report remained important for policymakers despite the angst in financial markets.

Fed Chair Jerome Powell told lawmakers last week that the U.S. central bank would likely need to raise rates more than expected, leading financial markets to expect that a half-percentage-point rate increase was on the table next week.

But those expectations were dialed back to 25 basis points after the employment report. While financial markets on Tuesday still expected a quarter-percentage point hike, according to CME Group's FedWatch tool, fear of contagion from the banking crisis prompted some economists, including those at Goldman Sachs, to expect the Fed next week to pause its fastest monetary policy tightening cycle since the 1980s.

**Sherpur Govt. Mohila College, Sherpur**  
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Memo No. CEDP/SGMC/EGP/G-15/2022-23 Date: 14/03/2023

**e-Tender Notice OTM G-15/2022-2023**

e-Tender is invited in the National e-GP Portal (<http://www.eprocure.gov.bd>) for the procurement of following package:

S.I No.	Tender ID No.	Name of works	Last date and time of tender security submission	Tender closing date & time
1	800688	Establishment of Campus Networking at Sherpur Govt. Mohila College, Sherpur.	30/03/2023 13.00	30/03/2023 14.00

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copy will be accepted.

To submit e-Tender, registration in the National e-GP Portal (<http://www.eprocure.gov.bd>) is required.

The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered bank's branches up to 4:00pm 29/03/2023.

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

**Md. Habibur Rahman-014483**  
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GD-469

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার  
নির্বাহী প্রকৌশলী, সওজ এর কার্যালয়  
দোহাজারী সড়ক বিভাগ, দোহাজারী, চট্টগ্রাম  
E-mail: [eedoh@rhd.gov.bd](mailto:eedoh@rhd.gov.bd)

Memo No. 35.01.1582.414.36.01.07.23-424 Date: 14/03/2023

**e-Tender Notice**

e-Tenders are invited in e-GP System Portal (<http://www.eprocure.gov.bd>) by Executive Engineer, RHD, Road Division, Dohazari, Chattogram for procurement of the following works/goods:

Sl No.	Tender ID & Package No.	Description of works/goods	Tender last selling (date & time)	Tender closing & opening (date & time)
01	802379 e-GP/EE/DRD/40/2022-2023	Protective work by Constructing RCC Retaining wall at Ch: 07+720 Km. to Ch: 07+770 Km of Hashimpur Railway Station-Bagicharhat-Boroma Road (Z-1036) under Dohazari Road Division during the year 2022-2023.		29/03/2023 14.00 hr
02	802380 e-GP/EE/DRD/41/2022-2023	Supplying and Installation of Reflective Road Stud, Chevron Sign, Traffic Sign, Sign Post, Guide Post Branding at Dhaka (Jatrabari)-Cumilla (Moinamoti)-Chattogram-Cox's Bazar-Teknaf National Highways (N-1) (Ch: 250+445 to Ch: 256+809) under Dohazari Road Division during the year 2022-2023.		29/03/2023 14.00 hr
03	802381 e-GP/EE/DRD/42/2022-2023	Road Marking work from chainage 00+000m to 1+250m & chainage 01+910m to 07+300m of Moizzertek-Boalkhal-Kanungopara-Uderbanna Road (Z-1065) under Dohazari Road Division during the year 2022-2023.		29/03/2023 14.05 hr
04	802382 e-GP/EE/DRD/43/2022-2023	(a) Sub-Soil investigation for the construction of proposed RCC/PC Girder Bridge at (i) Ch: 04+840m of Kalurghat-Monosartek Road (N-107); (ii) Ch: 04-650m of Paliya-Boalkhal (Kanongopara) Road (Z-1059); (iii) Ch: 03+375m of Paliya-Annodadutto-Haidgaon-Rangunia Road (Z-1057); (iv) Ch: 14+797m, Ch: 14+948m & Ch: 16+190m of Beer Muktiyodda Shohid Muridul Alam Road (Z-1040) and (v) Ch: 07+655m, Ch: 08+255m, Ch: 08+700m & Ch: 09+060m of Chatori (Chowmohoni)-CUFL-Kamaphuli Dry Dock (Marine Academy)-Fakimrhat National Highway. (b) Detail Digital topographic & physical feature survey of (i) Beer Muktiyodda Shohid Muridul Alam Road (Z-1040) and (ii) Chatori (Chowmohoni)-CUFL-Kamaphuli Dry Dock (Marine Academy)-Fakimrhat National Highway under Dohazari Road Division during the year 2022-2023.	29/03/2023 up to 11:00 hr.	29/03/2023 14.05 hr
05	802383 e-GP/EE/DRD/44/2022-2023	Supplying and Installation of Reflective Road Stud, Chevron, Traffic Sign and Sign Post at Chainage: 256+809m (Badamtol) to Chainage: 267+130m (Kamol Munsirhat) of Dhaka (Jatrabari)-Cumilla (Moinamoti)-Chattogram-Cox's Bazar-Teknaf National Highway (N-1) under Dohazari Road Division during the year 2022-2023.		29/03/2023 14.10 hr

This is an online tender, where only e-Tenders will be accepted in e-GP Portal and no offline/hard copies will be accepted.

The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited in online through any member of schedule banks up to 11:00 hr. on 29-03-2023.

To submit e-Tender, please register on e-GP System Portal (<http://www.eprocure.gov.bd>).

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

**Suman Singha**  
ID No. 602163  
Executive Engineer, RHD  
Dohazari Road Division  
Dohazari, Chattogram

GD-479





## CIRCULARITY IN RMG INDUSTRY

Bangladesh generates **5.77** lakh tonnes of textile waste in RMG annually

Two-thirds of the waste is being exported

**\$500m** can be saved a year if all cotton waste recycled

### CHALLENGES

- Technology gaps
- Lack of policies and incentives
- Informal textile waste value chain

### SOLUTIONS

- Investment on new recycling technologies
- Formalising the recycling value chain
- Strengthening recycler connections with supply chain
- Capacity building for better waste management
- Implementing regulations to avoid incineration
- Need public-private initiatives

# Garment sector could save \$500m annually by recycling cotton waste

Experts say at discussion

#### STAR BUSINESS REPORT

Bangladesh could save as much as \$500 million annually if the cotton waste generated by its garments sector is recycled, according to experts. The country's garment sector currently generates 5.77 lakh tonnes of textile waste each year. Of this amount, two-thirds are exported. "If the country recycles all the cotton waste locally, it could save \$500 million annually," said Faisal Rabbi, manager of stakeholder engagement and public affairs at H&M Group. He made this comment while delivering a presentation on behalf of Swedish textile brands at a discussion, styled "Promoting Circularity for a Sustainable RMG Industry in Bangladesh", at Sheraton Dhaka yesterday. The event was organised by the Nordic Chamber of Commerce and Industry (NCCI) in association with Nordic embassies in Dhaka and the EU

delegation. In terms of recycling, Bangladesh's garment sector is facing challenges such as a technology gap, informal value-chain for waste, and lack of policies and incentives. "The garment sector needs access to renewable energy and conducive policies and incentives for textile waste recycling to sustain its competitiveness," Rabbi said. In her opening remarks, Swedish Ambassador Alexandra Berg von Linde said environmental sustainability has long been a clear and overarching priority for Nordic countries and will continue to be key in their relations with Bangladesh going forward. She then said Nordic businesses have a long of experience in cultivating economic growth while simultaneously decoupling it from negative impacts on the environment by applying solutions that are resource-efficient and by reusing, reducing and recycling.

During the ambassadorial panel discussion, Charles Whiteley, head of the EU delegation in Bangladesh, stressed on the impact upcoming policy developments in the EU regarding circularity and textile strategy will have on Bangladesh. He also underscored the importance of proactively addressing issues arising in the value chain for garment items. Speaking as chief guest, Salman F Rahman, the prime minister's adviser on private industry and investment, said global buyers usually impose several conditions for sourcing products but hardly ever negotiate prices. "When buyers set their standard, we expect they should give our rewards or at least acceptable prices," he added. He also stressed on increasing renewable energy sources, research and development as well as technological innovations in line with the trade and financial context of the circular economy.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said the current trajectory needs to change if the country wants to create a sustainable future, and one of the key strategies to do so is through resource decoupling. "The circular economy could build a pathway for greater environmental sustainability and economic growth," he added. Hassan went on to say that brands are pressing them for a net-zero roadmap in line with their own strategic targets for becoming climate neutral. But when brands set such ambitious targets, it is their responsibility to make sure that no one is left behind in the supply chain, he said. Hassan then urged the brands to adopt strategies that include small- and medium enterprises to ensure sustainable growth of the entire garment industry of Bangladesh.

## Don't buy Ramadan items in bulk

Munshi says

STAR BUSINESS REPORT

Commerce Minister Tipu Munshi yesterday urged consumers not to buy Ramadan commodities in large volumes at a time and purchase the items according to daily necessities. Bulk purchase will create a shortage of the daily essential items and create a crisis in the market, he said. There is nothing to worry now as the market has ample supply of the goods, he added. The minister spoke at a press conference organised by the Directorate of National Consumer Rights Protection at the conference room of the Export Promotion Bureau in Dhaka. Strict legal action will be taken against the businessmen, who will stockpile the goods illegally to create an artificial shortage and increase their prices, he said.

## Closer competition key to sustainable development: experts

STAR BUSINESS REPORT

Achieving the anticipated economic development set by the government is completely unattainable in absence of genuine competition in the market, according to Mofizul Islam, former chairperson of the Bangladesh Competition Commission (CCB). He made this comment at a discussion, styled "Market Syndicate and Bangladesh Competition Commission", organised by the International Business Forum of Bangladesh (IBFB) at its conference hall in Dhaka yesterday. Islam said there is no alternative to creating a competitive environment to see sustained economic growth while building the CCB's capacity is essential for fulfilling consumers' expectations. MS Siddiqui, vice president of the IBFB, said there need to be more producers and sellers in the country to turn its economy into a competitive one. Siddiqui then said that unfortunately, no complaints from the consumer level are filled with CCB for judgment. While presenting the keynote, Mohd Khalid Abu Naser, a former CCB director, said cartel operations should be minimised to give consumers the benefit of a competitive market.

## Bangladesh Finance posts lower profit in 2022

#### STAR BUSINESS REPORT

Bangladesh Finance Limited registered an 8 per cent year-on-year decline in profit to Tk 23.52 crore last year, owing to the suspension of additional interest and provisions against stressed loans. The profit stood at Tk 25.6 crore in 2021, according to a disclosure on the Dhaka Stock Exchange. Thus, the non-bank financial institution reported consolidated earnings per share of Tk 1.25 for the year that ended on December 31, which was Tk 1.36 in 2021. The financial performance declined for providing additional interest suspension and provisions against stressed

loans and the decrease in income from investment in securities, Bangladesh Finance said. The consolidated net asset value per share surged to Tk 17.41 in 2022 from Tk 6.21 in 2021 whereas the consolidated net operating cash flow per share (NOCFPS) plummeted to Tk 0.66 from Tk 6.21. The consolidated NOCFPS decreased due to a fall in interest income, income from investment in securities and increase in borrowing, the filing said. The board of directors of Bangladesh Finance recommended a 10 per cent cash dividend for 2022. Shares of Bangladesh Finance were unchanged at Tk 44.10 on the DSE yesterday.

## \$18b export potential

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Yet Bangladesh can utilise only 60 per cent of the export potential, according to the paper, also co-authored by Jillur Rahman, an assistant professor of economics at Jagannath University in Dhaka. The share of Bangladesh's garments reaching the EU market has increased over time and there is a lot of prospects for increasing exports to the EU as it has a garment market of \$180 billion, said Razzaque. However, there are challenges, he said. Once Bangladesh makes the United Nations status graduation from an LDC to a developing nation, it will lose related trade benefits in the EU in 2029 following a three-year transition period, he said. At the same time, Bangladesh will face competition from its rivals, namely Vietnam, owing to free trade agreements (FTAs) the countries already signed with the EU, said Razzaque. Vietnam will see tariffs on its clothing exports to the EU gradually decline

from an average of 9 per cent to zero, said the paper. It will occur almost around the same time Bangladesh's duty-free access comes to an end to be replaced with an average tariff of around 12 per cent, it said. To face the challenges, Razzaque suggested framing a long-term strategy and action plan to strengthen cooperation between Bangladesh and the EU. "Bangladesh must effectively engage with the EU to secure favourable market access terms in the post-LDC graduation period. Especially, the market access conditions for garments would be an important issue," he said. He also recommended signing an FTA with the EU for maintaining the current market access for exports and attracting investment from the region. Mashhur Rahman, economic affairs adviser to the prime minister, and Charles Whiteley, the EU ambassador to Bangladesh, were present among others.

## Customs

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brought to book." Sarfaraz Kader, managing director of Limax Shippers, refused to make any comments. HOW FRAUDS USUALLY TAKE PLACE Uttam Chakma, deputy commissioner of the CIID office in the port city, said 12 pieces of information have to be provided while submitting the bill of export on the server of the NBR. In some cases, the bill of export can be filed without inserting the information if the CPC-1072 and the Special Export Code 20 are used, he said. But under the special cases, customs officials should check whether the company qualifies for the benefit while carrying out the assessment of the export consignment, he said. "However, it is very time-consuming to verify the information online, so there is an opportunity to circumvent the eyes of officials. The frauds committed such irregularities using the opportunity."

## Analysts warn

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The BB governor also proposed enhancing productivity as economic growth currently was being driven by investment in factors of production and it would not be possible to sustain it for long. So, skills development is necessary to enhance productivity, he said, adding that the government launched a "Skills for Employment Investment Program" financed by the ADB and National Skill Development Authority to raise the population's efficiency. Addressing climate change is also necessary to avoid the trap and the ADB can help to take up project, especially those on increasing power generation from rooftop solar panels, he said. Other propositions of the governor were to ensure financial inclusion so that small investors could get access to capital and to reduce non-performing loans and ghost borrowers, he added. Bangladesh has to face some challenges if it wants to avoid the trap, said

Kenichi Yokoyama, director general of the ADB's South Asia Department. The prime one is climate change as the country incurs a huge amount of losses every year due to drought, flood, salinity and river erosion, he said. Policy reforms are necessary to enhance climate resiliency and increase the tax to GDP ratio as it is still one of the lowest in the world, he said. He proposed working on good governance and quality housing and public transport. To avoid the trap, Bangladesh needs to ensure green growth and transition from medium to high human development, said Prof David Hulme, a specialist on inclusive development. "The country needs more infrastructure surely but the government should be careful about planning and avoiding excessive debt," he said while presenting a keynote paper. Bangladesh is located in a place vulnerable to climate change, so the government is taking steps at its own

cost, said Mohammad Tofazzel Hossain Miah, principal secretary to the prime minister. The private sector is also active but Bangladesh needs more resources to make the economy greener and here international community should come forward, he said. Unique FROM PAGE B1 The project will be financed at a 75:25 debt-equity ratio where Unique Hotel & Resorts PLC has a 37.24 per cent of economic interest, said Unique Hotel in a filing on the Dhaka Stock Exchange. As per disclosure, Standard Chartered Bank will provide \$270 million, the Asian Infrastructure Investment Bank will give \$110 million, Germany's development finance institution DEG will come up with \$45 million, and the Opec Fund for International Development will lend \$38 million. The tenure of the loans is 15 years, said the filing. Shares of Unique Hotel & Resorts closed 1.66 per cent higher at Tk 67.50 on the DSE yesterday.

**Office of the Project Director**  
Mosque Based Child & Mass Literacy Programme (7th phase)  
Islamic Foundation  
Ministry of Religious Affairs  
Agargaon, Sher-e-Bangla Nagar, Dhaka-1207

Memo No. 16.01.0000.025.15.019.21.747 Date: 14/03/2023

### Invitation of Re-e-Tender (Open Tender Method)

Re-e-Tender has invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of following goods as stated below:

Tender ID	Name of works	Tender publication date & time	Tender last selling date & time	Tender closing & opening date with time
800259	Purchase of Education materials (Chalk, Duster, Mat, Signboard & Black board) for Mosque Based Child & Mass Literacy Programme	15 March-2023 at 15.00	29 March-2023 at 16.00	30 March-2023 at 12.00

This is an online tender where only Re-e-Tender will be accepted in e-GP Portal and no offline/hard copy is accepted. To submit Re-e-Tender please register in the National e-GP Portal (<http://www.eprocure.gov.bd>). Further information and guidelines are available in the National e-GP System and from e-GP helpdesk ([helpdesk@procure.gov.bd](mailto:helpdesk@procure.gov.bd)). The procuring entity reserves the right to reject all applications.

Md. Nayeb Ali Mondal  
Project Director (Joint Secretary)  
Mosque Based Child & Mass Literacy Programme  
Phone: 02-8181554

## No antibiotics

FROM PAGE B1

He said the price of poultry feed raw materials has risen abnormally amid the ongoing Russia-Ukraine war, which has fuelled the production cost of chicken eggs and meat in Bangladesh. Everyone is blaming feed millers for the rise in poultry prices, but the reality is they are hardly making any profit now, said Shamsul Arefin Khaled, president of the executive committee of the Feed Industries Association of Bangladesh. The prices of one-day-old chicks have been very low for the last one year, he said. So, it is necessary to find out the amount of actual demand for poultry items and then go for their production.

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Government of the People's Republic of Bangladesh  
College Education Development Project (CEDP)  
Govt. Suhrawardi College, Pirojpur  
Website: [www.gsc.edu.bd](http://www.gsc.edu.bd)

Memo No. CEDP/GSC/2023/120 Date: 13/03/2023

### e-Tender Notice-01/2022-2023

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of following package:

SL No.	Tender ID No.	Name of Package	Last Date and Time of Tender Security Submission	Tender Closing Date & Time
01	802118	Furniture & Fixtures for the Classrooms, Laboratory and general purpose	30-Mar-2023 13:00	30-Mar-2023 14:00
02	802160	Supply and Installation of AC, Fan, LED Light for Classrooms, Departments, Labs and other Electrical Accessories	30-Mar-2023 14:00	30-Mar-2023 15:00

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copy will be accepted. To submit e-Tender, registration in the National e-GP Portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender Documents from the National e-GP System portal have to be deposited online through any registered Banks' Branches up to 29-Mar-2023, 15:30. Further information and guidelines are available in the National e-GP System Portal and from e-GP Held Desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

(Professor Syed Ali Azam)  
Principal  
Govt. Suhrawardi College, Pirojpur.





A farmer is seen inspecting a watermelon at his field in the Jahazmara area of Patuakhali's Rangabali upazila. For the past three years, local growers have been planting their watermelon in December to ensure harvests by mid-February, when they get better prices early in the season.

PHOTO: SOHRAB HOSSAIN

# Watermelon farmers getting good yields, prices

SUSHANTA GHOSH and SOHRAB HOSSAIN

Watermelon farmers in southern Bangladesh are pleased to be getting bumper yields and prices early this season as their produce can now reach markets all over the country thanks to the improved connectivity provided by Padma Bridge.

For the past three years, farmers in more than 100 char areas of Patuakhali, Bhola and Barishal have been planting watermelon in December rather than January in order to begin harvests by mid-February, when prices are typically higher.

Growers say yields are better this year as the weather remained favourable and even though middlemen eat up most of the profit, they are getting good returns based on higher sales.

This is because it now takes less time for wholesalers to carry watermelon from the region to other parts of the country

as the opening of the Padma Bridge facilitated road transport, reducing the fruit's chances of rotting along the way.

Mosharef Mia, a farmer of Bhola sadar upazila, said he planted watermelon on one bigha of land at a cost of Tk 1.2 lakh and has already sold Tk 2.70 lakh worth of the fruit.

Hanif Bepari, a local watermelon trader, said Bhola witnessed bumper production this season. So far, Bepari has sold more than Tk 10 lakh worth of watermelon at a wholesale centre in Gazipur.

Watermelons weighing between eight to 12 kilogrammes (kgs) are selling for as much as Tk 350 per piece while five to seven kg watermelons are going for about Tk 220. Meanwhile, smaller sizes are priced at an average of around Tk 80 per piece.

Wasirul Kabir, deputy director of the Department of Agricultural Extension (DAE) in Bhola, said watermelon cultivation has been expanding in the

district for the past three years.

Kabir then said 18,383 hectares of land in the region was used to grow watermelon this year while it was 12,249 hectares last year.

"There were no stormy rains this year, leading to good yields that are fetching better prices," he added.

Elsewhere in Patuakhali, the fruit was cultivated on 28,545 hectares of land this year compared to 22,890 hectares in 2022, according to sources at the district DAE office.

Acreage is highest in the Galachipa and Rangabali upazilas, where some 11,750 hectares and 8,262 hectares of land respectively have been brought under cultivation.

The fruit was also planted on 3,131 hectares of land in Bauphal upazila, 2,370 hectares in Kalapara upazila, 1,850 hectares in Dasmina upazila, 1,197 hectares in Patuakhali sadar upazila, 120 hectares in Dumki upazila, and 65 hectares in Mirzaganj upazila.

Mohammad Nazrul Islam, deputy director of the Patuakhali DAE, said the cultivation and yield of watermelon has been good this year.

Islam went on to say that due to the opening of Padma Bridge, watermelons grown in the district are being easily transported all over the country.

"As a result, wholesalers are buying watermelons at a good price, ensuring

better profits for farmers," he added.

Faruk Hossain, a grower of Galachipa upazila, said only those who managed to harvest their watermelons early are benefitting from good prices at present.

Sources at the Patuakhali DAE say that each hectare is producing an average of up to 45 tonnes of watermelon. About Tk 1,800 crore worth of watermelon are sold in the district each year, making it the backbone of the local economy.

Ganesh Dutta, a watermelon wholesaler in Barishal, said there will be huge demand for the fruit during the upcoming month of Ramadan.

In anticipation of this demand, watermelon prices are already high in wholesale and retail markets, he added.

Kartik Dutta, secretary of the Barisal District Fruit Traders Association, said the price of watermelon is now higher than what it was last year.

Md Harun-Or-Rashid, additional managing director of the Barishal DAE, said watermelon was cultivated on 34,183 hectares of land in the district this year. The total produce is valued at around Tk 7,000 crore at the wholesale level while it is more than Tk 10,000 crore at the retail level.

Farmers have become more interested in watermelon cultivation due to the good prices and as a result, the fruit has become the main cash crop in the region.



## DEMISE OF US BANK Why didn't regulators see it coming?

AFP, New York

With hindsight, there were warning signs ahead of last week's spectacular collapse of Silicon Valley Bank, missed not only by investors, but by bank regulators.

Just why the oversight failed remained a hot question among banking experts Monday, with some focusing on the weakness of US rules.

The Federal Reserve announced Monday plans for a "thorough, transparent and swift" review of the supervision of SVB that will be publicly released on May 1, effectively acknowledging that it could have done better.

President Joe Biden promised a "full accounting of what happened," adding that he would ask regulators and banking regulators to tighten rules on the sector.

Banking experts have been among those alarmed at the rapid collapse of SVB, the country's 16th biggest bank by assets and how its demise became a harbinger of Sunday's failure of another lender, Signature Bank.

The failures have "exposed the inadequacy of regulatory reforms that have been made since the global financial crisis," said Arthur Wilmarth, a law professor at George Washington University.

A once-over of the bank would have pointed to clear potential red flags in SVB's disproportionate exposure to tech startups, a risky area that can be likened to commercial real estate or emerging markets — areas that have plagued lenders in the past.

Wilmarth noted that SVB grew very fast between 2020 and 2022 and that its exposure to long date fixed interest bonds made it especially vulnerable to the a shift in monetary policy by the Fed.

"That's almost a sure proof formula for failure. If the economy turns you begin to have trouble," Wilmarth said.

"None of those would have been a mystery to the regulators."



Experts pointed as well to the eventual easing of US laws enacted soon after the 2008 crisis.

The original Dodd-Frank law of 2010 imposed higher capital, liquidity and other requirements on banks with at least \$50 billion in assets.

In 2018, with support from former President Donald Trump, this requirement was raised to \$250 billion, affecting fewer banks.

But that shift in law does not excuse regulators for these failures, according to Anna Gelper, a law professor at Georgetown University.

"When regulatory requirement are relaxed either by the premise that those institutions don't pose a risk to the system because of their size or that they are easier to supervise, that puts much more pressure on old-fashioned supervision because you don't have the automatic alarm that goes off with the requirements," she said.

"If this was clearly unsafe and unsound behavior," the banks' official designation in the law "does not excuse a failure of supervision," she said.

Michael Ohlrogge, an associate professor of law at New York University, said regulators as a matter of course assign "very little to zero risk weight" in terms of bank capital requirements for Treasury-linked securities because they are considered safe.

At the same time, regulators are also lenient with banks with regard to depositors with more than \$250,000 — the threshold for federally insured deposits — believing the bank has a meaningful business relationship with such clients.

## Sugar price keeps rising though import duty goes

MOHAMMAD SUMAN

Sugar prices have maintained an upward trend at both wholesale and retail levels in Bangladesh despite a record cut in import duties to keep the market stable ahead of Ramadan.

On February 26, the National Board of Revenue (NBR) lifted Tk 3,000 specific duty on the import of raw sugar and Tk 6,000 on refined sugar per tonne with immediate effect. It also cut the regulatory duty on the import of sugar to 25 per cent from 30 per cent.

After the reduction, the overall import cost of raw and refined sugar is expected to decline by Tk 6,500 and Tk 9,000 per tonne at the import stage, respectively.

Still, the price of sugar shows no sign of cooling down. Rather, it increased by Tk 130, or 3 per cent, per maund in the wholesale market.

Commodity traders in the Khatunganj-Chaktai wholesale market in Chattogram said sugar was sold at Tk 4,080 per maund (37.32 kilogrammes) on Monday, up from Tk 3,950 a week ago.

The price increase came amid continued supply shortage and a spike in demand for the kitchen item on the occasion of the fasting month when sugar is used in verities of items.

The hike in the wholesale rate has translated into a spike in the retail market. Loose sugar price has gone up by Tk 2 to 3 per kg and is now retailing at Tk 115 to Tk 120.

The retail price was up 2.17 per cent from a month earlier and 48.73 per cent from a year prior, data from the

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Workers unload sacks full of sugar from a van to carry them to a warehouse at the Khatunganj-Chaktai wholesale market in Chattogram yesterday. The price of the sweetener has maintained an upward trend at both wholesale and retail levels despite a record cut in import duties.

PHOTO: RAJIB RAIHAN

## Sea Pearl to buy 30% stake in Shamim Enterprise

STAR BUSINESS REPORT

Sea Pearl Beach Resort & Spa Limited is going to acquire a 30 per cent stake in Shamim Enterprise Pvt Ltd (SEPL) at an investment of Tk 33.91 crore.

The board of directors of Sea Pearl has approved the investment in the construction company, according to a disclosure on the Dhaka Stock Exchange.

The company will acquire 33,908,160 shares of SEPL at Tk 10 at par subject to the approval of shareholders in an extraordinary general meeting, it said.

Md Azaharul Mamun, company secretary of Sea Pearl, said SEPL is one of the top construction companies in Bangladesh and it was engaged in the construction of the Dhaka-Mymensingh highway and a flyover project in

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