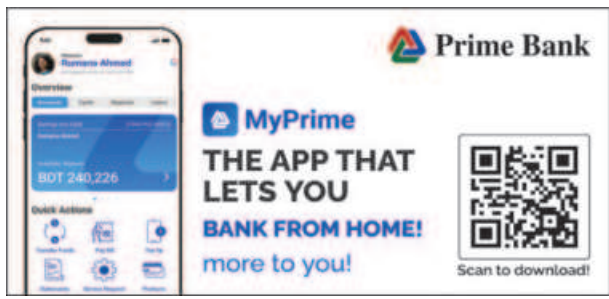


star BUSINESS



Banks open 9:30am to 4pm in Ramadan

STAR BUSINESS REPORT

Banks in Bangladesh will remain open from 9:30am to 4:00pm on every working day during Ramadan, which may begin next week based on the sighting of the moon.

People will be able to conduct banking transactions from 9:30am to 2:30pm, according to a central bank notice issued yesterday.

Bangladesh Bank said office and banking hours would return to their earlier timetable once Ramadan ends.

Clients in the country are commonly allowed to settle transactions between 10:00am and 3:30pm. And operational activities of banks have to be closed by 5:00pm each working day.

Agriculture ministry to offer 45 services of 17 agencies

STAR BUSINESS REPORT

The agriculture ministry yesterday launched a digital platform to provide 45 agri-related services of 17 agencies to farmers, businesses, importers and exporters.

People will get agriculture related advice, information on crops, know the process of licensing and registration for various purposes, and information regarding fertilizer and crop protection chemicals from the platform, the ministry said in a press release.

Over 2 crore people in the country involved with agriculture will directly enjoy the benefit from the integrated platform <http://service.moa.gov.bd/portal/home>, inaugurated by Agriculture Minister Muhammad Abdur Razzaque.

Agriculture Secretary Wahida Akter and senior officials were present.

To avail any service, a person will get information regarding the process, fees, agencies involved, documents required and time needed to avail the service from the website.

"This will save time and money of service seekers," Razzaque said.

READ MORE ON B3

WHAT ARE EXPORTED?

Vegetables, fruits, cut flowers and foliage, tea, tobacco, spices and dry food

CHALLENGES

- Rising raw material prices
- Falling profit margin
- Ban on aromatic rice export
- Misuse of cash incentive
- Global economic slowdown
- Higher freight costs
- Lack of interest from Middle East

“Due to the increase in the price of raw materials, buyers are not agreeing to the new price. Our prices are also much higher than in the competing countries. So, we are losing markets.”

Mohammad Shahadat Hossain
AGM for exports
Kazi Food Industries

EXPORT PERFORMANCE IN JULY-FEBRUARY

(In million \$)
SOURCE: EPB



Agri export suffers sharpest decline in 7 years

SUKANTA HALDER

The export growth of agricultural products, including vegetables, fruits and dry food, decreased 26.96 per cent in the first eight months of the current financial year, the sharpest decline in seven years, official figures showed.

Agricultural products fetched \$623.18 million in July-February of 2022-23, which was \$853 million in the same eight-month period of 2021-22, according to data from the Export Promotion Bureau (EPB).

This was the sharpest decline in seven years. It rose 28.36 per cent in July-February of 2021-22.

The sharp export slowdown is threatening Bangladesh's

according to the EPB.

Exporters blame the higher raw material costs and buyers' reluctance to procure products from Bangladesh at the escalated prices for the decline.

Owing to higher cargo fares and freight costs, local exporters themselves are also showing a

competitors', Bangladesh is lagging behind due to higher prices," Hossain added.

Mizanur Rahman, proprietor of Need Agro Foods Limited, said the cost of production had increased by 35 per cent. "When the new price is sent to buyers, they don't want to place orders. As

keep the local rice market stable.

"So, we can't export aromatic rice now. This has a negative impact on our overall exports."

Rice accounts for about 30 per cent of the export value of Square Food and Beverage.

Debasish Singha, head of business at Danish Biscuit, owned by Partex Star Group, said the company's goods exports fell by nearly 20 per cent in July-February due to rising prices and the ongoing global economic slowdown.

It ships products to 54 countries.

A top official of an export-oriented company, said some exporters used to show higher receipts in their documents in order to reap more benefits from the government's incentives.

"After the issue came to the notice of the government, the misuse has reduced. This could be one of the main factors for the decline in exports," he said.

The government provides a 20 per cent incentive for the export of agricultural products.

SM Jahangir Hossain, president of the Bangladesh Fruits, Vegetables and Allied Products Exporters' Association, said freight costs have gone up. So, importers, mainly in the Middle East, are showing a lack of interest to buy fresh farm produce from Bangladesh.

"In the last six months, airlines have hiked cargo fares at will," he said, adding that the air freight cost has shot up 40 per cent over the last one year.



The shipment went past the \$1-billion mark for the first time in 2020-21 when exporters fetched \$1.03 billion. The momentum continued in the following fiscal year when the earnings rose to \$1.16 billion, according to the EPB

increasing earnings from the selling of agricultural products in the external markets.

The shipment went past the \$1-billion mark for the first time in 2020-21 when exporters fetched \$1.03 billion. The momentum continued in the following fiscal year when the earnings rose to \$1.16 billion,

lack of interest in selling fresh farm produce in the overseas markets, they said.

Mohammad Shahadat Hossain, assistant general manager for exports at Kazi Food Industries Limited, said: "Due to the increase in the price of raw materials, buyers are not agreeing to the new price. Our prices are also much higher than in the competing countries. So, we are losing markets."

At the same time, the profit margin has also decreased, he claimed.

Firms exported frozen vegetables, fruits and processed foods to 12 countries, including Saudi Arabia, Italy, France, the United Kingdom and Ireland.

"Although the quality of our products is better than

a result, orders have decreased."

Need Agro Foods exports bakery products and spices to Qatar and Saudi Arabia.

Rahman said competitor countries such as India could sell products at prices that are lower than quoted by Bangladeshi companies. Even Pakistan is selling products at lower prices than Bangladesh.

Square Food and Beverage Ltd usually exports aromatic rice, spices, mustard oil and snacks to the Middle East, the United States, Canada and various European countries.

Rezaul Karim, assistant manager of the international marketing department of the company, said the government has stopped the export of aromatic rice since July 2022 to

Most users not content with BBS data

Finds its own survey

STAR BUSINESS REPORT

Out of 14 types of statistics gathered by the Bangladesh Bureau of Statistics (BBS), eight are thought to be outdated by at least 50 per cent of people who use the data and participated in a new survey of the state-run agency.

The eight types of data are on agriculture, foreign trade, industry, labour, population, demographic and vital statistics; health, gender and education.

Some 69.23 per cent users, the highest percentage of respondents, think the foreign trade statistics are outdated while only 24.24 per cent, the lowest, think the same for national accounts.

The national accounts data, which is used to produce gross domestic product (GDP) and consumer price index (CPI), is frequently updated by the BBS, according to 54.41 per cent of the respondents.

Moreover, around two-thirds expect more statistical data, according to the "User Satisfaction Survey 2022" made public through a programme on the BBS headquarters in Dhaka yesterday.

Another reason for user dissatisfaction was that the data is not useful, while some 45.83 per cent of the users found price statistics of the BBS to be least useful

Besides, the second most widespread reason for user dissatisfaction was that the "data is not useful", said the survey.

Some 45.83 per cent of the users found the price statistics produced by the BBS to be least useful.

The data being outdated and not useful were two of five reasons which users stated for being dissatisfied.

The survey data was collected over two weeks between March 27 and April 22 in 2022.

Out of 609 people, 580 responded, including those from government organisations, financial institutions, business communities, education sector, development partners and mass media, said Md Dildar Hossain, project director of the survey.

The BBS should specifically state when it would publish which data and ensure timeliness, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, at the event.

"The BBS should...at least put in its best effort, which helps to ensure credibility," he said.

READ MORE ON B3

STOCKS	
DSEX ▼	CASPI ▼
0.29%	0.22%
6,213.37	18,349.51

COMMODITIES	
Gold ▼	Oil ▲
\$1,900.00 (per ounce)	\$77.78 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.60%	▲ 0.03%	▲ 1.38%	▲ 0.55%
57,554.31	27,229.48	3,172.92	3,263.31

Govt's interest expenses jump over 22%

REJAUL KARIM BYRON and
DWAIPAYAN BARUA

The government's expenses on interest payments rose more than 22 per cent to Tk 40,792 crore in the first six months of the current fiscal year owing largely to higher expenditures on treasury bills, official figures showed.

The interest expenses stood at Tk 33,433 crore in the July-December half of 2021-22.

The interest expense was higher than the annual target because of a rise in interest rates for government securities, according to the quarterly debt bulletin of the finance ministry.

Treasury bills and bonds are one of the major tools the government uses when it comes to borrowing. The interest on the securities has gone up recently owing to the liquidity shortage in the banking system.

The sharp depreciation of the exchange rate against the US dollar

was one of the factors behind the liquidity shortage.

The average yield of the treasury bills went past 7 per cent in November last year compared to a range of 6 per cent to 7 per cent previously.

The interest expense was higher than the annual target because of a rise in interest rates for government securities, according to the quarterly debt bulletin of the finance ministry

The interest expenses in July-December were half of the annual allocation of Tk 80,875 crore.

Of the interest expenses, Tk 38,147 crore were made against domestic borrowing, which accounted for 52 per cent of the annual allocation of Tk 73,675 crore for 2022-23.

The payments on the loans in

the banking system were Tk 14,657 crore. It was Tk 23,490 crore for the non-banking source.

External interest payments stood at Tk 2,645 crore, only 6 per cent of the total interest expenses in July-December.

BORROWING DECLINES 36%

Between July and December, the government borrowed Tk 48,024 crore, both from domestic and external sources, down more than 36 per cent from Tk 75,701 crore a year ago.

The government borrowed Tk 20,948 crore in the first half of FY23, down from Tk 25,445 crore a year earlier.

However, borrowing from both non-bank sources and through the sales of national savings certificates showed negative growth.

The government has set an annual borrowing target of Tk 40,001 crore from non-bank sources. The net borrowing in the segment was a negative Tk 4,497 crore.

READ MORE ON B3