



Sunflower cultivation is expanding in Bangladesh as growing edible oil prices in the international market are fuelling demand for locally sourced alternatives. As such, the oilseed has been sown on 1,068 hectares of land in Patuakhali alone. The picture was taken recently from the Chiknikandi area of Galachipa upazila. PHOTO: SOHRAB HOSSAIN

Soybean consumption to rise in Bangladesh: USDA

SOHEL PARVEZ

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The agency forecasted that Bangladesh would buy 24 lakh tonnes of soybean for crushing in local mills in the 2023-24 marketing year, up 50 per cent from its previous estimate for the marketing year beginning in July.

Last year's imports were 41 per cent below the USDAs' official estimate of 27 lakh tonnes.

Higher prices and the foreign exchange crisis affected consumption and imports.

"Since the middle of 2022, Bangladesh has been facing a severe dollar shortage that disrupted imports. Appreciation of the US dollar against Bangladeshi

taka also increased import costs," said the agency in its Oilseeds and Products Annual released on Thursday.

The USDA, in its report on Bangladesh, said the government stopped all non-essential imports and reduced the supply of dollars to commercial banks.

Therefore, soybean imports fell significantly in 2022-23 marketing year, it said adding that total whole soybean crushing fell 28 per cent to 20 lakh tonnes from the USDA official estimate, due to lower soybean imports and reduced demand for soybean meal in the feed industry.

"Contacts noted that major soybean crushers in Bangladesh slowed their crushing from October to December 2022 due to low supply. Soybean imports also dropped to zero during that period on high international prices and country's foreign exchange crisis," it added.

Not only soybeans, import of other oilseeds and crude oil declined in the marketing year of 2022-23.

The USDA said Bangladesh's soybean oil consumption declined as many households have shifted to palm oil because of high prices of soybean oil.

In May last year, packaged soybean oil prices hit record high of Tk 198 each litre at retails in Dhaka.

As a result, soybean oil consumption declined to 985,000 tonnes, down 10 per cent from the USDA's earlier estimate.

Palm oil consumption, however, grew at the same time, pushing up imports of the vegetable oil from southeast Asian countries like Indonesia and Malaysia, major suppliers of palm oil for Bangladesh.

The US agency said both soybean oil and palm oil consumption might rise to 12 lakh tonnes and 15 lakh tonnes respectively in the coming marketing year of 2023-24.

Domestic production

The USDA said Bangladesh can meet 10 per cent of its edible oil requirements by domestic production of oilseeds like mustard or rapeseed, sunflower, peanut, sesame, and soybeans. The rest is imported as crude oil or as oilseeds.

During the current fiscal year, total oilseed production is forecasted to grow 13 per cent year-on-year to 14.16 lakh tonnes.

In case of soybean, local production accounts for about 5 per cent of its annual demand for Bangladesh.

It is mostly grown in the southern belt, including Noakhali, Lakshimpur, and Bhola districts.

"Domestically produced soybeans are used predominantly in the feed industry,"

it said adding that average yield of soybean varieties in Bangladesh is about 1.8 tonnes per hectare, much lower than the world average of 2.8 tonnes.

"Low yields have historically reduced cultivation. While in recent years soybeans have been gaining popularity as a cash crop, particularly among farming households in the south, overall, the unavailability of high yielding varieties and lack of quality seed continues to hamper the expansion of soybean cultivation," said the US agency.

It said since 1990, more than 10 high yielding varieties of soybean have been released in Bangladesh, but approximately 70 per cent of soybean farmers are still cultivating the "shohag" variety, which was officially released in 1991 and has a yield of approximately 1.6-1.8 tonnes per hectare.

The US agency said the Bangladesh Agricultural Research Institute (BARI) developed the BARI soybean-5 and BARI soybean-6 varieties.

However, limited seed supply constrains cultivation, it added.

The Bangladesh Institute of Nuclear Agriculture (BINA) and Bangladesh Agricultural University also released several high yielding soybean varieties, but planting is still limited.

Chicken prices come down

SUKANTA HALDER

The retail price of broiler chicken has fallen further in Bangladesh as four major poultry companies are now selling the meat at a maximum of Tk 195 per kilogramme (kg) directly from their farms.

The four companies, namely Kazi Farms Ltd, CP Bangladesh, Altam Bahumukhi Farms Ltd, and Paragon Poultry and Hatchery Ltd, yesterday sold chicken for as much as Tk 192 per kg.

At retail, broiler chicken sold for as much as Tk 225 per kg at Karwan Bazar, one of the biggest kitchen markets in Dhaka, while Sonali chicken cost about Tk 330 per kg.

Just a week ago, broiler chicken was being sold for up to Tk 300 per kg at the same market while Sonali chicken was priced at Tk 380 per kg.

Anwar Hossain Sujon, a retailer based in Karwan Bazar, said broiler chicken currently costs about Tk 190 per kg compared to Tk 230 a week ago at the Kaptan Bazar wholesale market, where most retailers source poultry meat.

"So, the price has come down at the retail level," he added.

Likewise, the wholesale price of Sonali chicken has come down to Tk 320 per kg from Tk 350 a week ago. Golam Rabbani, a buyer at Karwan Bazar, said the price reduction will give some respite to common consumers like him.

"I bought 3 kgs of broiler chicken today thanks to the reduced price. I would not have bought more than 1 kg if the price had remained the same," he added.

Similarly, broiler chicken and Sonali chicken are selling for Tk 230 per kg and Tk 340 per kg respectively at the Duaripara kitchen market in Dhaka's Mirpur.

Retailers say the four big companies announced their decision to sell chicken at reduced prices following discussions with the Directorate of National Consumers Right Protection (DNCRP) last Thursday.

Since then, prices have started falling in Dhaka and beyond.

Mohammad Alauddin, a retailer based in the Boro Bazar area of Munshiganj city, said the prices started decreasing in his locality since Friday.

Saiful Islam, a retailer based in Chuadanga district town, said he sold broiler chicken for between Tk 250 and Tk 280 per kg yesterday but expects the price to drop further.

STOCKS		WEEK-ON WEEK
DSEX ▼	CASPI ▲	
0.08%	0.11%	
6,215.30	18,374.47	

COMMODITIES		AS OF FRIDAY
Gold ▼	Oil ▼	
\$1,978.75 (per ounce)	\$69.25 (per barrel)	

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▼ 0.69%	▼ 0.13%	▼ 0.2%	▼ 0.64%	
57,527.10	27,385.25	3,212.64	3,265.65	

Telcos' payment service

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country and has all the necessary approvals from the authorities to facilitate government services. This is one kind of digital inclusion and will help the unconnected to connect."

Officials of Banglalink did not respond to The Daily Star's request for comments yesterday.

According to a directive of the BTRC, a telecom operator can provide some DOB services, including for the purchase of digital contents, e-ticket and electronically consumable services, and for the payments of utility bills.

The BTRC's directive, which it gave in accordance with a Bangladesh Bank's letter, hasn't authorised telecom operators to provide payments services such as nationality and birth registration and marriage certificates.

"It's not a generic approval of the Bangladesh Bank," said a BB official, wishing anonymity.

"We gave the approval in favour of some services in 2008 when there were no innovative payment services like mobile financial services."

Bangladesh's first MFS operation

was launched in 2011 as the government looked to bring the unbanked under the financial system. Today, there are at least 14 operators and they have invested hundreds of crores of taka. About 19.10 crore users were registered in 2022 in a country of 17 crore people.

"I couldn't remember whether the operators have discussed with the BTRC about launching the payment service," Shyam Sunder Sikder, chairman of the BTRC, told The Daily Star yesterday

Dewan Muhammad Humayun Kabir, project director of the a2i, said the service has been launched as per regulations.

The services will enable people who don't have a mobile financial service (MFS) account or bank account to make payments at their convenience, he said.

"Our unified mobile payments system, ekPay, connects all banks

and MFS providers to enable P2G (person-to-government) payments for hundreds of public services."

Kabir said despite the meteoric rise in MFS and agent banking in the last decade, 18 per cent of the adult population, especially in rural Bangladesh, is still unbanked.

"In order to promote inclusivity in P2G payments, we are introducing DOB in the government ecosystem in partnership with mobile operators."

AKM Fahim Mashroor, chairman of the standing committee on fintech and digital payments at the Bangladesh Association of Software and Information Services, said any payment for a service should be paid using a bank or MFS regulated by the Bangladesh Bank.

"Otherwise, financial discipline will be compromised because the Bangladesh Bank has no control over mobile phone operators. So, we should consider mobile balances only to be used as talk time."

In India, Pakistan and Myanmar, mobile network operators can provide mobile banking services and mobile balances can be converted

into the local currency. But in Bangladesh, mobile operators do not have any transactional authority, according to Abu Saeed Khan, a telecom expert and a senior policy fellow at LIRNEasia, a think-tank based in Colombo.

"Since mobile operators have not been given the transactional platform status, subscribers' balances can't be treated as a negotiable instrument."

The central banker said it would make transactions unregulated. But questions will remain about who will resolve disputes between telecom operators and customers over transactions.

"Only the Bangladesh Bank has such a regulatory authority but operators don't fall under its supervision. We will review the validity of the services and send letters to operators subsequently."

"I couldn't remember whether the operators have discussed with the BTRC about launching the payment service," Shyam Sunder Sikder, chairman of the BTRC, told The Daily Star yesterday.

"I will look into this matter."

Dearth of communication

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proper pronunciation, let alone English," he said.

There are also problems among jobseekers in listening skills, analytical skills and work etiquette, making it harder for them to deliver better service, Sharif said, adding that it seems everyone is running after money but not learning.

According to Sharif, this is creating a barrier for the country's business process outsourcing (BOP), which includes the call and contact

skills among its youth.

"There are many government projects and different industries that are providing training to people with mid-level and high-level skills. I think that's good for the time being, but it's not sustainable," he added.

Sharif went on to say that they want to ensure the sustainable development of manpower.

"We need to bring positive changes in the core education system, social values and family education. So, we



AI GENERATED IMAGE

centre service sector to grow further despite its limited potential.

"When we want to recruit people, we fail to hire three candidates out of 100, making the hiring process costlier," said Sharif.

In the IT industry, a contact centre or call centre is a part of the BOP, a business practice in which a company or organisation hires an external service provider to perform an important business task.

He said the Philippines earns \$25 billion annually from this sector while Bangladesh exports only about \$300 million due to the lack of soft

need to increase the qualification of teachers, emphasise on early childhood development, create quality day-care and primary education," he said.

He then said government officials do not sit with industry people while formulating education and skills development policies, which exacerbates the current crisis of quality human resource.

Industry academia collaboration needs to beef up while the introduction of research and development initiatives are needed by the industry, Sharif suggested.

BGMEA again calls for duty-free access

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Previously, cotton brought from the US would have to be locally fumigated even if the raw material underwent such treatment before being shipped. This created barriers for export as the extra time and costs involved led to delays in completing work orders for nearly the last five decades.

"So, we hope to get a positive response as American businesses would also benefit if the initiative goes through, especially considering the ongoing trade tension between the US and China," Nasir Uddin said, citing how cotton producing states in the US want this facility as well.

The issue was widely discussed by Salman F Rahman, the prime minister's adviser on private industry

and investment, and Donald Lu, assistant secretary of the US state department for south and central Asian affairs, during the latter's visit in January.

The initiative was originally taken by former BGMEA President Siddiqur Rahman some five years ago but efforts were halted for various reasons.

"We could even set up spinning mills in cotton growing areas of the US if their government allows it. That way, we could churn the yarn ourselves before sending it to Bangladesh, where the material would be made into garments that are exported back to the US," he told The Daily Star.

Rahman is hopeful that

Bangladesh will get duty benefits from the US as both sides are holding positive negotiations in this regard.

Mohammad Ali Khokon, president of the Bangladesh Textile Mills Association (BTMA), said local exporters would be able to exploit the US market if given duty benefits seeing as Vietnam is performing strongly in this regard thanks to a free trade agreement with the country.

The BTMA has also been speaking with US cotton traders to arrange such trade benefits as their country is a major supplier of cotton for Bangladesh, he added.

Monsoor Ahmed, additional director of the BTMA, said Bangladesh currently imports 13 per cent of its total cotton requirement,

or 8.50 million bales from the US each year.

He added that cotton imports have been rising rapidly ever since the requirement for double fumigation was removed.

The US is the single largest export destination for Bangladesh. In fiscal 2021-22, Bangladesh exported apparel items worth \$9.01 billion to the western nation, registering 51.57 per cent year-on-year growth.

But during the July-February period of the current fiscal year, Bangladesh exported garment items worth \$5.60 billion, down 2.87 per cent year-on-year.

Bangladesh faced nearly \$1 billion as duty for exporting apparels to the US market last fiscal year.