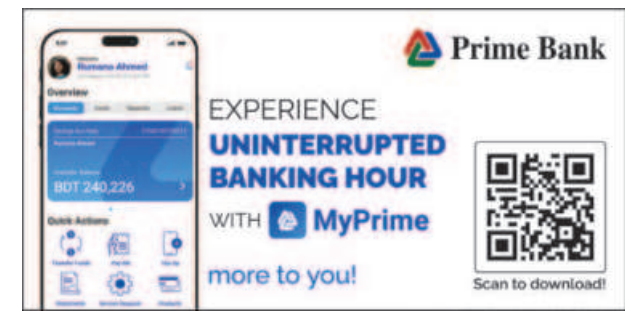


Star BUSINESS



Cargo movement through inland waterways has decreased in recent times as ongoing difficulties in opening letters of credit leading to lower imports means there is less to carry for the vessels on river routes. The picture was taken from the Shah Amanat Bridge over the Karnaphuli river in Chattogram recently.

PHOTO: RAJIB RAIHAN

Cargo movement thru waterways plunges

Industry insiders blame lower imports

JAGARAN CHAKMA

Inland water cargo vessel operations in Bangladesh plunged in the past eight months as imports have fallen significantly amid global economic uncertainties stemming from the ongoing Russia-Ukraine war, according to industry insiders.

Letters of credit (LCs) worth a total of \$45.51 billion were opened during the July-February months of the current fiscal year, down 23.45 per cent compared to the same period of 2021-22.

LC settlement fell 1.22 per cent year-on-year to \$52.01 billion from \$52.66 billion over the eight-month period, as per data from the Bangladesh Bank.

Of the total LCs issued at the time, those opened for importing consumer goods slumped by 14.53 per cent to \$5.49 billion compared to \$6.43 billion the year before.

Likewise, LC opening for intermediate goods fell 30.32 per cent year-on-year to \$3.60 billion from \$4.60 billion in FY22 while that of industrial raw materials

tumbled 30.05 per cent to \$15.55 billion from \$22.24 billion.

"Cargo vessel operations have declined 30 per cent in the past eight months as a result of declining imports amid the restrictions on the opening LCs due to the ongoing US dollar shortage," said Khandker Saiful Alam, proprietor of Max Corporation.

He said cargo vessel operations are mainly used to transport imported raw materials for various industries, which have been forced to curtail production for difficulties in opening LCs.

At present, there are around 2,000 cargo vessels in Bangladesh that use inland water routes for carrying goods, including those imported from neighbouring India.

So far, about Tk 6,000 crore has been invested in the country's cargo vessel segment, generating around 25,000 jobs directly.

Regarding the slow business, Alam said this matter is not only affecting Bangladesh but also the global economy.

"Cargo vessel operations will remain slow until normalcy returns to the overall economy."

Md Nurul Haque, proprietor of M/S Nurul Hoq Water Navigation, said the steep losses

global supply chains, the ensuing sanctions and trade restrictions put in place have further affected cargo movement.

"We carry imported goods to various factories as per

currency reserves from fast depletion.

Cargo vessel operations are in hot water also because of the recent hikes in fuel, wage and other costs amid rising inflation.

"Even the imports of industrial raw materials and food grains from India through river routes have reduced significantly," Haque added.

Various shipping agents say container movement at Chattogram port shrank by more than 28 per cent in the eight months to February, when only 168,074 twenty-foot equivalent units (TEUs) were transported.

Mehrul Karim, chief executive officer of SR Shipping Ltd, a concern of Kabir Group of Industries, said ongoing cargo vessel operations have declined due to the global economic crisis.

He said that shipping and cargo services in the country are mostly a one-way business that depends on imports.

"So, the shipping industry will not witness any improvement if the local cargo trade does not change."

they suffered during the Covid-19 pandemic have been made worse by the implications of the Russia-Ukraine war.

"As Bangladesh is a riverine country, it is easier, cheaper and more environmentally friendly to carry goods from the main ports to river ports through inland waterways compared to the road network."

Haque went on to say that while Russia's invasion of Ukraine has had an impact on

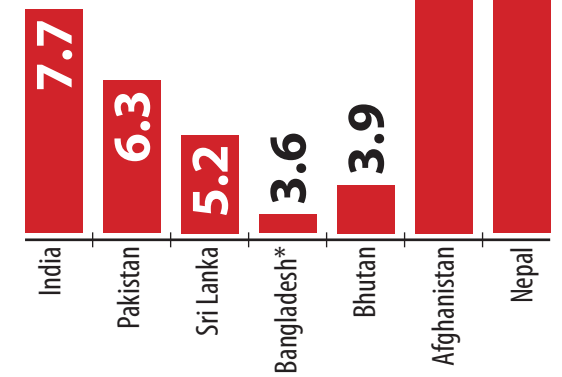
the orders from clearing and forwarding agents but importers are being unable to open LCs due to the US dollar crunch, which is impacting cargo vessel operations."

Because of the US dollar shortage driven by escalated import bills against lower export and remittance receipts, the central bank has tightened rules to discourage the imports of non-essential and luxury items in order to save the foreign



Unemployment rate in S Asia

In %; *BBS
SOURCE: WB



Unemployment rate keeps raising eyebrows

MD ASADUZ ZAMAN

Masudur Rahman completed his post-graduation in economics from Sirajganj Government College last year.

He is still looking for jobs to support the income of his six-member family. He is currently managing his expenses based on the income he generated by offering private tuition.

Rahman considers himself "unemployed". But, according to the definition of the Labour Force Survey (LFS) 2022 of the Bangladesh Bureau of Statistics (BBS), he is not unemployed. Rather, he is employed.

According to the definition, a person is to be considered unemployed if he or she did not work at all during the previous week (not even for an hour) or was temporarily absent from work.

And, the BBS says, a person is termed as unemployed if he or she is currently available to take up employment or the person seeks jobs or seeks to set up a business or agricultural undertaking in the previous four weeks.

The employment includes part-time, informal, temporary, seasonal or casual jobs within the national territory or abroad.

Aziza Rahman, project director of the LFS survey, said the BBS conducted the survey in line with the International Labour Organisation's (ILO) definition.

On this basis, the BBS last week released its LFS-2022, which shows that the unemployment rate in

READ MORE ON B3

STOCKS		WEEK-ON-WEEK
DSEX	0.14%	CASPI
6,206.80		18,288.34

COMMODITIES		AS OF FRIDAY
Gold	\$1,969.46	Oil
(per ounce)		\$75.74
		(per barrel)

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▲ 1.78%	▲ 0.93%	▲ 0.05%	▲ 0.36%	
58,991.52	28,041.48	3,258.90	3,272.86	

Export trophy policy amended

STAR BUSINESS REPORT

The commerce ministry has published an amended national export trophy policy raising the minimum value of products and services that have to be exported for eligibility alongside bringing more goods and services under its purview.

The ministry gazetted the policy on March 29.

The government has been awarding trophies and certificates to merchandise and services exporters recognising their contributions to the nation through the creation of millions of jobs and earnings of billions of dollars in foreign currency every year.

"Two major changes were made as the minimum value of the goods exported and categories were increased," said Md Abdur Rahim Khan, additional secretary to the commerce ministry, over the phone.

The minimum value was increased for each sector as the value of exports of local companies has been increasing, Khan also said.

At the same time, new export sectors are also performing strong for the diversification of goods exported from the country.

As a result, the product categories under which exporters are awarded have also been increased to 36 from a previous 32.

For instance, in the amended policy, separate categories for female exporters and furniture, tourism and hospitality sectors have been included for the awards.

Every category has three trophies – gold, silver and bronze. The one earning the highest through exports receives the gold trophy, the first runner up silver and the

READ MORE ON B3



Abul Kashem, a farmer in Gangarampur Kayemkholahula village of Batiaghata upazila, desperately tries to remove rainwater from his watermelon field with a bucket on Friday after a hailstorm the night before hit the area. The untimely rains, hailstorms and water stagnation have come as a threat to the watermelons that have not reached maturity yet, leaving growers worried.

PHOTO: HABIBUR RAHMAN

WEEKLY INTERVIEW



PRICE LABELLING 'Everyone should stay aware of rules'

SUKANTA HALDER

Local fashion brands with large-scale operations typically add price tags from their factories or warehouses before delivering products to showrooms, according to Shaheen Ahmed, president of the Fashion Entrepreneurs Association of Bangladesh, yesterday.

However, brands with a single outlet may be

READ MORE ON B3



Mature coconuts imported from Myanmar being unloaded in Khatunganj of Chattogram city for sale at around Tk 40 to Tk 50 apiece. Bangladesh produces a substantial amount of the fruit round the year. It was 402,852 tonnes in fiscal year 2020-21, according to the Bangladesh Bureau of Statistics. However, traders say imports are made when demand peaks during the winter season and the fasting month of Ramadan, especially for the preparation of sweet dishes and traditional cakes known as "pitha" in Bangla. The photo was taken recently.

PHOTO: RAJIB RAIHAN

Postal savings accounts should be opened online from July

STAR BUSINESS REPORT

Savers will not be able to open accounts at post offices manually from the first day of July this year, said the Internal Resources Division (IRD) in a notification.

To continue savings at the postal savings bank, depositors will have to open accounts online, according to two separate notifications by the IRD, a division under the finance ministry.

The investor-bearing manual term deposit account opened before June 30, 2021, will get benefits up to June 30 this year.

"No auto-renewal benefit will be given. All the manual term deposits will be closed after June 30, 2023. They can open a new account online," IRD stated in the notifications.

The account will be closed after adding profit following one year, it said. However, if a depositor wants, she or he will open a new digital term deposit account online on the same day, according to IRD.

The rules will become effective immediately, it said. Latest data on investment in postal savings banks is not available.

But according to an annual report by the Department of National Savings (DNS), the cumulative amount of general deposits in postal savings banks rose 39 per cent year on year to Tk 4,463 crore in the fiscal year 2019-20 from Tk 3,202 crore.

The cumulative figure of term deposits at the post office stood at Tk 17,184 crore in the fiscal year 2019-20, up 11 per cent from Tk 15,495 crore the same period a year ago, according to the DNS.

Britain to join trans-Pacific trade pact

Bid to build post-Brexit ties

REUTERS, London/Tokyo

Britain on Friday said it had struck a deal to join an 11-country trans-Pacific trade pact which includes Japan and Australia as it looks to deepen ties in the region and build its global trade links after leaving the European Union.

Prime Minister Rishi Sunak said Britain had agreed to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), in a move his office said was the biggest trade deal since Brexit.

A previous government impact assessment estimated the deal would add just 0.08 per cent to GDP in the long term, but Britain has strategic - not just economic - motives, as it can now influence whether applicants China and Taiwan may join the group.

"Joining the CPTPP trade bloc puts the UK at the centre of a dynamic and growing group of Pacific economies," Sunak said, adding the deal demonstrated "the real economic benefits of our post-Brexit freedoms."

Britain has been looking to build trade ties following its departure from the EU in 2020,

pivoting towards geographically distant but fast-growing economies.

Its Indo-Pacific tilt comes as its foreign policy framework casts China as an "epoch defining challenge".

Other members of CPTPP are Brunei, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. Britain is the first new member to join the group.

Britain has existing bilateral free trade agreements (FTAs) with most of the member countries, though CPTPP gives businesses extra options over the terms they can trade under.

Exports to CPTPP countries from Britain were worth 60.5 billion pounds (\$75 billion) in the year to the end of last September, but the overall impact of the trade deal is set to be modest.

Britain said the deal, which will cut tariffs on cars, spirits and dairy products, would boost the economy by 1.8 billion pounds each year in the long run - a figure that could rise as more countries join the pact.

Sally Jones, trade policy and strategy partner at EY, said ratification and implementation could take 12 months.

Emirates, United in network expansion partnership

STAR BUSINESS DESK

Emirates and American carrier United recently activated their codeshare partnership, allowing Emirates customers to enjoy easier access to an expanded choice of US destinations.

Beginning March 30, Emirates customers will be able to fly to Chicago, Houston or San Francisco and connect easily to an expansive network of 150 domestic US points, on flights operated by United, said a press release.

Similarly, Emirates' customers in the US planning trips to Dubai and beyond have a myriad of choices and can utilise United's services to easily connect to Emirates operated flights bound for Dubai, via Chicago, Houston or San Francisco. The partnership also extends to both airlines' frequent flier programmes, Skywards and Mileage Plus, enabling eligible members to enjoy loyalty rewards when they travel on Emirates or United operated flights and lounge access at airports across both carriers' networks, when connecting to codeshare flights.

"In phase two of our partnership, we also look forward to extending the same convenient travel benefits to our customers flying to other points in the Americas," said Adnan Kazim, chief commercial officer of Emirates.

Emirates currently offers services between its hub in Dubai and 12 US cities, as well as five points across Canada, Mexico, Brazil and Argentina.

Brac Bank wins Dhaka Wasa award

STAR BUSINESS DESK

Brac Bank has won a Dhaka Water Supply and Sewerage Authority (Dhaka Wasa) award over the collection of online bills.

A certificate of appreciation for fiscal year 2021-2022 was handed over at a programme organised by Dhaka Wasa at Pan Pacific Sonargaon Dhaka recently, said a press release.

The bank offers payment solutions for a number of government entities, including the National Board of Revenue, Dhaka North City Corporation, Dhaka Power Distribution Company, Dhaka Electric Supply Company and Jiban Bima Corporation.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (APR 1, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	3.85 ↑
Coarse rice (kg)	Tk 46-Tk 50	-2.04 ↓	3.23 ↑
Loose flour (kg)	Tk 55-Tk 58	-4.24 ↓	59.15 ↑
Lentil (kg)	Tk 95-Tk 100	0	0
Soybean (litre)	Tk 170-Tk 175	1.47 ↑	15.38 ↑
Potato (kg)	Tk 22-Tk 25	11.9 ↑	23.68 ↑
Onion (kg)	Tk 30-Tk 45	25 ↑	7.14 ↑
Egg (4 pcs)	Tk 45-Tk 47	5.75 ↑	37.31 ↑

SOURCE: TCB



Selim RF Hussain, managing director of Brac Bank, attended a views-exchange session organised with agent banking partners at its head office in Dhaka recently. M Masud Rana, deputy managing director, Nazmur Rahim, head of alternate banking channels, Md Mahiul Islam, head of retail banking, Sheikh Mohammad Ashfaq, head of branches, Nurun Nahar Begum, chief technology officer, and Md Nazmul Hasan, head of agent banking, were present.

PHOTO: BRAC BANK



Mohammad Ashraful Alam, chief operating officer of Aarong, inaugurated an outlet at Zakera Srijon Tower on Chand Mohammad Road in Kushtia sadar upazila yesterday.

PHOTO: AARONG

Eurozone, US inflation slows, bringing respite to policymakers

AFP, Brussels

Eurozone inflation slowed sharply in March while US price increases eased last month as well, official data showed Friday, offering some relief to policymakers.

The data released on both sides of the Atlantic will provide central banks some respite as they carefully balance taming inflation with interest rate rises, against the risks that more hikes could hurt their banking sectors.

Consumer prices rose by 6.9 per cent on an annual basis in the eurozone, down from 8.5 percent in February, according to the European Union's statistics agency.

It is the lowest rate recorded in a year, and a lower figure than analysts expected as well.

But the eurozone's core inflation, which excludes volatile food and energy prices, edged up to 5.7 per cent in March from 5.6 per cent a month earlier.

Core eurozone inflation "is still significantly too high", European Central Bank president Christine Lagarde told students in Italy on Friday after the figures were released.

In the US, the Federal Reserve's preferred measure of inflation slowed in February also, according to Commerce Department data released Friday.

The annual personal consumption expenditures price index (PCE) slowed to 5 per cent in February from 5.3 per cent a month earlier, with increases recorded in the cost of food, energy and goods.

Core PCE, which excludes volatile food and energy costs, only slowed slightly to log an annual increase of 4.6 per cent in February, down from 4.7 per cent in January.

"I think that's good news for the Fed but, you know, it's part of an ongoing challenge," Citigroup global

chief economist Nathan Sheets told AFP in an interview.

In a statement released Friday, US President Joe Biden said: "We are making progress in the fight against inflation."

Despite the positive developments announced Friday, inflation still remains well above the central banks' two per cent targets.

The Fed and ECB have both raised interest rates repeatedly to tame high inflation, although recent turbulence

weather.

Eurozone food and drink prices rose by 15.4 per cent in March, compared with 15 per cent in the previous month, according to Eurostat.

"This indicates that price pressures remain high for the moment, although this should improve in the coming months," ING senior eurozone economist Bert Colijn said.

After nine interest rate increases since March 2022, Fed chair Jerome



PHOTO: REUTERS/FILE

Price tags are seen as a woman shops at a local market in Nice, France.

in the banking sector has added some complications.

In the eurozone, inflation remains elevated despite falling from a peak of 10.6 per cent in October.

But in March, energy prices fell by 0.9 per cent after rising by 13.7 per cent in February, according to Eurostat, the first drop since February 2021.

While Russia's invasion of Ukraine sent oil and gas prices soaring last year, they have become more stable in recent months, helped also by mild

Powell suggested the US central bank may only raise rates once more before bringing its current hiking cycle to a halt -- but only if the data supported it. "The Fed needs to see more marked, sustained, cooling inflationary pressures -- and specifically in non-sheltered services -- before they're comfortable and are able to kind of stand down on the fight against inflation," Sheets from Citi told AFP.

Eurozone analysts also expect to see further rate rises to tackle rising prices.



The price of gold continues to reach new highs in Bangladesh with the precious metal now costing nearly Tk 1 lakh per bhoori. Gold is considered a safe-haven asset as it acts as a store of value that has maintained purchasing power for thousands of years.

PHOTO: STAR/FILE

Gold flirting with highs near Tk 1 lakh

STAR BUSINESS REPORT

The price of 22-carat gold has gone up in Bangladesh for the second time in about a week, reaching a record-high of nearly Tk 1 lakh per bhoori (11.66 grammes).

Having been adjusted by a maximum of Tk 1,516 per bhoori, 22-carat gold will now cost Tk 99,144 for that amount, according to a press release from the Bangladesh Jewellers' Association issued yesterday.

Bajus said they revised the cost of gold considering the highly volatile changes in pure gold prices in the domestic market. The new price will come into effect across the country from today.

On March 18, Bajus had increased the price of the precious metal to its previous high of Tk 98,794 per bhoori citing the

higher cost of pure gold in local markets.

According to a Reuters report, spot gold price was down 0.6 per cent at \$1,968.25 per ounce by 2:26 pm EDT (18:26 GMT), after prices moved as much as 0.4 per cent higher following data that showed US consumer spending rose modestly in February.

US gold futures settled down 0.6 per cent at \$1,986.2.

Gold has traditionally been an asset that people go to for safety.

It is a safe-haven investment that offers diversification to an investor's portfolio, helping it withstand volatility or short-term swings in the prices of assets that are more vulnerable to market whims.

Safe-haven assets typically perform well during downturns and financial crises, when riskier assets underperform.

It is a safe-haven investment that offers diversification to an investor's portfolio, helping it withstand volatility or short-term swings in the prices of assets that are more vulnerable to market whims

Gold is considered to be a safe-haven asset because it has acted as a store of value, maintaining its purchasing power for thousands of years. The reality is that over the long term, the price of gold remains constant while the price of everything else goes up.

With the price of gold set to increase, the cost of hallmarked 21-carat gold bars

weighing about 12 kilogrammes will now be Tk 94,653 while 18-carat ones will be Tk 81,123 and traditional gold bars Tk 67,593, according to Bajus.

However, the price of silver remains unchanged.

Till Saturday, 22-carat gold ornaments were being sold at Tk 97,628 per bhoori.

Meanwhile, 21-carat gold jewellery were going for Tk 93,195 per bhoori, 18-carat Tk 79,898 per bhoori and traditional gold Tk 66,543 per bhoori.

But from today, 22-carat gold ornaments will cost Tk 1,516 more, 21-carat Tk 1,458 more, 18-carat Tk 1,225 more and traditional gold Tk 1,500 more.

Earlier on March 23, gold price was increased by Tk 7,698 to Tk 98,794, which was the highest rate in the country's history.

UK economy avoids recession but businesses still wary

REUTERS, London

Britain's economy avoided a recession as it grew in the final months of 2022, according to official data which showed a boost to households' finances from state energy bill subsidies but falling investment by businesses.

With the economy still hobbled by high inflation and worries about a weak growth outlook, gross domestic product (GDP) increased by 0.1 per cent between October and December after a preliminary estimate of no growth.

GDP in the third quarter was also revised to show a 0.1 per cent contraction, a smaller fall than initially thought, the Office for National Statistics (ONS) said on Friday.

Two consecutive quarters of contraction would have represented a recession.

Despite the improvement, British economic output remained 0.6 per cent below its level of late 2019, the only G7 economy not to have recovered from the Covid-19 pandemic.

"The latest release takes the UK a little further away from the recessionary danger zone although the report does not change the overall picture that the economy's performance was lacklustre over the second half of 2022 as the cost of living crisis hit hard," Investec economist Philip Shaw said.

The International Monetary Fund forecast in January that Britain would be the only Group of Seven major advanced economy to shrink in 2023, in large part because of an inflation rate that remains above 10 per cent.

Since then, a string of economic data has come in stronger than expected by analysts.

Ruth Gregory at Capital Economics said Friday's figures showed high inflation had taken a slightly smaller toll than previously thought.

"But with around two-thirds of the drag on real activity from higher rates yet to be felt, we still think the economy will slip into a recession this year," she said.

House prices slid in March at the fastest annual rate since the financial crisis, mortgage lender Nationwide said.

The Bank of England (BoE) last week raised interest rates for the 11th consecutive meeting and investors are split on the possibility of another increase in May.

Britain's dominant services sector rose by 0.1 per cent, boosted by a nearly 11 per cent jump for travel agents, echoing other data which has pointed to a surge in demand for holidays.

Manufacturing grew by 0.5 per cent, driven by the often erratic pharmaceutical sector, and construction grew by 1.3 per cent.

Individuals' savings were boosted by the government's energy bill support scheme and households' disposable income increased by 1.3 per cent after four consecutive quarters of negative growth.

The BoE expects Britain's economy to have contracted by 0.1 per cent in the first three months of 2023 but it forecasts slight growth in the second quarter.

The outlook has improved thanks in large part to falling international energy prices and a strong jobs market.

Unemployment rate



Thanks to the latest unemployment rate, Bangladesh's unemployed population stands at 26.3 lakh, down from 27 lakh five years ago.

PHOTO: STAR/FILE

FROM PAGE B1 Bangladesh is 3.6 per cent, the lowest in South Asia.

World Bank data showed that the highest unemployment rate in South Asia prevails in Nepal at 12.2 per cent. It is 11.7 per cent in Afghanistan, 7.7 per cent in India, and 6.3 per cent in Pakistan.

Bangladesh's unemployment rate was 4.2 per cent in 2016-17 when the previous LFS was published.

Thanks to the latest unemployment rate, Bangladesh's unemployed population stands at 26.3 lakh, down from 27 lakh five years ago.

"This unemployment definition does not serve any purpose for the

country since it does not reflect the reality," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

"The rural poor can't remain unemployed and they have to do something like working in land and working as a rickshaw-puller or as a hawker. These are not quality jobs. They are just doing these to get by."

The economist terms the reduction in unemployment as per definition of the BBS as valueless.

"Most of our employment is underemployment. They are not unemployed but they are working in order to survive. They are seriously under-employed."

Mansur recommended Bangladesh find out the figure of the educated unemployed in its context. The unemployed people should be categorised as per their educational qualifications.

"If it is done then we will find that the unemployment rate is 24-25 per cent in Bangladesh."

Speaking about ILO's definition, Mansur said: "It is the global practice. But it is not beneficial for us since it applies to the industrialised or developed countries."

The unemployment data raised eyebrows particularly because the national statistical agency carried out the survey throughout 2022, a

year when the economy was yet to recover fully from the devastating coronavirus pandemic and came under fresh pressure owing to the Russia-Ukraine war. Both have hurt the economy and businesses hard, thus the employment sector.

Although the impacts of the pandemic have petered out, there has been no sign of the war disappearing anytime soon.

Sayema Haque Bidisha, a professor of the economics department at the University of Dhaka, also says the official unemployment rate does not portray the real picture.

"We can produce the unemployment data in line with the definition of the ILO so that it remains in line with those in other countries."

Prof Bidisha, however, recommended the government not to rely on the ILO definition alone when it comes to policy-making. "Our circumstances should be taken into account."

She suggested including the underemployment in the calculation of the unemployment to get the real picture.

Prof Selim Raihan, executive director of the South Asian Network on Economic Modeling, says there is a lot of debate about the definition of the ILO and it will not disappear soon.

He said the number of under-employed people was cited to be one crore in the 2016-17 report. So, he requested the BBS do the same.

Md Matiur Rahman, director-general of the BBS, says it can't set a local definition suddenly since it has been going on for a long time. "Our data is being used globally."

He said the LFS questionnaires were designed by a group of experts of the country almost two years ago.

"The under-employment data will be included in the final report," he added.

Everyone should stay aware

FROM PAGE B1

putting price tags at the showroom as they bring products directly from suppliers in the absence of warehouses, he said.

He was talking to The Daily Star over the Directorate of National Consumers Right Protection (DNCRP) recently warning against keeping pricing guns at showrooms.

Exchanging views with representatives of fashion outlets at its Dhaka office last Thursday, the DNCRP said price tags should be attached at the factory level, not at showrooms or retail outlets.

The DNCRP said during market drives over the past year, price tags were found to have been changed, in most cases to raise the prices of

products.

The DNCRP will temporarily shut down any outlet found having pricing guns during drives, said officials of the watchdog.

"The greater the offence is, the greater the punishment will be. Businesses should understand that if shops have to be closed for a day ahead of Eid, how much profit will be lost," said the DNCRP.

Now single outlets have to adopt alternative measures, said Shaheen Ahmed, also the owner of Anjans.

It will be better if everyone remains aware of this as the rule is the same for all, be it small or large-scale operations, he said.

At present, the association has over 100 members.

Export trophy policy

FROM PAGE B1

second runner bronze, the gazette said.

Besides there is a separate "Bangabandhu Sheikh Mujib Export Trophy" for the company with the highest export earnings.

Total export earnings of the awarding year, previous years' earnings, exports to new markets, inclusion of new products to the export list and compliance to different regulations are considered during the selection.

Companies defaulting on loans and paying income tax are not eligible. In this regard, the selection committee takes into account certifications from the National Board of Revenue.

Any company found responsible for environment pollution loses eligibility for five years starting from the year in which the Department of Environment penalised that entity. A no-objection certificate is required from the environment ministry in this regard.





Solar panels cover the entire roof of the unit 4 of Green Textile Ltd, allowing it to meet 60 per cent of its electricity demand from renewable energy sources. This is just one of the features that have sent the Bhaluka-based Bangladeshi apparel manufacturer to the top position among the world's best eco-friendly garment factories. PHOTO: GREEN TEXTILE LTD

World's greenest factory: making clothes, caring for nature

SOHEL PARVEZ

While passing through Nijhura Baraid Bazar, Bhaluka, around 100 kilometres north of Dhaka, anyone would spot the factory building on the side of the road.

For the onlooker, the building may seem to be one of the many factories that have emerged sporadically in the region. But if the individual has an inquisitive mind, he or she would find that he or she is looking at the world's best eco-friendly garment factory.

This is Green Textile Ltd (GTL).

One of its units of the factory, Green Textile Ltd unit 4, in February, topped the chart of eco-friendly garment factories in the entire globe.

With a score of 104 out of 110, the unit became the highest Leadership in Energy and Environmental Design (LEED) platinum-rated factory as per the United States Green Building Council, replacing an Indonesian garment factory, which scores 101.

Along with the greenest factory, Bangladesh is home to more than half of the top 100 LEED certified eco-friendly industrial units, with the number standing at 53, according to the Bangladesh Garment Manufacturers and Exporters Association.

"When we heard the news, it was difficult to believe that our factory is the most compliant factory in the world," said an elated Tanvir Ahmed, managing director of Green Textile Ltd, a joint venture between Envoy Legacy and Epic Group.

"This is really a matter of great satisfaction and delight."

Inside the premise of GTL, whose three other units have also LEED certification

as well, more than 6,100 workers are busy at their machines, completing the tasks at hand.

A quiet road and a walkway have divided the 16-acre premise of GTL, which has set up manufacturing units on both sides.

A couple of hundred yards inside the campus, one will come across an open clearing, a parking facility for bicycles and bikes and a training facility called by the factory authority as EPIC University.



Tanvir Ahmed

There are charging facilities for electric vehicle as well.

GTL unit 4 sits on one side of the open space. Its 733-kWh solar rooftop power plant generates 980,000 units of electricity, meeting 60 per cent of its electricity requirement.

The 54,000-square-foot building has a large number of windows to let workers and employees enjoy daylight and views.

There are 60 evaporating coolers to keep the inner temperature of the factory low to allow its 1,100 workers to work at ease. The average temperature inside the factory ranges between 26 degrees Celsius and 28 degrees Celsius during summer.

In terms of energy consumption, a regular factory consumes 1,960,000 kWh of electricity whereas Green Textile Unit-4 uses one-third of that, or 653,333 units.

"We have kept 30 per cent space open. We have created facilities for daylight-saving and rainwater harvesting," Ahmed said.

Officials say the factory has been designed in a way that ensures efficient use of resources and reduces carbon footprint.

"We used an integrative design process when planning for the factory. This means that architectural, mechanical, electrical, plumbing and other service engineers worked together in multiple cycles to optimise the overall building performance," said Vidhura Ralapanawe, executive vice-president for innovation and sustainability at Epic Group.

The factory has a rainwater harvesting facility and a proper rainwater runoff management system.

According to Ralapanawe, the heat island effect is mitigated by using light-coloured surfaces and greenery. The site lighting is designed to reduce light pollution.

Its efficient fixtures and fittings reduce the water requirement by 51 per cent.

"Detailed metering allows us to monitor water use and take action to reduce it," said Ralapanawe.

GTL said building and equipment design, including ventilation systems, has been done to reduce energy use.

Its detailed metering allows factory management to monitor water, electricity, and steam use and take action to improve efficiency. It sources 32 per cent of raw materials locally and used

recycled ingredients.

The factory authority said 100 per cent of the area is ventilated mechanically to provide better indoor air quality. To do so, it has carefully selected materials and paints.

Ahmed said it had a target to make a LEED platinum factory.

"It required a lot of passion. This will enable us to brand Bangladesh better."

He said if anyone looks at the investment, the amount may seem high.

"But the long-term benefits of establishing an eco-friendly factory are high. Besides, it gives a lot of gratification when a good institution can be developed."

"You are building a good institution and doing something for the nation."

Although the eco-friendly factory is not bringing in better prices, Ahmed says it gives buyers the confidence to place orders.



"Our buyers are major players in the world. So, ethical business practice is vital. We must care for workers and the environment and remain compliant."

Bangladesh is now the second-largest garment exporting nation after China and is home to the highest number of green garment factories in the world.

"This is not a small deal. This will create a new paradigm," Ahmed said.

New Bank Company Act: can it heal the wounds?

MAMUN RASHID

Last week the cabinet of Bangladesh okayed the draft Bank Company Act 2023 with an expressed intention to improve financial governance in our country. It was desired that if implemented properly, it could have major consequences for popularly known willful loan defaulters as well as the way our bank boards are formed and run.

This has been long overdue. Experts have been talking about it for years, and finally, the government has decided to go for the amendment with a reasonable amount of loan from the World Bank hanging in the balance for this. The International Monetary Fund, as part of its \$4.7 billion loan, also stipulated that the government submits the draft law before parliament by September.

Regardless of the reason behind the decision to finally approve the draft act, it is no doubt a welcome development for our banking sector. It could undo a lot of the bad policies adopted in recent times, such as increasing the maximum number of members from the same family that could serve on a bank's board.

It will also require bank directors and their family members to provide collateral, bonds, or securities to secure loans from the bank, the absence of which has led to numerous scandals and massive insider loans across our banking sector.



As stipulated in this Act, banks will have to publish the lists of willful defaulters. An individual will be considered a willful defaulter if they don't repay a loan taken in their name or their company's name despite having the means to pay it back. And any person will be treated as a habitual defaulter if they

take loans under the name of a non-existent company.

Additionally, banks will have to inform the Bangladesh Bank about willful loan defaulters and the central bank can then issue a ban on their foreign travel, obtaining trade licence, and companies' registration with the Registrar of Joint Stock Companies and Firms and the Bangladesh Securities and Exchange Commission, which can act as a deterrent against the culture of willful loan default.

The draft act also broadens the role of the central bank in some respects for it to investigate whether rules are being broken.

There is an old saying: a law is only as effective as its enforcement. One may recall that the Bangladesh Bank has time and again flouted its own rules and regulations over the years. Such violations and misgovernance resulted in undue benefits for a few at the expense of many. So, while the draft act seems promising, the proof of how sincere the government really is in addressing the problems, after having done the almost opposite for years, will be in how well it implements it.

Our banking sector is plagued with large bad loans, rampant insider lending, a few influential board members only dictating the terms along with very few products offering and low automation. Hence only lowering the number of directors from one family may be the tip of the iceberg.

If we are sincere to heal the wounds in our banking sector, we must make sure the ownership of a well-run bank doesn't get changed in the night in a five-star hotel and more importantly a CEO of a bank is not forced to resign, or his replacement is not approved during odd hours. Hence along with an updated Bank Company Act, we need to sponsor an all-out reform in the banking sector, including putting up a detailed bankruptcy or insolvency law.

The author is an economic analyst

India probing some Adani offshore deals

REUTERS, Mumbai

India's market regulator is investigating possible violation of 'related party' transaction rules in the Adani Group's dealings with at least three offshore entities that have links to the brother of the conglomerate's founder, two people said.

The three entities allegedly entered into several investment transactions with unlisted units of the ports-to-power conglomerate founded by billionaire Gautam Adani over the last 13 years, said the sources with direct knowledge of the matter.

Vinod Adani, Gautam Adani's brother, is either a beneficial owner, director or has links with those three offshore entities, said the two sources, adding the regulator, the Securities and Exchange Board of India (SEBI), is probing if lack of that disclosure violated 'related party transaction' rules.

Under Indian laws, direct relatives, promoter groups and subsidiaries of listed companies are considered related parties. A promoter group is defined as an entity that has a large shareholding in a listed company and can influence company policy.

Transactions between such entities have to be disclosed in regulatory and public filings and require shareholder approval above a specified threshold. Violations typically attract monetary fines. An e-mail to SEBI requesting comment was not answered. SEBI chairperson Madhabi Puri Buch declined to comment on the Adani investigations at a news conference on Wednesday.

An Adani Group spokesperson said Vinod Adani is a member of the Adani family and is part of the promoter group, but he does not hold any managerial position in any of the listed Adani entities or their subsidiaries.



People through a wholesale market in Karachi. Years of financial mismanagement and political instability have pushed Pakistan's economy to the brink of collapse, exacerbated by a global energy crisis and devastating floods that submerged a third of the country in 2022. PHOTO: AFP/FILE

Pakistan inflation hits 50-year high

AFP, Islamabad

Pakistan's year-on-year inflation hit 35.37 per cent in March -- the highest in nearly five decades -- as the government scrambled to meet International Monetary Fund (IMF) conditions to unlock a desperately needed bailout.

Month-on-month inflation was 3.72 per cent, according to government data released Saturday, while the average inflation rate for the past year was 27.26 per cent.

Years of financial mismanagement and political instability have pushed Pakistan's economy to the brink of collapse, exacerbated by a global energy crisis and devastating floods that submerged a third of the country in 2022.

The country needs billions of dollars of financing to service existing debt, while foreign exchange reserves have dwindled and the rupee is in freefall.