



Although Dhakai Muslin, black tiger shrimp, Fazi mango, Hilsa fish and other items have been added to the list of GI products in Bangladesh, exports are yet to pick up in absence of proper marketing and overall planning.

PHOTO: STAR/FILE

Businesspeople unable to benefit from GI products

Lack of marketing to blame, experts say

SUKANTA HALDER and ABRAR HOSSAIN

Although Bangladesh has secured geographical indication (GI) status for 15 products so far, local businesspeople have yet to benefit in absence of global demand for these goods, according to experts.

A major reason for their failure to take advantage of the certification is that there is a lack of adequate marketing for the country's GI products.

Besides, the export capacity of those who produce GI products should be enhanced through financial support, they told The Daily Star.

Products are granted the GI tag when they have unique characteristics that help identify their country of origin for being definable by the materials, climate and culture with which they were made.

This in effect highlights the traditions and reputation of products made within a particular area or country, helping fetch higher prices compared to similar products manufactured elsewhere.

And as a branch of intellectual property rights, the GI tag ensures that marketing rights and legal protection is reserved for the origin countries of certified products.

This recognition is provided by the Department of Patents, Designs and Trademarks (DPDT) of the industries ministry in accordance with rules set by the World Intellectual Property Organization.

The Geographical Indication (Registration and Protection) Act 2013 aims to grant intellectual property

protection for goods made using the ingenuity and traditional knowledge of local producers.

And although the country's 15 GI products have export potential, they are not seeing adequate global demand for the lack of proper marketing, such as trade missions abroad.

The Bangladesh Small and Cottage Industries Corporation (BSCIC) had applied to the DPDT for securing GI certification for Jamdani, a fine muslin textile mostly used for making saris, on September 1, 2015.

Jamdani, which has been produced for centuries in Narayanganj, then became the country's first GI certified product in 2016.

Then in 2019, the BSCIC applied for GI certification of Shataranji, a traditional fabric native to Rangpur. The product was finally granted GI status in 2021.

Akhil Ranjan Tarafder, general manager for marketing at the BSCIC, said neither GI tagged Jamdani or Shataranji products have been exported as of yet.

And while it has not been decided who will approve the GI tags to be used by exporters, an initiative of the DPDT has developed packets bearing the certification for Shataranji.

Hilsa fish received GI recognition in 2017 following an application from the Department of Fisheries.

In May 2019, the same agency had applied to the DPDT for GI certification of black tiger shrimp, which secured the status later in 2022.

"As far as I know, no business has been able to export hilsa or black tiger shrimp with the GI tag," said KH Mahbulul Haque, director general of the Department of Fisheries.

Citing how not a single business has contacted them regarding the issue, Haque said the government supports entrepreneurs through policies but it is up to them to do the rest.

Export capacity of those who produce GI products should be enhanced through financial support, experts say

Meanwhile, the Bangladesh Handloom Board got GI recognition for Dhakai Muslin in 2020.

And while commercial production of the fabric is yet to start, work is ongoing to handover the required technology to the private sector, said Ayub Ali, chief of planning and implementation at the BHB.

"Commercial benefits will be available for GI products when production starts in the private sector as there is a lot of demand for muslin in the international market," he added.

In May 2022, Chapainawabganj and Rajshahi registered themselves as producing regions of Fazi mango, meaning that the two northern districts

can use the GI tag on the fruit.

The Rajshahi Fruit Research Station and Chapainawabganj Krishi Association had both applied for the registration in March 2017.

Shafiqul Islam, principal scientific officer of the Rajshahi Fruit Research Station, and Munjer Alam, secretary, said not a single GI tagged Fazi mango has been exported as of yet.

Mokhesur Rahman, chief scientific officer of the Regional Horticulture Research Centre in Chapainawabganj, said they applied for granting GI status to the Ashwina and Langra varieties in 2017.

However, the two types of mango were only recognised as GI products in the first week of July this year.

Rahman added that he is not aware if they have received any orders for these mangoes with the GI tag.

Khondoker Mostafizur Rahman, director general of the DPDT, said commercialisation activities for the country's GI products are in the early stages.

Mostafa Abid Khan, a trade policy analyst and negotiator for Bangladesh, said Bangladesh can only benefit from GI tagged products by establishing demand for them.

"The demand won't come on its own. That is why emphasis should be placed on branding and promotion," he added.

The DPDT recently granted GI status to traditional yogurt produced in Bogura as well as a variety of paddy, called Tulsimala, native to Sherpur.

Prime Bank's profit jumps 50% in Q2

STAR BUSINESS REPORT

Prime Bank Ltd made a 50.75 per cent year-on-year higher profit of Tk 114.36 crore in the second quarter of 2023.

The profit stood at Tk 75.86 crore during the identical quarter of 2022.

Thus, the consolidated earnings per share of the private commercial lender were Tk 1.01 in April-June this year, up from Tk 0.67 in the same three-month last year.

Half-yearly profit surged to Tk 218.53 crore from Tk 180.03 crore in January-June of 2022, a year-on-year spike of 21.38 per cent. So, the consolidated EPS rose to Tk 1.93 from Tk 1.59.

The consolidated EPS increased due to a rise in net interest and investment incomes, said Prime Bank in a filing on the Dhaka Stock Exchange.

Its consolidated net operating cash flow per share stood at a negative Tk 0.79 in January-June, which was Tk 1.26 in the similar half of 2022.

The consolidated NOCFPS was higher compared to the previous year because of the increase in deposits, said the filing.

The consolidated net asset value per share rose to Tk 28.56 on June 30 this year from Tk 26.19 on the same day last year.

Shares of Prime Bank were up 1.02 per cent to Tk 19.80 on the DSE yesterday.

Robi to borrow \$55m from owning company

STAR BUSINESS REPORT

Mobile phone operator Robi Axiata Limited has decided to take a \$55 million loan from its parent company Axiata Group.

The board of the third-largest mobile operator in Bangladesh approved the decision, according to a disclosure on the Dhaka Stock Exchange website yesterday. The tenure of the loan will be three years.

Robi also informed that it did not pledge any asset as collateral and did not create any charge with the Registrar of Joint Stock Companies and Firms (RJSC) in relation to the loan agreement.

Indian traders scoop up cheaper Chinese steel

Industry execs say

REUTERS, New Delhi

Indian traders have been scooping up Chinese steel at a deep discount, industry officials and analysts said, spooking Indian producers ahead of a seasonal pick up in domestic demand.

Lured by discounts of \$30 to \$50 a tonne on hot-rolled and cold-rolled products, Indian buyers are signing a flurry of import deals, they added. Domestic industrial activity is set to pick up over the next two months after the monsoon rains recede.

Indian traders are buying the grades used in automobiles and construction, main drivers of domestic steel demand, the officials and analysts said. "The Chinese are offering discounts because other markets are not doing well and we are seeing good growth in Indian automobile and construction sectors," said Snehdeep Bohra, a director at Fitch Ratings in India.

Traders near port cities in the eastern state of Odisha and the western state of Gujarat find it cheaper to import steel from China than spend on local freight, a senior executive at a major Indian steelmaker said on condition of anonymity.

What happens when the Black Sea grain deal expires?

REUTERS, London

A deal allowing Ukraine to export grain via the Black Sea will expire at the end of Monday after Russia said it will suspend its participation.

The deal, brokered by the United Nations and Turkey last July, aimed to alleviate a global food crisis by allowing Ukrainian grain blocked by the Russia-Ukraine conflict to be exported safely.

Why is it important?

Ukraine is a major producer of grains and oilseeds and the interruption to its exports at the outbreak of war pushed global food prices to record highs. The deal, agreed in July 2022 some five months after the war started, helped to bring down prices and ease a global food crisis.

Ukraine grain has also played a direct role with 725,200 tonnes, or 2.2 per cent, of the supplies shipped through the corridor used by the United Nations World Food Programme (WFP) as aid to countries such as Ethiopia, Somalia and Yemen.

What does this mean for food prices?

Prices for grains and oilseeds have already risen in response to news that Russia will suspend its participation in the deal. The increase will lead to higher prices for staple foods, such as bread and pasta, in the coming months.

The situation, however, is better than in the months after the war started as supplies of grain from other producers such as Brazil and Brazil have increased.

Prices for wheat, the main ingredient in bread, have fallen by about 14 per cent so far this year and corn is down around 23 per cent.

READ MORE ON B2

Storm clouds loom large over China's economy

AFP, Beijing

China's lower-than-expected growth in the second quarter comes as the world's second largest economy is hit by sluggish consumption, a real estate sector in crisis and worries over deflation.

Here is a look at the main storm clouds over China's economy:

For almost three years Beijing's strict zero-Covid policies meant repeated lockdowns, the fear of being arbitrarily quarantined and other draconian health measures that dragged down consumer spending.

When the restrictions were lifted at the end of 2022, millions flocked to restaurants, shopping malls and on long-awaited holidays.

But that optimism hasn't lasted, with the recovery running out of steam and the labour market under pressure -- more than one in five young people is unemployed.

"Companies are reluctant to hire due to soft consumer demand, and consumers are reluctant to spend" because of the economic situation, economist Larry Hu, of the investment bank Macquarie, told AFP.

"Such a self-fulfilled downward spiral bears some resemblance to Japan's 'lost

decades'," he warned, referring to years of stagnation in what is now the world's third largest economy.

Bricks and mortar are a pillar of the economy in a country where property has long been seen as a safe bet for

middle class Chinese seeking to grow their wealth.

That demand sent property prices soaring, while developers expanded at breakneck speed thanks to generous bank loans.



This aerial photo taken yesterday shows buildings in Shenyang, in China's northeastern Liaoning province. Consumption remains a driving force for the economic recovery of China, an economist says.

PHOTO: AFP