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Fakir Knitwear to invest \$45.8m at BSMSN

STAR BUSINESS REPORT

Fakir Knitwear Limited is set to invest about \$45.82 million to set up a knit composite factory at the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Mirsarai, Chattogram.

The company, which has been contributing to the country's garment, logistics and agricultural sectors since 1936, expects to create employment opportunities for about 2,000 people at the unit.

As such, Fakir Knitwear yesterday signed an agreement with the Bangladesh Economic Zone Authority (Beza) for the allotment of 15 acres of land at the BSMSN.

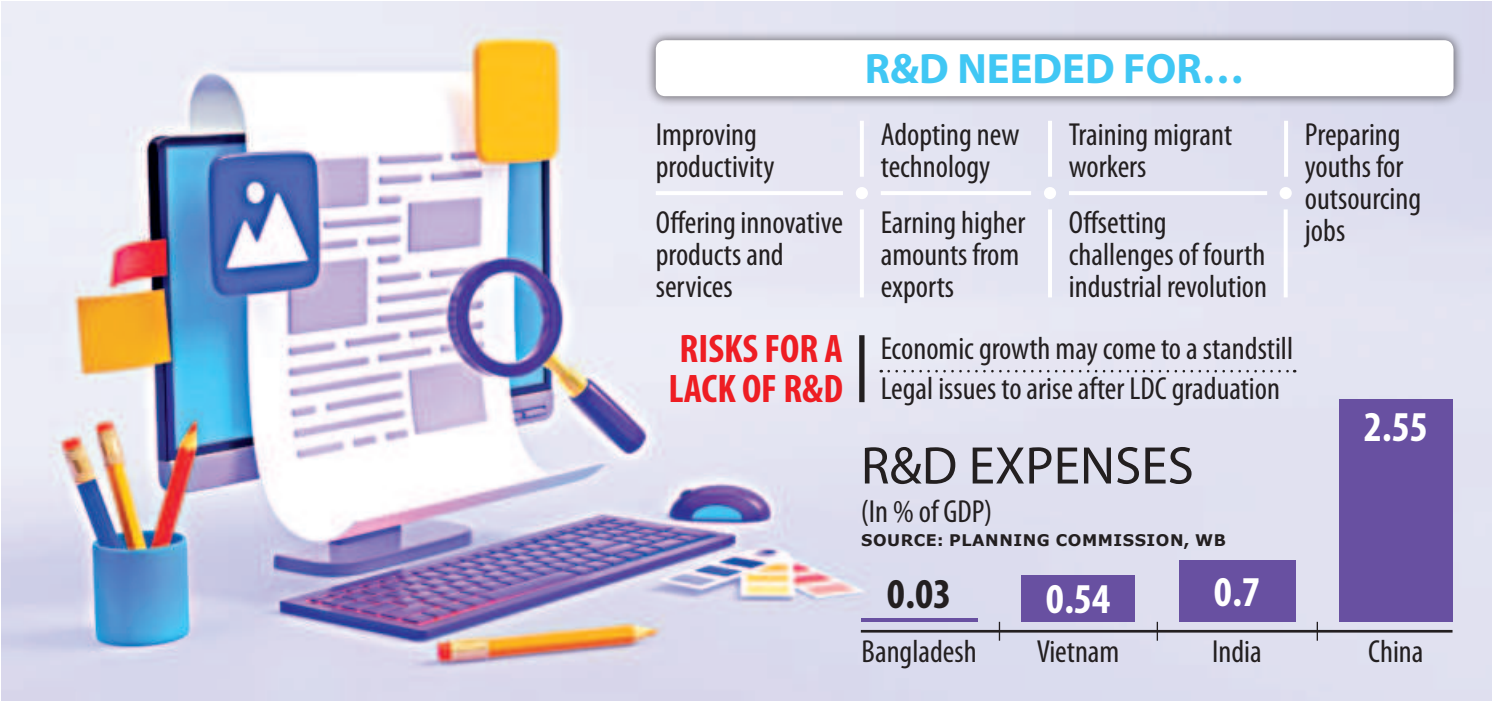
Fakir Mashrikuzzaman, deputy managing director of Fakir Knitwear, and Md Mozibor Rahman, executive member (investment development) of Beza, signed the agreement at the latter's office.

Mashrikuzzaman, said they have experience in setting up some of the most modern facilities in the country.

Besides, Fakir Knitwear has been maintaining its reputation as a green industry both at home and abroad, he added.

M a s h r i k u z z a m a n claimed they have already established state-of-the-art manufacturing units with skilled manpower and

READ MORE ON B3



Can Bangladesh hit dev goals with scanty R&D?

AHSAN HABIB

Bangladesh's economy has been growing at a striking rate in the last one decade on the back of low-paid workers in the manufacturing and service sectors but innovation has played insignificant role behind the development journey.

The main factor for the lack of innovation has been scanty investment, both public and private, although investments in research and development (R&D) are believed to be important keys to future prosperity.

And experts warn that if the lower investment trend lingers, economic growth may be stuck at

a certain level.

In Bangladesh, the overall R&D investments stood at 0.03 percent of gross domestic product (GDP) in 2022-23, according to data of the planning commission.

It was 0.54 percent in Vietnam, 0.70 percent in India, and 2.55

percent in China, World Bank data showed.

"Investment in R&D is essential as Bangladesh is steadily growing and is going to face challenges stemming from the fourth industrial revolution," said

KAS Murshid, a noted economist.



A former director-general of the Bangladesh Institute of Development Studies, Murshid urged the government to place the highest priority on R&D, allocate funds accordingly and ensure their proper utilisation.

"A strong political will and understanding its importance is necessary."

Murshid points out that Bangladesh is bringing technologies and solutions from external sources and is adopting them. Sometimes, local people struggle to adopt them.

This forces many firms to hire experts from abroad to adopt new technologies and

READ MORE ON B3

SINGLE POINT MOORING PROJECT

BPC again seeks time, funds

MD ASADUZ ZAMAN and ASIFUR RAHMAN

The deadline for the "Installation of Single Point Mooring (SPM) with Double Line" project will be extended for the fourth time with the cost to be raised by around Tk 1,000 crore, or 15 percent, according to the Planning Commission.

On behalf of the Bangladesh Petroleum Corporation (BPC), the implementing agency Eastern Refinery Limited (ERL) recently proposed revising the project cost to Tk 8,222 crore and extending its deadline by one year.

The BPC said more time and money is needed to complete the project due to issues resulting from the higher price of US dollar, which include increased payments for foreign contractors and consultants.

Implementing agency Eastern Refinery recently proposed revising the project cost by Tk 1,000 crore and extending its deadline by one year

The proposal was placed at a meeting of the Project Evaluation Committee (PEC) of the Planning Commission on Tuesday, sources said.

During the meeting, the Planning Commission raised various questions, asking for an explanation from the BPC as to why the project tenure should be extended until June 2024 even though implementation has reached 97 percent physical progress.

If approved, the new total cost would be 67 percent higher than the original of about Tk 4,936 crore. In the first revision, the cost was raised to Tk 5,426 crore while it increased to Tk 6,568 crore in the second revision.

The third revision took the cost to about Tk 7,125 crore and extended the deadline to June 2023.

The project taken by the Ministry of Power, Energy and Mineral Resources in 2015 was initially scheduled for completion by December 2018.

The initiative is being funded by the Exim Bank of China, government exchequer and BPC's own finance.

READ MORE ON B3



Farmers in Kalurpara Char of Gaibandha's Phulchari upazila separate jute fibres from stems following retting. Yields in the area have been better than that in the last couple of years due to the absence of floods, with farmers currently getting Tk 2,700 per maund (around 37 kilograms). The photo was taken recently.

PHOTO: MOSTAFA SHABUJ

India may guarantee supply of 7 essentials

Says senior commerce secretary

REFAYET ULLAH MIRDHA

Bangladesh is hopeful of an Indian guarantee of a quota ensuring the year-round import of seven essential commodities as the neighbouring country has shown interest and bilateral negotiations are progressing for signing an associated agreement.

A commerce secretary-level meeting between the two countries is scheduled to be held virtually this month to assess Bangladesh's demand and India readiness to give the guarantee.

"We have fixed two dates (either August 17 or August 20) for holding the meeting," said Senior Commerce Secretary Tapan Kanti Ghosh over the phone.

Moreover, Prime Minister Sheikh Hasina is also scheduled to visit India to attend the 18th G20 Summit in New Delhi on September 9 and 10.

During that time, issues including the guarantee and progress over signing a comprehensive economic

partnership agreement (Cepa) between the two countries are scheduled to be discussed with Indian Prime Minister Narendra Modi.

However, since the prime minister will attend the G20 Summit, the possibility of holding a full-fledged bilateral meeting is thin, said Ghosh. Still, there is a possibility of discussions on the food grain import and Cepa, he said.

Bangladesh had sought a secured supply of 45 lakh tonnes of wheat, 7 lakh tonnes of onion, 30,000 tonnes of lentil, 20 lakh tonnes of rice, 15 lakh tonnes of sugar, 10,000 tonnes of garlic and 1.25 lakh tonnes of ginger each year.

Preliminary discussions on the issue were held during Prime Minister Sheikh Hasina's visit to India in September last year.

In a joint statement after the visit, the two leaders appreciated the growth in bilateral trade, with India emerging

READ MORE ON B2

EBL joins the fray to invest in digital bank

STAR BUSINESS REPORT

Eastern Bank Ltd (EBL) is going to invest Tk 12.5 crore to be a sponsor shareholder of a proposed digital bank, according to a decision of the board of the private bank taken yesterday.

The name of the proposed digital bank is Digi10 Bank PLC, in which the private bank will hold 10 percent share of the initial paid-up capital of Tk 125 crore.

The investment will be done subject to all regulatory approval, as per the decision of the EBL board.

The disclosure by EBL comes after a number of banks unveiled their decision to invest in establishing digital banks,

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Deeply rooted in sustainability

For its commitment to sustainability, Bangladesh Bank has declared IDLC as one of the

Top Sustainable Financial Institutions

for the 3rd consecutive year.

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Sonali Bank holds workshop on cyber security

STAR BUSINESS DESK

Sonali Bank PLC organised a workshop, styled “Cyber security Awareness”, to counter the threats of cyber-attacks in the financial sector.

Ziaul Hasan Siddiqui, chairman of the bank, inaugurated the workshop as chief guest at the bank's head office in Dhaka on Tuesday, said a press release.

Md Afzal Karim, managing director and CEO of the bank, presided over the workshop, where ABM Ruhul Azad, Ishtiaque Ahmed Chowdhury, Daulatunnaher Khanam, Molla Abdul Wadud, Md Matiur Rahman, Abul Kalam Azad, and Gopal Chandra Ghosh, directors, were present.

Mohammad Kaykobad, former professor at the Bangladesh University of Engineering and Technology and director of the bank, and Mohammed Ishaque Miah, chief information technology officer of Bangladesh Bank and head of the cyber security unit, conducted the workshop as resource people.



Ziaul Hasan Siddiqui, chairman of Sonali Bank PLC, attends a workshop on cyber security awareness at the bank's head office in Dhaka on Tuesday.

PHOTO: SONALI BANK

Walton's industrial expo begins today

STAR BUSINESS DESK

Walton, an electronics manufacturer of Bangladesh, is going to host the country's first-ever mega industrial fair styled “International Advanced Components and Technology (ATS) Expo 2023”.

The three-day exposition will begin today at International Convention City Bashundhara (ICCB) in the capital.

Golam Murshed, managing director and CEO of Walton Hi-Tech Industries PLC, disclosed it at a press conference at the ICCB yesterday, said a press release.

The ATS Expo aims to discover the world of possibilities by showcasing various products,



Golam Murshed, managing director of Walton Hi-Tech Industries PLC, attends a press conference at International Convention City Bashundhara in Dhaka yesterday.

PHOTO: WALTON GROUP

including industrial raw materials, components, testing lab and other industrial services to domestic and international industrialists and visitors, said Murshed.

Over 50,000 industrial materials, components and services will be showcased in the exposition.

Md Humayun Kabir, deputy managing director of Walton and chairman of ATS Expo, Mohammad Yousuf Ali, deputy managing director and co-chairman of ATS Expo, Tofail Ahmed, chief business officer of Walton Refrigerator, Tanvir Rahman, chief business officer of Walton AC, and AFM Nasir Uddin, senior deputy executive director of Walton and coordinator of ATS Expo, were present.



Ibrahim Khalil, chief operating officer of Tasty Treat, cuts a ribbon to inaugurate an outlet of the company at Dilalpur in Pabna on Monday.

PHOTO: PRAN-RFL GROUP

Tasty Treat opens outlets in Pabna

STAR BUSINESS DESK

Tasty Treat, a fast-food retail brand of Pran-RFL Group, has started operations in Pabna by opening two outlets in the Dilalpur and Shalgaria areas of the city on Monday.

Ibrahim Khalil, chief operating officer of the company, inaugurated the outlets, said a press release.

“Tasty Treat is committed to ensuring healthy and hygienic foods at an affordable price. We are witnessing an overwhelming response from consumers wherever we are opening,” said Khalil.

Traditional and birthday cakes, fast-food, pastry, dessert items, savoury items, cookies, biscuits, and sweet items are available at the outlets.

Currently, Tasty Treat has 329 outlets across the country.

Among others, Manwar Hossain, operation manager of the company, and Arif Mahmud Shawn, sub-assistant brand manager, were present.

AIBL organises business review meeting

STAR BUSINESS DESK

Al-Arafah Islami Bank Ltd organised a Business Review Meeting for managers of corporate branches at the bank's head office in Dhaka yesterday.

Farman R Chowdhury, managing director and CEO of the bank, presided over the meeting, said a press release.

Among others, Shabbir Ahmed, Md Shafiqur Rahman, Syed Masodul Bari, Md Mahmudur Rahman, Mohammed Nadim, Abed Ahmed Khan, Abdullah Al Mamun and Fazlur Rahman Chowdhury, deputy managing directors of the bank, and senior executives were present.



Farman R Chowdhury, managing director and CEO of Al-Arafah Islami Bank, presides over the bank's business review meeting for managers of corporate branches at the bank's head office in Dhaka yesterday.

PHOTO: AL-ARAFAH ISLAMI BANK

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (AUG 9, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	-1.46 ↓
Coarse rice (kg)	Tk 48-Tk 52	2.04 ↑	2.04 ↑
Loose flour (kg)	Tk 50-Tk 52	-4.67 ↓	17.24 ↑
Lentil (kg)	Tk 90-Tk 100	0	-9.52 ↓
Soybean (litre)	Tk 160-Tk 165	-4.97 ↓	-0.91 ↓
Potato (kg)	Tk 36-Tk 40	-2.56 ↓	31.03 ↑
Onion (kg)	Tk 70-Tk 80	0	76.47 ↑
Egg (4 pcs)	Tk 50-Tk 55	9.38 ↑	25 ↑

SOURCE: TCB



Mohammed Yunus, chairman of Shahjalal Islami Bank, inaugurates contactless debit, credit and prepaid cards at the bank's corporate head office in Dhaka yesterday.

PHOTO: SHAHJALAL ISLAMI BANK

aamarPay teams up with LankaBangla

STAR BUSINESS DESK

aamarPay, a fintech company of the country, has recently entered into strategic payment collaboration with LankaBangla Finance Ltd over payment services.

AM Ishtiaque Sarwer, managing director of the fintech company, and AKM Kamruzzaman, senior executive vice-president and head of operations of the non-bank financial institution, inked an agreement in this regard at the latter's head office in Dhaka, said a press release.

Under the deal, users of the fintech company can pay their LankaBangla credit card bills, DPS instalments, loan EMIs, and even access loan application facilities securely through the aamarPay platform.

Abdul Muktadir Azad, chief operating officer of the fintech company, Mostafa Badrul Hasan, head of commercial department, and Tahrima Tazrin, assistant manager of the strategy and partnership commercial department, and Sheikh Mohammad Fuad, head of ICT of the non-bank financial institution, were present.



AM Ishtiaque Sarwer, managing director of aamarPay, and AKM Kamruzzaman, senior executive vice-president of LankaBangla Finance, pose for photographs during the signing ceremony of a strategic payment collaboration at the latter's head office in Dhaka recently.

PHOTO: AAMARPAY SUPER APP

China tips into deflation

FROM PAGE B4

as the problem in real estate re-emerges,” said Gary Ng, Asia Pacific senior economist at Natixis. “It also shows China's slower-than-expected economic rebound is not strong enough to offset the weaker global demand and lift commodity prices.”

The data comes a day after trade figures showed exports and imports both slumping in July and follows a spate of reports on more debt troubles

in China's giant property sector. Worried consumers and companies are hoarding cash rather than spending or investing it, despite lower interest rates.

Asian shares were on the defensive on Wednesday as the Chinese price data confirmed its economic recovery was losing steam. China's anaemic prices contrast sharply with the crippling inflation most other major economies have seen, which forced central banks elsewhere to rapidly raise interest rates.

However, there are signs global inflation may be peaking and, in some cases, reversing. Brazil last week cut interest rates for the first time in three years amid more benign inflationary conditions.

Beijing has set a consumer inflation target of around 3 percent this year, which would be up from 2 percent recorded in 2022, and for now, authorities are downplaying concerns about deflation.

Shahjalal Islami Bank launches contactless cards

STAR BUSINESS DESK

Shahjalal Islami Bank Ltd launched contactless debit, credit and prepaid cards with the aim of providing faster services to customers.

Mohammed Yunus, chairman of the bank, inaugurated the cards at a programme in Dhaka, said a press release.

The contactless cards not only provide convenience of contactless payment but also offer all the existing features of regular credit, debit and prepaid cards of the bank.

Among others, Mosleh Uddin Ahmed, managing director and CEO of the bank, Abdul Aziz, SM Mainuddin Chowdhury and Mian Quamrul Hasan Chowdhury, additional managing directors, Imtiaz U Ahmed and MM Saiful Islam, deputy managing directors, Md Abul Bashar, company secretary, Md Jafar Sadeq, chief financial officer, and Md Marufur Rahman Khan, head of card division, were present.

India may guarantee

FROM PAGE B1 as the largest export destination for Bangladesh in Asia.

The Bangladesh side requested the Indian side for predictable supply of the essential food commodities.

The Indian side conveyed that Bangladesh's requests will be favourably considered based on prevalent supply conditions in India, and all efforts will be made in this regard, according to the joint statement in September last year.

Afterwards, Commerce Minister Tipu Munshi also visited India in December last year and formally placed the import demand with the Indian government.

Later, India suggested that Bangladesh review several of the figures, saying those were too high.

One was the 45 lakh tonnes of wheat. In this regard, India pointed out that currently it was annually providing about 7 lakh tonnes on an average.

Bangladesh annually imports nearly 65 lakh tonnes of wheat from different sources, particularly Russia and Ukraine, to meet local demand.

But following Russia's invasion of Ukraine early on last year, the price of wheat increased worldwide as its availability became uncertain for

the ensuing volatility in the global supply chain.

This prompted the government to look for a guaranteed supply of seven food items to avert any potential food crisis amidst ongoing economic uncertainties.

Later, the commerce ministry formed a five-member committee to assess the actual demand for wheat, rice and sugar, local production and import figures over the last decade, particularly that from India, to send revised figures to India.

The committee was headed by Noor Md Mahbubul Haque, additional secretary to the ministry. Later the commerce ministry sent the revised figures.

The upcoming meeting will be mainly on the import quantities as India recently has shown interest to go into an agreement over the seven essential commodities, Ghosh also said.

However, since the deal has not yet been finalised, it has also not been determined how much the government will import and how much the private importers will import, he said.

Once the deal is finalised, the price and the quantities of both the government and private sector will be determined, he added.

World's largest

FROM PAGE B4

awe of the sophisticated engineering integrated into this floating holiday destination and flocking to buy tickets.

Resembling a village more than a ship, the mammoth vessel boasts colourful waterparks, more than 20 decks and can carry nearly 10,000 people.

A distinct feature of the new ship, which went into construction in 2021 and entered sea trials in June, is a gigantic glass dome that covers part of its front section.

The pandemic dealt a heavy blow to the industry, raising questions about whether it would ever recover.

Cruise companies are now seeing

customers return.

The Cruise Lines International Association has predicted that passenger volume will surpass pre-pandemic levels with 31.5 million passengers in 2023.

“After the restrictions are gone and the situation has eased up, we are seeing that the market is coming back very strong,” Meyer said.

With a gross tonnage of 250,800 – five times the size of the Titanic – Icon of the Seas will snatch the title of the world's largest cruise ship from Royal Caribbean's current flagship, Wonder of the Seas.

Meyer Turku also has two more similar sized Icon-class vessels in their order books.

Oil hits new highs

REUTERS, London

Oil hit new peaks on Wednesday with Brent crude touching the highest since April as tighter supply owing to Saudi and Russian output cuts offset concerns over slow demand from China and a report showing rising U.S. crude inventories.

Saudi Arabia's cabinet said on Tuesday that it reaffirms its support for precautionary measures by the Organization of the Petroleum Exporting Countries and its allies, known as Opec+, to stabilise the market, state media reported.

Brent crude rose 64 cents, or 0.7 percent, to \$86.81 by 1012 GMT and touched \$86.94, the highest since April 13. US West Texas Intermediate (WTI) crude gained 78 cents, or 0.9 percent, to \$83.70. The US benchmark touched \$83.81, the highest since November 2022.

Crude posted its sixth consecutive weekly gains last week and hit its highest levels since mid-April on Monday, helped by a reduction in OPEC+ supplies and hopes of stimulus boosting oil demand recovery in China.



Retailers sold farmed brown eggs at Tk 150 to Tk 165 per dozen in Dhaka yesterday, according to TCB. This is 10 percent higher than that a week ago.

PHOTO: STAR/FILE

Biman signs code sharing deal with Gulf Air

STAR BUSINESS REPORT

In a new business strategy, Biman Bangladesh Airlines has signed its first strategic code sharing agreement with Gulf Air to enhance travel connectivity, convenience, and accessibility for passengers traveling between Bangladesh and the Gulf region.

The landmark partnership agreement was signed yesterday through an online meeting between representatives of the national flag carriers of Bangladesh and Bahrain.

With this agreement, Biman and Gulf Air will closely collaborate to expand their flight networks and offer an extensive range of options for their passengers.

The code sharing agreement will enable travellers to seamlessly book flights operated by either airline, providing increased flexibility and efficiency in travel planning.

Also, passengers will be able to travel from Dhaka to Bahrain and Bahrain to Dhaka with onward connections to Chattogram and Sylhet by both airlines.

"We are thrilled to join hands with Gulf Air in this code sharing agreement, which marks a significant milestone for both airlines," said Shafiu Azim,

managing director and CEO of Biman.

"This partnership will unlock new possibilities for our customers and strengthen the bonds between Bangladesh and Gulf countries," he added.

Captain Waleed Al Alawi, CEO of Gulf Air, said they are delighted to be partnering with Biman Bangladesh Airlines.

"Through this code sharing agreement, we are looking forward to offering our passengers an expanded network of destinations and more travel choices," he added.

The code sharing agreement between Biman and Gulf Air will also benefit both airlines through enhanced operational efficiency and shared expertise in the aviation industry.

Code sharing is a partnership between two airlines that allows an airline to place its two-letter identification code on the flight schedules of another. This means that flights can be marketed by one airline and operated by another.

For instance, Gulf Air may be in agreement with Biman whereby it operates Biman flights on a particular route. This flight would be enlisted with Biman's identification code (BG), but actually be run by Gulf Air.

Eggs now Tk 15 costlier per dozen

SUKANTA HALDER

The price of eggs has gone up by as much as Tk 15 per dozen in retail markets, forcing consumers who are already overburdened with high inflation to spend more to avail the low-cost source of protein.

Retailers were selling farmed brown eggs at Tk 150 to Tk 165 per dozen in Dhaka yesterday, as per the Trading Corporation of Bangladesh (TCB).

This is 10 percent higher than that a week ago.

Prices have increased over the last seven days, said Nurul Alam Shikdar, a retailer of Pallabi, who was asking Tk 174 for a dozen.

The weather was quite hot around a week or so ago and many layer poultry died and laid lesser eggs for not being able to eat properly, said Mohammad Amanat Ullah, president of an association of egg merchants in Tejaon.

"In addition, layer production has also been low," he added.

There is a daily demand for 20 lakh to 22 lakh eggs at the Tejaon market but a maximum of 15 lakh is available now,

he said.

"We bought 100 eggs for Tk 1,190 on Tuesday. The price was Tk 1,200 on the following day but Tk 1,040 a week ago," he said.

Supply of eggs from the outer edges of the city has been disrupted for rains over the last couple of eggs, said Moshir Raham, managing director of Paragon Group.

"Rains affect the entire supply chain," he said.

Capitalising on this situation, some traders held back their stocks to create an artificial crisis and raise prices, said a dealer in Dhaka, seeking anonymity.

"Even though they have enough eggs, they are supplying less. So, the price is going up," he said.

About 3.5 crore to 4 crore eggs are sold around the country on an average every day.

In fiscal year 2022-23, 2,337 crore eggs were produced around the country, according to the Department of Livestock Services. It was 2,335 crore the previous fiscal year.

Miniso to open in Sylhet

STAR BUSINESS DESK

Miniso Bangladesh, a retail chain of Miniso in the country, will launch its 25th store in Sylhet through a franchise.

Shabnam Shehnaz Chowdhury, managing director of Miniso Bangladesh, and franchisee Md Rezwan Selim, proprietor of Softex Retail, signed an agreement in this regard at the former's head office in Dhaka recently, said a press release.

Shah Adeeb Chowdhury, Shah Rayeed Chowdhury and Chowdhury Asifuzzaman, directors of Miniso Bangladesh, were present.

The retail chain's stores are currently in Dhaka, Chattogram, Khulna, Bogura and Rajshahi.

Standard Bank promotes official to DMD post

STAR BUSINESS DESK



Standard Bank Ltd has recently promoted an official to the post of deputy managing director (DMD).

The official, Md Mohon Miah, was serving as the head of business development, Shariah secretariat, internal control & compliance division and an Islamic banking conversion project in the bank.

Miah joined Standard Bank in 2020. He previously served Islami Bank Bangladesh Ltd as a deputy managing director and head of corporate investments, said a press release.

Obtaining a master's degree in Islamic history and culture from the University of Dhaka, he had started his banking career as a probationary officer in 1985.

STOCKS			
DSEX ▼		CASPI ▼	
0.29%		0.21%	
6,296.99		18,622.94	

COMMODITIES			
Gold ▲		Oil ▲	
\$1,926.12		\$83.67	
(per ounce)		(per barrel)	

ASIAN MARKETS				
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▲ 0.23%	▼ 0.53%	▲ 0.12%	▼ 0.49%	
65,995.81	32,204.33	3,313.79	3,244.49	

Can Bangladesh hit dev goals

FROM PAGE B1

processes, which results in a spike in outward remittance from Bangladesh, he said.

"We need to innovate the technologies that are suitable for us."

In the era of the fourth industrial revolution, artificial intelligence (AI), deemed as the most important technological development in recent times, is expected to contribute to the economy and generate millions of jobs in new areas globally. At the same time, AI is believed to be taking away millions of traditional jobs.

"So, Bangladesh should prepare to adopt it and find out how we can make the most of it," Murshid said.

Today, Bangladesh is not a small economy – the nation is set to become a trillion-dollar economy in less than two decades, doubling from nearly \$450 billion now.

The country aims to become an upper-middle-income country by 2031 and a developed nation by 2041.

"So, we should focus on R&D like other countries did," Murshid said.

A number of analysts have called for following in the footsteps of other countries that have built their economies, created wealth and raised the living standards of their people through innovation. One of the countries that stand out in the arena is China.

The country was struggling even in the 1980s with half of its population being poor and the economy was growing at a slower pace.

After the opening up of the economy in 1979, the Chinese government started to invest massively in R&D in order to make the economic growth sustainable. It also invited foreign investors.

The big investment in R&D and its hard-working population made China "the factory of the world" and put the economy on a higher growth trajectory.

China's expenditure on R&D reached \$456 billion in 2022, up 10.4 percent year on year, according to the country's National Bureau of Statistics. Currently, China is the largest spender in the world in agricultural R&D.

The country leads globally in the areas of innovation, technology

and adoption. It is particularly true in agriculture, manufacturing and outsourcing.

Today, China is the second-largest economy in the world.

According to Murshid, the agricultural sector of Bangladesh has seen some innovation over the years and most of them came through the Bangladesh Rice Research Institute.

"But there is more scope to carry out research in other sectors as well. But the government is not providing adequate funds and it has no clear plan for it."

The first time the government allocated any funds aimed at R&D was in the fiscal year of 2019-20 when it set aside Tk 50 crore, clearly highlighting the lack of focus on the side of the authorities in the previous years.

The government has made a special allocation of Tk 100 crore for research, innovation and development for the current fiscal year of 2023-24.

The private sector is not doing much as well. According to the University Grants Commission of Bangladesh, 125 universities in the country spent close to Tk 153 crore on research in 2020, which was less than 1 percent of their combined annual budget.

The outlay aimed at research activities at all universities in the country is around one percent of their collective budget.

Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, a think-tank, says almost all developed countries focused on R&D and STEM (Science, Technology, Engineering, and Mathematics)-based education when their economy was taking off with a view to raising productivity.

"From that sense, Bangladesh is lagging far behind although the economy has been growing at a stellar pace for the past one decade."

In Bangladesh, the government seems to be pleased just by elevating the primary school enrollment rate to 100 percent. Similarly, companies are running their operations by adopting technologies and solutions from global sources instead of going for innovation, he said.

"As a result, value addition of firms is low and the income of per unit

exported item is also minimum."

The success of the country's largest export earning garment sector, which has turned Bangladesh into the second-largest supplier globally, also hinged upon shipping low-priced clothing items using low-cost labour.

The remittance, another lifeline of the economy, also grew on the basis of the toils of unskilled workers. So, funds transferred by the migrant Bangladeshis have not gone up as expected.

For example, more than 11.35 lakh Bangladeshis left the country for jobs abroad last year. But remittance flow through official channels dropped 6.65 percent to \$21.28 billion in 2022, data from the Bureau of Manpower, Employment and Training and the Bangladesh Bank showed.

Moazzem says a positive side is that the government has kept some funds in the national budget in the last few years. Most of the funds have been used in knowledge generation-based activities.

He, however, adds that some of the projects are not related to R&D.

"Our R&D budget should be used in innovating products, services and technologies that are commercially viable. The allocation needs to be increased and the government should pay heed to it."

The economist also urged the private sector to come forward to invest in R&D and recommended the government encourage entrepreneurs to do so by way of giving incentives, cutting taxes, and offering low-cost loans.

Moazzem thinks internationally renowned companies from other countries should be invited to invest in setting up R&D centres.

He, however, points out that R&D activities will not be encouraged until the government removes barriers related to intellectual property laws.

"This is because when a company innovates something, the rights linked to the innovation should be protected. However, the existing law is not protecting innovators properly."

Mahmudul Hasan Sohag, an entrepreneur, says globally, private companies mainly fund research

activities whereas most of the firms in Bangladesh have no long-term vision to invest in R&D.

He says most of the investments behind R&D generally fail and only a few pay back, so local companies have no patience to go for the primary spending.

"Our companies have mainly the trading mentality, so there is little technology and product innovation in the country."

According to the co-founder of Rokomari.com, an e-commerce platform, the private sector may say that there are not enough researchers in Bangladesh, while universities may argue there are not enough fund providers.

"So, we need some crazy companies to bring a breakthrough and set an example."

EBL joins the fray

FROM PAGE B1

for which Bangladesh Bank called for applications from the third week of June.

EBL plans to become a sponsor in the Digi10 Bank PLC alongside The City Bank and other private banks.

Early this week, The City Bank said it would invest Tk 13.88 crore in the proposed Digi10 Bank Plc.

Apart from these banks, Bank Asia, bKash, Pragati Life Insurance, ACI Ltd, Padma Bank, Banglalink and Crystal Insurance have also made public their decision to invest in setting up digital banks.

The central bank's move comes within a week after it approved guidelines regarding the establishment of digital banks, which will provide financial services alongside the existing 61 conventional banks.

In its guideline published earlier, the central bank said digital banks will not be allowed to provide any service to clients directly through physical counters and cannot issue any physical instruments.

Likewise, digital banks would not be permitted to give out loans to carry out foreign trade or term loans to medium and large industries, according to Bangladesh Bank.

BPC again seeks time

FROM PAGE B1

The project aims to facilitate the unloading of imported crude oil and finished products with improved safety at a low cost and within a short time.

As such, it aims to reduce system losses experienced in the existing lighterage operation of imported crude oil and finished products, according to project documents.

The SPM will be able to unload 120,000 tonnes of crude oil from tankers in 48 hours and 70,000 tonnes of diesel in 28 hours.

Under the project, three oil depots for crude oil and three storage tank farms for diesel will be set up at Moheshkhali in Cox's Bazar to ensure energy security by enhancing the country's capacity to store fuel.

The project will establish a SPM and Pipeline End Manifold, set up a total of 220 kilometres of offshore and onshore pipelines, tanks and farms at Moheshkhali as well as carry out land acquisition.

The BPC said they have to spend an additional Tk 537 crore for the project due to the fluctuation of the US dollar, and \$3.5 crore for the claim settlement of contractors and consultants, according to a document.

However, they have to pay another Tk 59 crore to the government due stipulations of the recent circular on income tax and value-added tax on the payment of contractors and consultants.

Project Director Md Sharif Hasnat, also a deputy general manager at Eastern Refinery, could not be reached over phone for a comment by the time this report was filed.

"We have scrutinised the project and raised our queries at the PEC meeting," said Abdul Baki, member (secretary) of the industries and energy division of the Planning Commission.

"The project is almost complete but due to fluctuating dollar prices, they have to pay almost all of the proposed amount. Apart from that, the BPC has some claims from contractors and consultants," he added.

Baki also said they raised some

specific observations in the PEC meeting and asked the BPC to submit relevant documents soon.

"The project is very crucial for the country. If the project is launched, it will save a huge amount of money for the government," he added.

In a recent programme, State Minister for Power, Energy and Mineral Resources Nasrul Hamid said the SPM project is near completion.

"We have built 110 kilometres of pipeline from Moheshkhali to Patenga, which will save us about Tk 1,000 crore a year," he said.

"We will supply fuel from Patenga to Dhaka through another pipeline, which is also almost complete," Hamid added. The pipeline was already commissioned in July, but later faced technical glitches and failed.

The state minister hoped they would be able to inaugurate it in October this year while BPC officials also hoped to open the project within the next two-three months.

Fakir Knitwear

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research and development facilities in various parts of the country, and plan to set up similar industrial units at the BSMSN.

Sheikh Yusuf Haroon, executive chairman of Beza, said Fakir Knitwear is well known in its respective sector as a developing business with a good reputation in local and international markets.

"Therefore, linking up these investors with Beza will lead to increased investment in the economic zone as well as diversification of products," he added.

Haroon also said that although there are many challenges in providing services to the investors of economic zones, Beza is successfully ensuring water, gas and electricity connections through coordination with related government agencies.

Also, Beza has been working with various development partners to ensure international standards of central effluent treatment plants at the BSMSN, he added.

Govt to build tech park in Dhaka

STAR BUSINESS REPORT

The ICT Division is building a technology park in the capital's Karwan Bazar for Tk 160 crore as it looks to install business incubation centres at universities and collaborate with industry and academia with the infrastructure.

Spanning over an area of 0.47 acres, the park is the result of a collaborative financial partnership between the Bangladesh government and the World Bank under the Digital Entrepreneurship and Innovation Ecosystem Development Project of the ICT Division.

Zunaïd Ahmed Palak, state minister for ICT, laid the foundation of the park titled 'Vision 2041 Smart Tower Software Technology Park'.

The modern building with green technology will be a nine-story infrastructure, including four basements, covering around 170,000 square feet.

Palak emphasised the pivotal role this technology park will play in bridging academia and industry.

With the park, seven "University Business Incubation Centres" at universities will be established to unite academia and entrepreneurship

The modern building with green technology will be a nine-story infrastructure, including four basements, covering around 170,000 square feet

to accelerate innovation and collaboration, he said.

Faculty members of the universities will act as mentors, guiding research, innovation, and business ideas, ultimately connecting them with

potential investors and industries.

Under the park, a "Smart Bangladesh Accelerator" will be launched which is projected to nurture and transform 100 startups into successful ventures, providing support encompassing financial aid, technological resources, and training.

The Vision-2041 Smart Tower Software Technology Park will also establish four software technology parks that provide startup facilities, create four labs for common usage, manage innovation programmes within software parks, and ensure skilled personnel for future innovation-related activities.

Rouble hits over 16-month low

REUTERS

The rouble hit a more than 16-month low on Wednesday, hampered by strong foreign currency demand and limited supply, with Russia's shrinking trade surplus and widening budget deficit also hurting sentiment.

By 1023 GMT, the rouble was 0.2 percent weaker against the dollar at 97.32, earlier hitting 97.48, its weakest point since March 25, 2022.

It had lost 0.14 to trade at 106.84 versus the euro and shed 0.3 percent against the yuan to 13.46.

"The limited supply of foreign currency from exporters continues to exert pressure on rouble positions, due to both problems with repatriating funds and also reduced export supplies in the face of steady demand among importers," Promsvyazbank analyst Egor Zhilnikov said.

The rouble has weakened almost 6 percent against the dollar in August already, after losing the support of a month-end tax period that usually sees exporting firms convert foreign exchange revenue to meet local liabilities.

It has been under pressure all year from Russia's shrinking balance of trade, as export revenues fall and imports rebound, dropping around 28 percent year-to-date from levels near 70 to the dollar.

Since an abortive armed mutiny in late June, the rouble has dropped almost 13 percent.

"It is possible that the dollar-rouble pair reaching the 100 marks will force (Russia's) monetary authorities to take some steps to curb devaluation, and exporters to increase sales of FX earnings," Alexey Antonov of Alor Broker wrote in a note.



Handmade wooden boats are seen on display at a century-old boat market along the banks of Kumar river in Bhanga upazila of Faridpur. Although the recent rains are increasing demand for these boats, the market is seeing far fewer customers than before.

PHOTO: SUZIT KUMAR DAS

Boat market gets busy amid monsoons

But customer turnout far less than before

SUZIT KUMAR DAS

The century-old boat market in Bhanga upazila of Faridpur is abuzz with buyers and sellers thanks to rising water levels in the Kumar river amid recent rains, but customer turnout is far less than before.

During a recent visit, it was seen that hundreds of handmade boats are available at the market, which opens twice weekly on Monday and Friday from June to September.

Traders say the market has been a major main hub for the business since the British colonial period.

And other than locals, people

from different districts come to the market to buy boats of varying size.

But over time, many canals and marshlands have dried up as it no longer rains like before.

And although this decreased the demand, people still crowd the market during monsoon season.

Manik Fakir, a boat trader of Bablatla village under Bhanga upazila, said the market is not as busy as it used to be.

"Still, I am maintaining my 35-year-old business. I brought eight boats to the market and sold four in one day," he said.

"I buy boats from Barishal and sell in this market. Small boats

of Barishal are quite durable. I can make a profit of Tk 300-500 from each boat, which sell for Tk 5,000 to Tk 7,000," Manik added.

Krishna Mandal, a boat maker of Pulia village under Bhanga upazila, said he came to the market to sell two boats.

"We make boats from Raintree and Chambal wood. It takes two days to build a boat but there is not much profit after expenses," he added while pointing out that he sold one boat for Tk 5,000.

Rahmat Khan, a resident of the district's Saltha upazila who came to buy a boat, said the Bhanga boat market is one of the biggest boat markets in the area.

"I came to buy a boat for

fishing," he added.

Islam Sheikh, a resident of the Talma area in Faridpur's Nagarkanda upazila, said he bought a boat for Tk 5,500.

"We can choose boats from this market that we need," he added.

Shohidul Haque Munshi, chairman of the Bhanga Bazar Committee, said people from different districts come to the market to buy and sell boats during the monsoon season.

"It was once a very busy boat market but now, it is not as crowded as before," he added, citing how thousands of boats would be sold from the market each year.

200 GREEN FACTORIES

A milestone towards a sustainable future

FARUQUE HASSAN

Congratulations and a big round of applause are due to Bangladesh's apparel makers for bringing glory to the nation by reaching a new milestone of having 200 globally certified green factories.

Achieving the certification of LEED, which stands for Leadership in Energy and Environmental Design, always carries great pride for any individual factory, but when 200 factories from a single sector achieve such recognition, it brings prestige, pride and joy beyond comparison, not only for the individual factories but also for the nation.

Therefore, when the news broke that the number of globally recognised green garment factories in Bangladesh reached 200, I, along with, all stakeholders of the sector felt overwhelmed with joy and pride. The presence of such a large number of green factories can't be found in any other country. That means Bangladesh is a global leader in green garment production and environmental sustainability.

Bangladesh is also home to half of the world's top 100 green factories, including the highest-rated green factory in the world. Thirteen out of the top 15 LEED green factories are located in Bangladesh. As the momentum continues, 18 factories received LEED certification so far this year despite all the challenges in the global and local arena.

Awarded by the US Green Building Council (USGBC), the LEED rating system is an effective and globally accepted tool to evaluate the environmental performance of buildings and measure their sustainability. It provides a framework for healthy, efficient, carbon and cost-saving green buildings. It is widely recognised as the industry standard for green building in the US and used in more than 160 countries.

Among the Bangladeshi green garment factories, 73 are platinum-rated, 113 are gold-rated, 10 are silver-rated, and four have simply received certifications. Some 500 more factories are in the pipeline to receive LEED certifications.

In February, Green Textile Limited Unit 4, a joint concern of Epic Group and Envoy Legacy of Bangladesh, became the best green factory in the world by scoring 104 out of 110.

To receive the certification, factories are required to maintain the highest standards regarding carbon emission, energy and water usage, waste management, and indoor environmental quality under the strict supervision of the USGBC.

Green factories use energy-efficient and environment-friendly technologies and practices that save water and energy, minimise pollution and help save the planet as well as protect the health of their employees. The air and water bodies are not polluted in the vicinity of green factories thanks to their advanced waste management system.

The growing number of green garment factories in the country is a testament to Bangladesh's RMG industry's rapid transition towards environmental sustainability. Pursuing economic growth at the expense of the environment is no longer an option for us because Bangladesh, along with the whole world, is facing severe impacts of climate change.

Going green is not only good for the environment, but also for business since major brands and buyers prefer to source from green factories as part of ethical sourcing and ethical consumerism campaigns.

In order to take environmental sustainability to the next level, the RMG industry is now focusing on circular fashion. To this end, manufacturers, buyers, and recyclers are making concerted efforts in collecting and reusing textile waste. As a result, clothes are being produced using recycled fibres and fabrics, which is giving rise to a circular and climate-neutral garment sector in Bangladesh.

The author is president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).



China tips into deflation

REUTERS, Beijing

China's consumer sector fell into deflation and factory-gate prices extended declines in July, as the world's second-largest economy struggled to revive demand and pressure mounted on Beijing to release more direct policy stimulus.

Anxiety is rising that China is entering an era of much slower economic growth akin to the period of Japan's "lost decades", which saw consumer prices and wages stagnate for a generation, a stark contrast to the rapid inflation seen elsewhere.

China's post-pandemic recovery has slowed after a brisk start in the first quarter as demand at home and abroad weakened and a flurry of policies to support the economy failed to shore up activity.

The consumer price index (CPI) dropped 0.3 percent year-on-year in July, the National Bureau of Statistics (NBS) said on Wednesday, compared with the median estimate for a 0.4 percent decrease in a Reuters poll. It was the first decline since February 2021.

The producer price index (PPI) declined for a 10th consecutive month, down 4.4 percent and faster than the forecast 4.1 percent fall.

China is the first G20 economy to report a year-on-year decline in consumer prices since Japan's last negative headline CPI reading in August 2021 and the weakness adds to concerns about the hit to business among major trading partners.

"For China, the divergence between manufacturing and services is increasingly apparent, meaning the economy will grow at two speeds in the rest of 2023, especially

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The photo taken on May 30 shows the construction site of the Royal Caribbean's new ship "Icon of the Seas" at the Turku shipyard in Finland's southwest coast. "This ship is as of today, as far as we are aware of, the biggest cruise ship in the world," said Tim Meyer, CEO of shipbuilder Meyer Turku.

PHOTO: AFP

World's largest cruise ship to set sail

AFP, Turku, Finland

With cruise bookings seeing a resurgence after the Covid pandemic caused luxury liners to mothball, a Finnish shipyard is putting the final touches on what will be the world's largest cruise ship.

Royal Caribbean's luxurious new vessel Icon of the Seas is nearing completion in the Turku shipyard on Finland's southwestern coast, its maiden voyage scheduled for January 2024.

"This ship is as of today, as far as we are aware of, the biggest cruise ship in the world," said Tim Meyer, CEO of shipbuilder Meyer Turku tasked with the construction.

While some have labelled the colossal structure a "monstrosity", citing its vast climate footprint, others are in

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