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BUSINESS



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PM directs
to initiate
process to
secure loans
from NDB

STAR BUSINESS REPORT

Prime Minister Sheikh Hasina yesterday directed the concerned departments to start the process of securing loans from the New Development Bank (NDB).

Talking to reporters at the planning ministry, Planning Minister MA Mannan said the premier made the comments while chairing a meeting of the Executive Committee of the National Economic Council (Ecnec).

In 2021, Bangladesh became a member of the NDB, becoming the first nation to be admitted into the institution after it was established in 2015 by the BRICS, an alliance of Brazil, Russia, India, China and South Africa.

"The NDB has opened up a new window for Bangladesh as the country would now be able to take loans from the bank

In 2021, Bangladesh became a member of the NDB, becoming the first nation to be admitted into the institution after it was established in 2015 by the BRICS

apart from other lenders like World Bank, Asian Development Bank, AIIB and IsDB," state-run news agency BSS quoted the prime minister as saying.

"This is the sign of our enhanced capacity and now we'll be able to take loans from where we'll get better outcomes through negotiations."

On Monday, the cabinet approved the "New Development Bank Act 2023".


On the same day, Cabinet Secretary Md Mahub Hossain said when a development partner issues a loan, it needs legal coverage.

The World Bank, the ADB and other lenders have also had the same legal coverage.


Bangladesh is at the final stage of borrowing \$800 million from the NDB for two projects, said Hossain.

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SOPHISTICATED TECH



BENEFITS



TRADITIONAL METHOD

9 top cement manufacturers adopted sophisticated technologies called VRM and RP

The 9 companies meet 85% of total demand

VRM and RP raise energy efficiency by **25%**

VRM and RP reduce pollution by **70%**


The technologies cut health hazards

Traditional ball mill production process pollutes area within **5km** radius of the factory

What are VRM and RP?


VRM: A vertical roller mill is a type of grinding machine used to process raw materials and grind in the cement manufacturing process. Its popularity has shot up in recent years because of the features such as high energy efficiency, low pollutant generation and the requirement of small floor area.

RP: Roller press is an equipment applied to grind clinker, gypsum, coal, quartz sand, iron ore, blast furnace slag, and other materials.




PRODUCTION CAPACITY

Production capacity of all factories now stands at **58** million tonnes per year



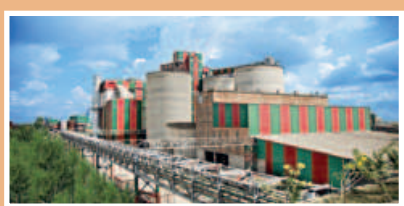
TOTAL DEMAND

Local demand **35** million tonnes per year



MARKET SIZE

Around Tk **35,000cr**



Top cement makers
shifting to eco-friendly
production

Advanced technologies to cut energy use and pollution

JAGARAN CHAKMA

Bangladesh's major cement manufacturers are increasingly shifting to eco-friendly production processes with a view to cutting energy consumption and pollution and ensuring the sustainability of their business in a world that is getting more worried about industries' carbon footprint.

As part of their green transformation, the mills have replaced their traditional ball mills (TBMs) with sophisticated vertical roller mill (VRM) and roller press (RP) equipment, industry people said.

The roller press is an equipment applied to grind clinker, gypsum, coal, quartz sand, iron ore, blast furnace slag, and other materials.

A VRM is also a grinding machine used to process raw materials. Its popularity has shot up in recent years as it is energy efficient, emits a low level of pollutants and requires a small floor area.

According to local

manufacturers, although VRM and RP based manufacturing lines are three times costlier than the traditional ones, advanced technologies can help sustain businesses in the long run.

Nine large companies -- Shah Cement, Bashundhara, Fresh, Premier, Seven Rings, Crown, LafargeHolcim, HeidelbergCement, and Akij Cement -- that collectively control 85 percent of the domestic cement market have shifted to the sophisticated manufacturing process.

"VRM and RP-based production processes reduce energy consumption by 25

percent," said Mohammed Amirul Haque, managing director of Premier Cement.

"At the same time, they are environment-friendly and cut pollution by around 70 percent compared to the traditional production line," he said, adding that developed countries have switched to VRM and RP a long ago.

Premier Cement's three production units, which have a combined daily capacity of producing 26,000 tonnes of cement, have shifted to the VRM system.

In Bangladesh, there are 37 active cement factories, with a

total annual production capacity of 58 million tonnes against a demand of 35 million tonnes.

Haque claimed the RP-based system is cheaper than the VRM-based ones, but their eco-friendliness and energy efficiency levels are almost the same.

He said VRMs generally have a higher grinding efficiency compared to traditional ball mills.

However, he pointed out that there is a shortage of technicians and engineers needed to maintain the VRM and RP-based production lines and repair the equipment used.

"So, we need to hire experts from the European countries that also supply the equipment."

Md Moshir Rahman, head of business (marketing) at Akij Cement, says VRM and RP are eco-friendly but costly.

VRMs can, however, lead to lower operating costs over the long term thanks to their energy efficiency and reduced maintenance requirements, he said.

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NEW UK TRADE BENEFIT
Bangladesh
can save £315m
a year: experts

STAR BUSINESS REPORT

Bangladesh will benefit the most from the UK's Developing Countries Trading Scheme (DCTS) as it will potentially save £315 million in tariffs annually on its exports to the European nation, according to experts.

The UK introduced its new Generalised System of Preferences (GSP), namely the DCTS, with effect from last January under which developing nations will enjoy duty-free benefits to the UK markets, except for arms.

"The scheme will support Bangladesh's smooth transition from LDC status and take the UK-Bangladesh trading relationship to greater heights," said British High Commissioner to Bangladesh Sarah Cooke yesterday.

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It is more generous than GSP because it maximises benefits for developing nations and British buyers, she said.

The DCTS will mostly support Bangladesh because the UK formed the scheme especially keeping the country in mind, she said in an event at her Dhaka residence.

Cooke hoped that it would support the economic resilience of the country, although export diversification was still a challenge for Bangladesh.

In an online presentation, Sabiha Ahmed, trade preferences policy adviser at the Foreign, Commonwealth and Development Office of the UK, said Bangladesh would benefit from more generous rules of origin compared to the previous GSP.

The threshold for imported non-originating content increased from 70 percent to 75 percent for a large number of products, she said.

Bangladesh can source inputs from up to 95 countries without losing duty-free status by treating the inputs as originating in Bangladesh, she said.

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STOCKS	
DSEX ▲	CASPI ▲
0.13% 6,290.99	0.12% 18,605.74

COMMODITIES	
Gold ▼	Oil ▲
\$1,918.99 (per ounce)	\$80.19 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.12% 65,075.82	▲ 0.18% 32,226.97	▲ 0.29% 3,223.09	▲ 1.20% 3,135.89



A worker is seen grafting a lychee tree at a farm in Kuniyari village of Pirojpur. He charges about Tk 800 per day for grafting trees. Grafting refers to the practice of slicing into a piece of a fruit tree, known as the scion, to bind it with another plant in order to propagate a new sapling with more desirable traits, such as disease resistance and improved yields.

PHOTO: TITU DAS

Bilateral trade
to rise if EPA is
signed with Korea
Korean envoy says

STAR BUSINESS REPORT

Bangladesh's bilateral trade and investment with Korea will increase if an economic partnership agreement (EPA) is signed, Korean Ambassador to Bangladesh Park Young-sik said yesterday.

The envoy spoke at a discussion on "Korea-Bangladesh Economic Cooperation" at Pan Pacific Sonargaon in Dhaka to celebrate the 50th anniversary of establishing diplomatic relations between the two nations.

Korean embassy in Dhaka, Korea Trade-Investment Promotion Agency (KOTRA) and Korea Bangladesh Chamber of Commerce and Industry (KBCCI) jointly organised the event.

Bangladesh has been negotiating with its major trading partners, including Korea, to sign trade pacts to retain the preferential trade benefits after the country's graduation to a developing nation in 2026.

The ambassador said Korea is the fifth largest investor in Bangladesh and recently the world's 10th largest economy has turned up as a major trading partner for Bangladesh in terms of export, import and investment.

Korea's RMG sector entered Bangladesh in late 1970s and the most recent Korean investments were made in the manufacturing industries such as automobile, mobile phones and electronics in joint ventures with the local partners, Young-sik said.

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Policyholders
can take loan
from pension
scheme fund

STAR BUSINESS REPORT

The policyholders can take loans against the money they will deposit as subscription fee for the universal pension scheme, said Kabirul Ezdani Khan, executive chairman of the National Pension Authority.

The contributor can borrow up to 50 percent of the money to be deposited for the pension fund and the loan has to be paid in a maximum of 24 instalments, he said.

Moreover, a policyholder can take multiple loans from the pension scheme, but the second loan will be given only after the successful repayment of the first loan, he added.

Khan shared the information at a discussion held at the office of the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) in Motijheel.

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