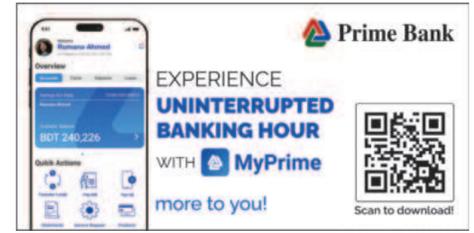


Star BUSINESS



SBAC Bank MD resigns

STAR BUSINESS REPORT



Habibur Rahman, managing director and CEO of South Bangla Agriculture and Commerce (SBAC) Bank, has resigned from his post citing personal reasons.

A senior official of the fourth-generation bank confirmed the matter to The Daily Star seeking anonymity.

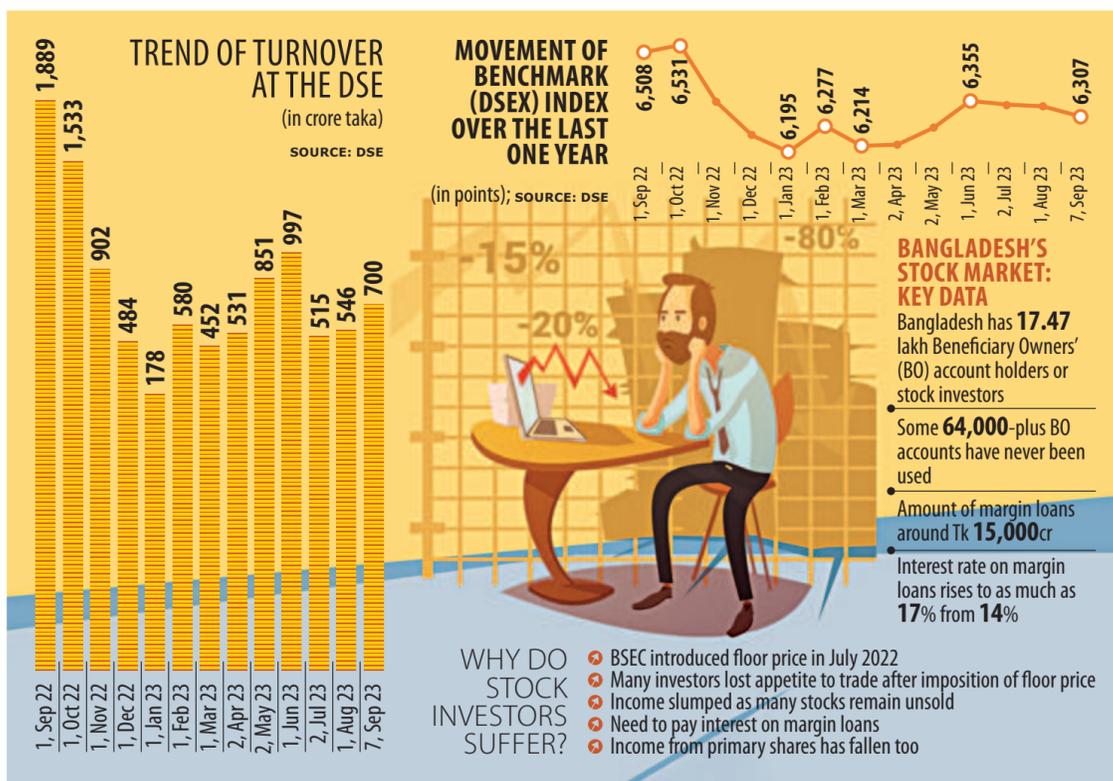
Rahman submitted the resignation letter to the chairman of the bank through Company Secretary Md Mokaddess Ali on September 7.

Rahman joined the bank as the MD and CEO in December last year for a three-year term.

Rahman could not be reached for comments despite repeated attempts.

"I am yet to get the resignation letter from him (Rahman)," SBAC

READ MORE ON B3



Investors raise flags over business environment

STAR BUSINESS REPORT

Starting from difficulties in securing visa and work permits to opening and settling of letters of credit (LCs) and an unavailability of tax-related materials and booklets in English language, there are numerous hindrances that Chinese investors face in Bangladesh.

Such issues were brought up by Chinese investors to officials of the tax authority, the central bank, the Bangladesh Investment Development Authority (Bida) and other state agencies at a seminar at the Bangabandhu Bangladesh-China Friendship Exhibition Centre in Purbachal as they sought improved services alongside remedies to the numerous hurdles they confront.

Yally Jiang, an official of a Chinese company that operates in Bangladesh, said it was quite

Bilateral trade between Bangladesh and China was \$1.4 billion in 2003. Today it is worth almost \$25 billion. Investment has also increased significantly over the past 10 years, from \$26 million in 2013 to over \$465 million in 2022.

complicated and time-consuming to get a one-year visa and work permit in Bangladesh. She asked how Bida could simplify the visa policies and the approval and renewal process.

In response, Shah Mohammad Mahboob, director general at Bida, advised her to read Bida's guidelines on work permits, adding that they send it manually to the Ministry of Home Affairs for security clearance. It is sent manually from there to the special branch of police.

"So, it takes more time. But we have taken the initiative to send files digitally, which will take less time," he assured.

Another entrepreneur said that LC facilities were now being rejected by banks in other countries, including some in China, and asked if Bangladesh would introduce financial instruments to address this challenge.

In response, Abdullah Al Mamun, a joint director of the Foreign Exchange Investment Department of the Bangladesh Bank, said they were aware of the issue. "We will discuss the matter with banks. Hopefully, it will be resolved soon," he said.

A local entrepreneur also expressed his grievance during the seminar, titled "Chinese investors: challenges, expectations and prospects", organised by the Chinese embassy in Bangladesh and the Bangladesh China Chamber of Commerce and Industry (BCCCI).

READ MORE ON B3



WEEKLY INTERVIEW



Hafizur Rahman Khan

Facilitate vision for motorcycle exports

Makers' assoc president urges govt

SUKANTA HALDER

The government should facilitate local motorcycle manufacturers in various ways to grab a share of the international export market, said Hafizur Rahman Khan, president of the Bangladesh Automobiles Assemblers and Manufacturers Association, yesterday.

The world market has an annual demand for over 6 crore motorcycles of

READ MORE ON B3

Margin loans hit pockets of investors

Their investments are stuck for floor price while cost of funds is rising

AHSAN HABIB

Tanvir Islam, a banker, has invested Tk 17 lakh in the stock market since he started trading on the Dhaka Stock Exchange (DSE) a decade ago.

Besides, he borrowed Tk 5 lakh from a merchant bank and invested the fund in four well-performing stocks.

But he has not been able to trade any of his securities due to a thin presence of investors in the last one year, largely driven by a floor price. This means he has not been able to make any profit from the investments.

The merchant bank, however, is charging him interest on the loan.

In another blow, investors like Islam will see the interest rate go up by 2 to 3 percentage points from this month amid the high-interest rate regime in the

The interest rate on margin loans was 12 to 14 percent a couple months ago while it stands at 15 to 17 percent now. Margin loans total Tk 15,000 crore, according to brokers and merchant bankers

banking sector after the central bank moved away from the 9 percent interest rate cap.

"I have to pay the additional interest from the pocket," Islam said.

Islam is one of thousands of stock investors who have injected funds into the market

months ago and it now stands at 15 to 17 percent. The rate is slightly lower for high-net-worth investors, according to a number of brokers and merchant bankers.

"Most of the market intermediaries and investors who are not involved in any price manipulation are now

margin loans are generally used to buy sound stocks but most of the good securities are stuck at the floor price.

"Under the circumstances, the rising interest rate will add to investors' woes," he said, adding that intermediaries normally cut interest rates during challenging times in a bid to give relief to investors.

Prof Al-Amin said he does not support any artificial mechanism and urged the regulator to lift the floor price gradually.

Though good companies are struggling to attract buyers, low-paid-up capital-based firms and junk stocks are witnessing an increased level of trading activity.

"The BSEC should eliminate price manipulation so that people's confidence in the market gets a boost," Prof Al-Amin said.

The current situation is hurting brokerage firms and merchant banks as well.

"Banks are not interested in extending any funds to brokerage firms or merchant banks that could be used as margin loans even if the rate is higher," said Md Sayedur Rahman, president of the Bangladesh Merchant Bankers Association.

"As banks have increased the interest rate, intermediaries have had no other way but to raise the interest rate on margin loans."

He suggested investors not invest by taking margin loans as it is an equity market.



by borrowing funds and they are now in troubled waters as they are being forced to pay interest from their pockets since their investment is bringing about little yields.

The Bangladesh Securities and Exchange Commission (BSEC) introduced the floor price in July last year to halt the freefall of the indexes amid global economic uncertainties brought on by the war between Russia and Ukraine.

The exact volume of margin loans in the stock market is hard to come by. A number of officials of the DSE and the BSEC put the figure at Tk 15,000 crore.

The interest rate on margin loans was 12 to 14 percent a couple

in a painful situation as their investments have remained stuck," said Md Moniruzzaman, managing director of Prime Bank Securities.

"The investors who have taken margin loans are facing serious problems since their debt is rising whereas they are not being able to generate any income."

He requested the BSEC to lift the floor price gradually so that the market could absorb the shock that may stem from the withdrawal of the artificial support measure rarely seen in other markets.

Al-Amin, an associate professor of the accounting and information systems department at the University of Dhaka, said

Summit Group to invest \$3b in clean-energy push

REUTERS

Bangladesh's Summit Group plans to invest \$3 billion in solar, wind and hydroelectricity generation projects in South Asia as part of its clean energy push and efforts to diversify its fossil fuel-based business, its chairman said on Friday.

Summit Power International, the Singapore-based holding company for all power generation assets of the group in which Japanese utility Jera holds a 22 percent stake, will build 1,000 megawatts of solar and wind energy projects with battery storage in India, group Chairman Aziz Khan told Reuters.

"We have signed memorandums of understanding with large Indian companies. This will be the cheapest form of electricity for Bangladesh, cheaper than even natural gas-based power," Khan said in an interview at his office.

Summit, which operates over a dozen fossil fuel-based power generation units and owns one of the country's two floating storage and regasification unit (FSRU) to handle imports of liquefied natural gas (LNG), also plans to build 700 megawatts of hydro power plants

in Bhutan and Nepal.

Khan said the current global LNG prices were still high and continuing to destroy demand in key sectors in Bangladesh, impacting economic growth and leading to frequent power outages.

LNG had been central to Bangladesh's economic growth in the last decade, as millions gained access to the electricity grid for the first time. The super-chilled fuel, along with rapidly dwindling local gas reserves, generated about two-thirds of its electricity over the second half of the last decade.

However, high global LNG prices after Russia's invasion of Ukraine, difficulty paying for fuel imports amid declining forex reserves and value of its currency and unexpected spikes in demand due to erratic weather resulted in the south Asian nation facing its worst power crisis in a decade this year.

Khan expects LNG prices to trend downwards as new supply comes on board, adding that he expects Summit's second FSRU to start operations in April 2026.

"I personally feel that after this winter, gas prices will come down," Khan said.

Rough sea delays Pangaon Express's rescue

DWAIPAYAN BARUA, Chattogram

Two months have passed, but the Pangaon-bound container vessel Pangaon Express that sank in the bay near Noakhali's Bhasanchar on July 6 with 72 import-laden containers is yet to be rescued.

Officials of the private firm that operates the ship and the rescue firm it engaged blamed persistent adverse weather and turbulent sea for the delay in rescuing the ship and its cargo.

Upon request from importers, the Chittagong Port Authority (CPA) last week sat in a meeting with the ship's operating and

READ MORE ON B3

Visit 3 Comprehensive Int'l Exhibitions Serving the entire Textile & Garment Industry of Bangladesh for the past 22 years

CEMS Global presents

23-TEXTTECH BANGLADESH INTERNATIONAL EXPO 2023
Bangladesh's Biggest & Oldest Int'l Exhibition on Textile Apparel Technology & Machinery

42nd Textile Focus Bangladesh SUMMER EDITION
Featuring Int'l Yarn, Fabric, Trims & Accessories Manufacturers & Suppliers

42nd Dye+Chem Bangladesh EXPO 23
An Exclusive & Only Int'l Exhibition of Bangladesh on All Kinds of Dyestuffs and Fine & Specialty Chemicals

VISIT & MEET, 1550+ EXHIBITORS 37+ COUNTRIES 2000+ BOOTHS & PAVILIONS

For more Info & Online Registration, Scan QR-Code or visit www.cems-textileseries.com

13-16 SEPTEMBER 2023
10:30AM - 7:30PM

Bangabandhu Bangladesh-China Friendship Exhibition Center (BBCFEC)
Near Kanchan Bridge, In Purbachal, Dhaka

Host Country Partner: CEMS
Follow us on: CEMS Global
Digital Sponsoring Partner: GO SOURCE
Broadcast Partner: BCCCI
Media Partners: The Daily Star, The Business
Sponsors: Textile Today, Textile Focus, DYE+CHEM, CEMS

Prime Bank clients to get travel discounts

STAR BUSINESS DESK

Neera, Prime Bank's services tailored for women, and Wander Woman, a women-centric travel and networking platform in Bangladesh, entered into a deal recently enabling discounts for the bank's customers availing the latter's products and services.

Of the discounts, up to 10 percent is on guided tours, 10 percent on trip booking service charge, 10 percent on merchandise and up to 20 percent on hotel bookings inside Bangladesh. Moreover, credit cardholders can avail an equal monthly instalment facility of up to 36 months at zero interest.

Nazeem A Choudhury, deputy managing director of the bank, and Sabira Mehrin Saba, founder and CEO of the travel platform, inked a deal at the former's head office in Dhaka, said a press release.



PHOTO: PRIME BANK

Nazeem A Choudhury, deputy managing director of Prime Bank, and Sabira Mehrin Saba, founder and CEO of Wander Woman, exchange signed documents of an agreement at the former's head office in Dhaka recently.

India makes clean energy push at G20 with global biofuel alliance

REUTERS, New Delhi

India announced on Saturday the launch of a global biofuel alliance at a G20 summit in New Delhi to boost the use of cleaner fuels.

The alliance, with the United States and Brazil as its founding members, would help accelerate global efforts to meet net zero emissions targets by facilitating trade in biofuels derived from sources including plant and animal waste.

"We are launching the Global Biofuel Alliance. India invites all of you to join this initiative," Prime Minister Narendra Modi said in his remarks to leaders from the Group of 20 major economies at the summit.

India is targeting to become carbon neutral by 2070 and is expanding use of biofuel in its transport sector.

The push for a biofuels alliance mirrors the International Solar Alliance launched by New Delhi and Paris in 2015 to bring clean and affordable solar energy within the reach of all.

The International Energy Agency estimates in a July report that global sustainable biofuels production would need to triple by 2030 to put the world's energy system on track towards net zero emissions by 2050.

India, the world's third-biggest oil importer and consumer, imports about 85 percent of its crude needs and is gradually building capacity to increase its output of biofuels.

India is targeting to become carbon neutral by 2070 and is expanding use of biofuel in its transport sector. It has advanced the deadline by 5 years to 2025 for doubling nationwide ethanol blending in gasoline to 20 percent.

The alliance will help by encouraging global biofuels trade, developing concrete policies on lesson-sharing and promoting provision of technical support for national biofuels programmes worldwide, Oil Minister Hardeep Singh Puri said in July.



Customers are seen talking at a stall of Bioline Diagnostics LLP in the "2nd BANGLA MED & LAB EXPO" jointly organised by SD Promo Media, in association with the Engineering Export Promotion Council of India and E3 Solutions, at the International Convention Centre Bashundhara in Dhaka yesterday.

PHOTO: E3 SOLUTIONS

Medical, lab expo ends in Dhaka

STAR BUSINESS DESK

Over 250 companies and 500 brands from home and abroad focusing the medical, hospital and laboratory fraternity have participated in a "2nd BANGLA MED & LAB EXPO" concluding at International Convention City Bashundhara in Dhaka yesterday.

The three-day event, alongside a "Medical Tourism Expo", was organised by SD Promo Media, in association with the Engineering Export Promotion Council of India, and E3 Solutions.

The event drew business leaders, doctors, scientists, pathologists, researchers, government officials, policymakers and industry professionals from hospitals, diagnostic labs, pharmaceuticals, research and related sectors, said the organisers in a press release.

The event focused on medical, surgical and X-ray equipment, diagnostic products, biomedical, analytical and laboratory instruments, hospital furniture, medical consumables, orthopaedic implants, medical gas, pharmaceutical machineries and other products.

IFIC Bank to aid 200 Kumudini student nurses

STAR BUSINESS DESK

IFIC Bank PLC signed a memorandum of understanding (MoU) with Kumudini Nursing College recently to support 200 students enrolled in the Diploma in Nursing course for academic year 2023-24 as a part of its corporate social responsibility.

Shah Alam Sarwar, managing director and chief executive officer of the bank, and Rajiv Prasad Saha, managing director of Kumudini Welfare Trust of Bengal (BD) Ltd, inked the MoU on Friday, said a press release.



Shah Alam Sarwar, managing director of IFIC Bank, and Rajiv Prasad Saha, managing director of Kumudini Welfare Trust of Bengal (BD) Ltd, exchange signed documents of a memorandum of understanding on supporting students enrolled in a diploma in nursing programme for 2023-24 on Friday.

PHOTO: IFIC BANK

China's deflation pressures ease, more steps expected to spur demand

REUTERS, Beijing

China's consumer prices returned to positive territory in August while factory-gate price declines slowed, data showed on Saturday, as deflation pressures ease amid signs of stabilisation in the economy.

But analysts say more policy support is needed to shore up consumer demand in the world's second-biggest economy, with a labour market recovery slowing and household income expectations uncertain.

The consumer price index (CPI) rose 0.1 percent in August from a year earlier, the National Bureau of Statistics said, slower than the median estimate for a 0.2 percent increase in a Reuters poll. CPI fell 0.3 percent in July.

Core inflation, which excludes food and fuel prices, was unchanged at 0.8 percent in August.

The producer price index (PPI) fell 3.0 percent from a year earlier, in line with expectations, after a drop of 4.4 percent in July. The drop in factory prices was the smallest in five months.

"There is a bit of improvement in the inflation profile. In the meantime, the PPI deflation appears to be narrowing, pointing to a slow and moderate restoring process," said Zhou Hao, chief economist at Guotai Junan International.

"In general, the inflation (rate) still points to weak demand and requires more policy support for the foreseeable future."

Food prices fell 1.7 percent on year while non-food costs rose 0.5 percent - led by rising costs linked to tourism, the bureau said.

Recent floods have damaged corn and rice crops in China's key northern grain-producing belt, sparking domestic food inflation fears as consumers worldwide face tightening food supplies caused by the war in Ukraine.

"Both CPI and PPI are likely to show modest improvements in the fourth quarter," said Luo Yunfeng, an economist at Huajin Securities.

Compared with the previous month, CPI rose 0.3 percent, picking up from 0.2 percent in July, the statistics bureau said.

Pork prices rose 11.4 percent month-on-month, versus no change in July, due to the impact of extreme weather in some areas. They were down 17.9 percent from a year earlier, narrowing from a 26 percent drop on July.

Factory gate deflation moderated in August due to improving demand for some industrial products and rising international crude oil prices, the statistics bureau said.

China's anaemic price changes contrast sharply with the surging inflation most other major economies have seen since the Covid-19 pandemic waned, forcing their central banks to rapidly raise interest rates.

China in July became the first

of the Group of 20 wealthy nations to report a year-on-year decline in consumer prices since Japan's last negative headline CPI reading in August 2021.

August trade data showed China's exports and imports both narrowing their declines, joining a run of other indicators showing a possible stabilisation in the economic downturn, as policymakers seek to spur demand and fend off deflation.

"With early signs of growth stabilisation, we see deflationary pressures easing, a trend reflected in higher commodity prices in August," ANZ analysts said in a note.

Beijing has announced a series of measures in recent months to shore up growth, including mortgage rate cuts and the easing of borrowing rules last week by the authorities to aid homebuyers.

China's central bank could continue to cut interest rates and bank reserve requirement ratios, said Bruce Pang, chief economist at Jones Lang Lasalle.



Customers are seen shopping for groceries at a morning market in Beijing, China yesterday.

PHOTO: REUTERS

Japan cuts Q2 GDP on weak spending, wages slide

REUTERS, Tokyo

Japan's economy grew less than initially estimated in the second quarter and wages slumped in July, casting doubt over central bank projections that solid domestic demand will keep the country on course for a recovery.

Capital expenditure and private consumption both fell in the April-June period, revised gross domestic product (GDP) data showed on Friday, underscoring the fragile state of Japan's economy, which is already facing headwinds from weakening Chinese and US growth.

Real wages adjusted for inflation fell in July for a 16th straight month in a sign households continued to feel the pinch from rising prices, separate data showed, boding ill for consumption.

"Weak exports to China may be making Japanese manufacturers cautious about investing. The hope is that service-sector firms will pick up the slack, though sluggish consumption could discourage them to spend money, too," said Takeshi Minami, chief economist at Norinchukin Research Institute.

Japan's economy grew an annualised 4.8 percent in April-June, the revised data showed, down from a preliminary estimate of 6.0 percent growth and below market forecasts for a revised 5.5 percent expansion.

The main factor behind the downgrade was a 1.0 percent drop in capital expenditure, compared with a preliminary flat reading, casting doubt on the BOJ's view that robust corporate spending will underpin Japan's post-pandemic economy. The revised decline was bigger than a median market forecast for a 0.7 percent fall.

US interest rates in 'good place,' for now: Fed officials

AFP, Washington

High US interest rates are doing their job in the fight against inflation, but more hikes may yet be needed, senior US Federal Reserve officials said Thursday.

The comments from three regional Fed presidents with a vote on setting interest rates will likely solidify expectations that the US central bank intends to hold rates steady later this month amid growing signs of weaker labour market conditions.

The Fed has raised its benchmark lending rate 11 times over the past 18 months to a level not seen for 22 years as it grapples with inflation still stubbornly above its long run target of two percent.

After rapidly raising interest rates last year, the Fed slowed down the pace of its hikes over the summer, holding rates steady in June and then raising them by just 25 basis points in July.

Traders currently put the chances of a September pause at more than 90 percent, according to data from CME Group.

"Another skip could be appropriate when we meet later this month," Dallas Fed President Lorie Logan told a conference in Dallas on Thursday, according to prepared remarks.

"But skipping does not imply stopping," she continued, adding that "further evaluation of the data and outlook could confirm that we need to do more to extinguish inflation." The Fed should keep the "water bucket" of future interest rate hikes close at hand in case inflation returns, and "must not hesitate to use it as necessary," she said.

Logan's support for a possible September pause echoes comments

from Fed Governor Christopher Waller earlier this week in which he suggested that data showing a weakening jobs market meant the Fed should "proceed carefully."

"There's nothing that is saying we need to do anything imminent anytime soon, so we can just sit there, wait for the data, see if things continue," he told CNBC on Tuesday.

New York Fed President John Williams was less direct than Logan in an interview with Bloomberg on Thursday.

"I think we've gotten monetary policy in a very good place in terms of we have a restrictive stance of policy," he said.

The Fed's interest rate hikes are having "the desired effects of bringing demand and supply more into balance," he continued, adding that inflation was "moving in the right direction."

But Williams did not explicitly say if he favored raising or holding interest rates, and urged the Fed to "keep watching the data carefully, analyzing all of that and really asking ourselves the question, is this sufficiently restrictive?"

Chicago Fed President Austan Goolsbee struck a more optimistic tone than both Logan and Williams in an interview with APM's Marketplace.

"I believe there is a golden path opportunity that is unusual, in recent modern Fed history, to be able to get inflation down without having a recession," he said.

Analysts have raised the chances of the Fed successfully cutting inflation while avoiding recession, which is also known as a "soft landing." "If you look at expectations in the marketplace, there's a growing confidence that we can pull it off," Goolsbee said.

| PRICES OF KEY ESSENTIALS IN DHAKA CITY | | | |
|--|---------------------|----------------------------|--------------------------|
| | PRICE (SEP 9, 2023) | % CHANGES FROM A MONTH AGO | % CHANGE FROM A YEAR AGO |
| Fine rice (kg) | Tk 60-Tk 72 | -2.22 ↓ | 0 |
| Coarse rice (kg) | Tk 48-Tk 50 | -2 ↓ | -1.01 ↓ |
| Loose flour (kg) | Tk 48-Tk 50 | -6.86 ↓ | -5 ↓ |
| Lentil (kg) | Tk 95-Tk 100 | 2.63 ↑ | -7.14 ↓ |
| Soybean (litre) | Tk 155-Tk 160 | -3.08 ↓ | -9.74 ↓ |
| Potato (kg) | Tk 42-Tk 45 | 14.47 ↑ | 58.18 ↑ |
| Onion (kg) | Tk 80-Tk 90 | 13.33 ↑ | 100 ↑ |
| Egg (4 pcs) | Tk 50-Tk 53 | -1.9 ↓ | 21.18 ↑ |

SOURCE: TCB



Farmers bring maize, the second-biggest crop in Bangladesh, from fields to an open place to dry them. The photo was taken from Kamarjani char under Gaibandha Sadar upazila last year. Maize cultivation has grown in northern districts in the past one decade.

PHOTO: MOSTAFA SHABU

Tk 209cr project to boost char crop output

MD ASADUZ ZAMAN

The government has initiated an agricultural project at a cost of Tk 209 crore with the aim to increase production of crops in char areas by expanding the use of modern technologies.

The Executive Committee of the National Economic Council approved the project in a meeting chaired by Prime Minister Sheikh Hasina last Tuesday.

The planning commission said the project would contribute positively to crop diversity and agricultural commercialisation while also bolstering food security, national nutritional needs and socio-economic development.

The Department of Agricultural Extension (DAE), under the agriculture ministry, will implement the project in 121 upazilas across 34 districts by June 2027.

According to the project proposal, the main activities include skills development trainings for farmers, field days, seminars

and workshops, technology exhibitions, distribution of solar light traps and construction of facilities for farmers.

Drought-resilient and short-duration crop varieties alongside suitable agricultural technologies will be employed in the char areas, which are basically low-lying islands naturally formed by silt from rivers flowing into the Bay of Bengal.

The project aims to increase yields of sugarcane, guava, mango, watermelon, sweet orange, corn, sweet potato, pepper, jute, seeds of black cumin, sunflower and mustard and legumes including lentils, soybean and mung beans.

There are a lot of fallow land or "problem areas" in char areas which are usually used to grow one crop a year, said Prof Jahangir Alam Khan, an agriculture economist.

The national average for a piece of land is around two crops a year or 200 percent, he told The Daily Star yesterday.

The DAE aims to increase crop intensity

in char areas to anywhere from 140 percent to 145 percent using advanced agricultural technologies.

If the authorities can adopt new technologies in char areas, it will

The aim is to increase yields of sugarcane, guava, mango, watermelon, sweet orange, corn, sweet potato, pepper, jute, seeds of black cumin, sunflower and mustard and legumes including lentils, soybean and mung beans.

help increase the overall production, added Khan, also a former president of Bangladesh Agricultural Economists' Association.

There is little income generating

opportunity for the lower-income population usually found in char areas and this project, if implemented properly, will help them become more financially solvent and ensure food security, he said.

"The project is based on prioritising people in char areas," said Md Sayduzzaman, division chief of the agriculture, water resources and rural institutions division of the planning commission.

"On receiving the proposal (from the DAE), we scrutinised it and scrapped some components," he said.

For example, the commission rejected a proposal to purchase jeeps and double-cabin vehicles. It also raised questions about printing and binding costs amounting to Tk 80 lakh, which the DAE later revised to Tk 40 lakh.

The planning commission also asked the DAE to introduce biodegradable trays for saplings instead of plastic trays to reduce pollution.

Dairy Board Bill gives farmers hope

STAR BUSINESS REPORT

Dairy farming in Bangladesh will get a boost once a dairy development board comes into being, hoped farmers yesterday regarding a bill being recently placed in parliament.

The Bangladesh Dairy Development Board Bill 2023 aims to increase production of milk and milk products and ensure quality production and marketing.

The fisheries and livestock ministry placed the bill last week seeking to facilitate establishment of commercial farms and to take steps to ensure production of safe milk and dairy products.

Once the law comes about, the government is expected to form a 19-member panel for the board with a minister as its chairman.

The dairy sector flourished in India, Pakistan and various advanced economies following recommendations of their boards. "We, farmers, will be able to contribute more," said Mohammad Imran Hossain, president of Bangladesh Dairy Farmers Association (BDFA).

"It is very important for dairy farming to flourish in Bangladesh," said Shah Emran, general secretary of the BDFA, a platform of 18,000 farmers.

He cited the examples of countries that excelled in milk and beef production by setting up a separate board for dairy development. "We have been demanding the establishment of a board for a long time," he said.

In Bangladesh, there are about 2.34 crore cattle, according to Emran.

Bangladesh is lagging behind when it comes to dairy, said FH Ansarey, president of the agribusiness division of ACI Ltd.

"The good news is that there is a trend of people taking up farming. In this situation, a dairy board will be able to provide necessary support to growers at every stage and work to promote production of diversified milk products," he said.

Bangladesh has a large number of cattle but milk yield per cow is low, said Kamruzzaman Kamal, director for marketing at Pran-RFL Group, which processes milk.

Bangladesh has the opportunity to develop its dairy sector, he said.

"Development of poultry and fisheries are two big examples. These sectors have flourished because of policy support. We can reduce our imports by nurturing the growth of the local dairy industry," he said.

US, KSA, India discuss possible rail, port deal

REUTERS, Washington

The US, Saudi Arabia, India and other nations are discussing a possible infrastructure deal that could reconfigure trade between the Gulf and South Asia, linking Middle Eastern countries by railways and connecting to India by port, according to US officials aware of the conversations.

The talks, which have also included the United Arab Emirates and Europe, may or may not yield a concrete result in time for an announcement on the sidelines of this week's Group of 20 (G20) leaders meeting, the people said.

Rough sea delays Pangaon Express's

FROM PAGE B1

rescue firm to expedite the operation.

In the meeting, the rescue firm assured the CPA that they would start shifting the containers onboard from September 10, aiming to reduce the ship's weight.

However, officials of the salvage firm told The Daily Star that they needed one more week to start the job as the sea was still rough.

Around 70 per cent of the work of passing wire ropes beneath the ship is complete, which is required to steady it as part of rescue efforts, they said.

A relatively calm sea is needed to start shifting the onboard containers with the help of barge mounted cranes, officials added.

Fearing that at least 22 loaded containers might have washed away during this period, officials of the ship's operating firm said the 50 remaining containers carrying heavy items, including steel goods, which were stacked inside the hatch, were likely to still be on board.

They believed a portion of these steel goods could be recovered for use.

The Pangaon Express, owned by the CPA, was transporting 72 import-laden containers from the Chattogram port to Dhaka's Pangaon Inland Container Depot when it tilted to one side due to strong waves around 12 nautical miles off Bhasanchar on July 6 noon, causing three containers to fall into the sea.

As water started entering the vessel, crewmembers managed to navigate the ship around 4 to 5 nautical miles towards the coast.

However, it finally grounded and submerged near Bhasanchar coast.

The ship's private operating firm, Sea Glory Shipping Agency, earlier sought help from the Bangladesh Inland Water Transport Authority (BIWTA) to engage its rescue ships Rustam and Hamza, but BIWTA said

it could not rescue the ship due to logistical issues.

Rustam and Hamza are not fit to cross the bay, said Md Sabur Khan, joint director of BIWTA Chattogram.

Sea Glory initially engaged private salvage firm Motaleb Enterprise, but it also did not have the capacity to do the job.

Sea Glory Manager Mainul Hossain said they later approached two other firms, Glasgow Exxon and Prantik Bengal Salvage and Diving.

Exxon demanded a huge amount of money while Prantik opted to wait until October for the sea to calm before initiating rescue operations.

Sea Glory finally signed a Tk 4 crore deal with private firm PS Salvage on July 18 to rescue the ship in 45 days.

Hossain claimed PS Salvage has prior experience of rescuing at least 17 lighter vessels from the same area.

He said the salvage operation faced obstacles and delays as there were cautionary signals every week for the last two months.

Five to six heavy wire ropes must be passed beneath the sunken ship with the help of divers in order to hold the ship, Hossain said. It will be possible to shift the onboard containers from the ship once it is steady, he said.

The containers then need to be shifted to reduce the weight of the ship so that it can be towed to the shore.

Ashraf Alam, managing partner and representative of PS Salvage, said they had so far managed to pass five heavy wire ropes with the help of a winch barge.

Claiming to finish 70 percent of the rescue operation, Alam hoped to start lifting the containers within a week.

Informing that onboard containers could be shifted with barge-mounted cranes, Alam said a calm sea and favourable weather were pre-requisites for the job. Otherwise, the barge carrying the crane may face a similar accident.

Facilitate vision

FROM PAGE B1

engine displacement capacities and the demand is rising, he said.

Local entrepreneurs should focus on the export market, Khan, also the chairman of Runner Group, told The Daily Star in an interview.

His comment comes against the backdrop of a home ministry meeting on Thursday approving the manufacture and local sale of motorcycles of up to 350cc, culminating years of negotiations between motorcycle manufacturers and the government.

Cubic capacity (cc) refers to the power output of an engine. It is increased by raising the ratio of air and fuel being compressed in the engine.

Currently, motorcycles with over 165cc engines cannot be manufactured or imported for the local market.

However, manufacturers can export motorcycles with engines of up to 500cc, according to Motorcycle Industry Development Policy 2018.

As per the recent approval, only parts for motorcycles of up to 350cc can be imported and they must be assembled locally for sale in the domestic market. The Ministry of Commerce is expected to formulate a policy in this regard.

Global motorcycle sales amounted to \$75.63 billion in 2022, according to research firm Fortune Business Insights.

The market is projected to grow from \$79.57 billion in 2023 to \$124.09 billion by 2030 exhibiting a compound annual growth rate of 6.6 percent during the forecast period, it says.

The government is gradually moving towards setting up a motorcycle industry in the country, said Khan.

There are many barriers for an industry to move forward and approvals like that of Thursday will remove the barriers one by

one, he said.

On popular claims that the possibility of accidents goes up with use of engines of higher cubic capacities, he assured that there was no such connection.

Accidents are not associated with a rise in cc, rather speed is the number one cause of accidents, followed by a lack of fitness of the vehicle, said Khan.

Speed limits should be fixed and enforced for every road and this alone can prevent most road accidents, he said.

Much depends on how strict the government can be in this regard, said Khan.

"Our mission has not yet been accomplished that much. If we don't go far and out, we might get by taking different decisions but we will not be able to enjoy all the benefits," he said.

Global political and economic changes are coming. In the next 20 years the world will see a huge positive change in the automobile industry, he said.

So, Bangladesh has to work with a vision from now on. If the country cannot avail the opportunities, a lot will be lost, he added.

SBAC Bank MD resigns

FROM PAGE B1

Bank Chairman Abu Zafar Mohammad Shofiuddin told The Daily Star.

Last week, Padma Bank Managing Director Tarek Reaz Khan resigned from his post citing personal reasons.

Currently, SBAC Bank, which started its journey in April 2013, has 88 branches, 25 sub-branches and 62 ATM booths.

As of March this year, the bank's outstanding loans totalled Tk 7,860 crore, while non-performing loans stood at Tk 396 crore.

Investors raise flags

FROM PAGE B1

Sheikh Amin Uddin, a director of Akij Group, said they had applied to Titas Gas Transmission and Distribution Company for gas connection after setting up a CNG plant in Tangail 13 years ago. During this time, Akij Group has extended the bank guarantee twice and revised the security money four times.

But, Akij Group still did not get the connection despite querying the offices of various officials, including the managing director of Titas.

He complained that they had invested \$1 million in the CNG plant and the machinery was imported and set up, but production could not start due to the non-availability of gas.

In reply, Swagatam Kumar Saha, a deputy general manager at Titas, said that although they recognised the need to get a gas connection, they were contending with a supply shortage.

He assured that gas connection activities would resume soon as Petrobangla is trying to import more liquefied natural gas (LNG) to overcome the crisis.

Mahboob also advised the director of Akij Group to come to the Bida office on Sunday, adding: "Come to Bida tomorrow and we will work on the matter."

BCCCI President Gazi Golam Murtoza said entrepreneurs had to wait for a long time to get work permit extensions, breeding frustration.

He said many questions and inquiries were constantly coming from investors. "There is a lot of frustration among them. Chinese investment in Bangladesh will increase if their problems are solved swiftly."

Avijit Chowdhury, executive member of the Bida, said: "We know that entrepreneurs face many problems in terms of taxes and customs, while buying land and getting gas and electricity

connections after registering investment proposals. To solve those problems, we have introduced an aftercare service. We have already solved many problems of various companies."

He said a huge amount of Chinese investment was required to meet the challenges of Bangladesh that the country may face after graduating from the group of least-developed countries.

"Foreign investors now can come to Bangladesh with full security and safety."

BCCCI Secretary General Al Mamun Mridha said that China was the single largest investor in Bangladesh till 2019. Due to Covid and China's zero-Covid policy, Chinese investment has been low for several years.

He added that a lot of investment was coming now and that by increasing Chinese investment, it would be easier to deal with the existing foreign reserve crisis.

Mentioning that Chinese companies deserve praise for human resource development and technology transfer in Bangladesh, he said bilateral trade between Bangladesh and China was \$1.4 billion in 2003.

Today it is worth almost \$25 billion. Investment has also increased significantly over the past 10 years, from \$26 million in 2013 to over \$465 million in 2022.

"In 2016, over \$40 billion was promised to Bangladesh as part of the Belt and Road Initiative. Around \$5 billion has already been disbursed and many projects have been implemented," Mridha said.

He said some milestone projects are about to be inaugurated and work on some projects is proceeding at a rapid pace.

"BCCCI has acted as the strongest catalyst for this huge growth of these trade and investments."



Bangladesh
**BRAND
FORUM**
Inspiring the Nation

CONGRATULATIONS TO ALL THE WINNERS OF COMMWARD 2023

WINNERS



WINNERS



| Company Name | Grand Prix | Gold | Silver | Bronze | Company Name | Grand Prix | Gold | Silver | Bronze |
|--|------------|------|--------|--------|--|------------|------|--------|--------|
| Adcomm Limited | | | 2 | 2 | High Voltage Limited & Adcomm Limited | | | 1 | |
| Adcomm Limited & High Voltage Limited | | 1 | | 1 | Innovative Creation Ltd. & CarrotComm Ltd. | | | | 1 |
| Alter Canvas | | | | 1 | Lie to Eye | | | 1 | 2 |
| Analyzen Bangladesh Limited | | | | 1 | MBA Bangladesh | | | | 1 |
| Anonymea Private Limited | | | 1 | | Mediacom Limited | | | 3 | 4 |
| Artology | | | | 2 | Mediacom Limited & Facecard Production | | | 1 | 1 |
| Asiatic Events Marketing Ltd. and Toffee, Banglalink Digital Communications Ltd. | | | | 1 | Mpower Bangladesh | | | | 4 |
| Asiatic Marketing Communications Limited | 2 | 7 | 6 | 6 | Nagad Ltd. | | | 2 | 2 |
| Asiatic Mindshare Ltd. | 1 | 2 | 3 | 4 | O&Z Solutions | | | 2 | 3 |
| Asiatic Mindshare Ltd. & Walton Hi-Tech Industries PLC | | | | 1 | Papyrus Communications Limited | | | | 1 |
| Backbenchers Communications | | | | 1 | PYSCI Marketing Limited | | | | 1 |
| bKash Ltd. | | 2 | 1 | 1 | Speech Bubble Communications Ltd. & Pinwheel Films | | | 1 | |
| Bread & Butter | | | 1 | | Starcom Bangladesh | | | | 2 |
| CarrotComm Limited | | | | 4 | Sun Communications Ltd. | 2 | 3 | | 1 |
| Chorki | | | 1 | 1 | Sun Communications Ltd. & Mediacom Ltd. | | | 1 | |
| COdesign Ltd. | | | 1 | | Wavemaker Bangladesh | | | | 3 |
| Epyllion Group | | | | 1 | WebAble Digital | | 1 | 1 | 1 |
| FCB Bitopi | | 1 | 4 | 5 | Witty Shots | | | | 1 |
| GoZayaan | | | | 1 | X - Integrated Marketing Agency | | 1 | 1 | 1 |
| Grey Advertising Bangladesh Limited | | 1 | 5 | 2 | | | | | |

OUR VALUED PATRONS

OUR VALUED PARTNERS

