



The proposed Bay Terminal is being set up on around six-kilometre-long stretch from the back of Chattogram Export Processing Zone to Rashmonighat. PHOTO: STAR/FILE

Draft masterplan for Bay Terminal finalised

Govt decides CPA, PSA Singapore, DP World of UAE will construct it

DWAIPAYAN BARUA, Ctg

Construction of Bay Terminal, a mega expansion project of the Chattogram port, has undergone further progress, with an international consultant having finalised its draft masterplan. A joint venture of South Korean firms Kunhwa Engineering and Consulting Company Ltd and Daeyoung Engineering Company Ltd finalised the draft incorporating inputs from stakeholders and handed it over to Chittagong Port Authority (CPA) on Tuesday. The CPA is preparing to send the draft to the shipping

ministry within a day or two to seek approval. The government has already selected two global giants in port operations – PSA Singapore and DP World of the United Arab Emirates – to construct and operate two of the three terminals of the project under public private partnership, said the CPA sources. Inputs of these two firms have been incorporated in the draft, they said. The size, layout of the three terminals and the road and rail connectivity points are described in the draft, they informed. The proposed Bay Terminal

will be set up on around 6-kilometre-long stretch from the back of Chattogram Export Processing Zone (CEPZ) to Rashmonighat on the Bay of Bengal. The mega project comprising three terminals will be able to accommodate ships having a draft of up to 12 metres and with lengths of up to 260 metres and there will be no need to depend on the high tide to berth ships. CPA Chairman Rear Admiral Mohammad Sohail confirmed The Daily Star that the international consultant finalised the draft on incorporating all inputs from

different stakeholders, including financier World Bank, and submitted it to them. World Bank expressed interest to provide a loan of around \$350 million for the construction of a breakwater and dredging channel of a channel leading to the Bay Terminal. Prior to finalising the draft, the CPA arranged meetings with different stakeholders, including the two investors – DP World and PSA Singapore, for their inputs, said sources. Several international port operators had expressed interest to implement the mega project and later operate the three

terminals. The CPA will build a multipurpose terminal while the foreign firms the other two, said the port chairman. “...the government decision has been taken in this regard,” said Sohail. He informed that they would send the draft to the shipping ministry within a day or two for approval. It will take some time for the approval to come about as the ministry will call a meeting to hear from the CPA regarding the draft, said the CPA chairman. He hopes for construction on the ground to begin by this year.

Ministries asked to send budget implementation plan by Oct 8

STAR BUSINESS REPORT

The finance ministry has urged all ministries and divisions to send their budget implementation plan by October 8 this year and the budget implementation monitoring report within a month after the end of each quarter. The finance ministry made the call through a circular on September 26. Some activities announced in the last three fiscal years are still being implemented and some plans have been announced in the national budget for 2023-24 fiscal year, according to the circular. So, it is necessary now to take specific and time-bound plans at the beginning of a financial year to ensure their proper and timely implementation, the finance ministry said. Ministries and divisions adopt a go-slow policy for revenue collection at the beginning of a fiscal year, but at the end of a year they take different steps for utility bill payment, purchase of construction materials and maintenance work, it read. The government has to assume some unplanned debts at the end of a fiscal year because of the steps taken at the last moment, which hamper ensuring fiscal discipline in the economy, the circular added.

Oil prices climb

REUTERS, London

Oil prices rose by more than \$1 a barrel on Wednesday as markets focused on supply tightness heading into winter and a “soft landing” for the US economy. Brent crude futures were up 85 cents, or 0.9 percent, to \$94.81 a barrel by 0827 GMT, after rising by as much as \$1.03. US West Texas Intermediate crude futures climbed \$1.06, or 1.17 percent, to \$91.45 after gaining as much as \$1.24.

BB asks 15 banks to improve

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Meanwhile coordinators have been appointed in seven banks – National Bank, AB Bank, Padma Bank, One Bank, BASIC Bank, Bangladesh Commerce Bank and Bangladesh Development Bank. The central bank appointed them to closely monitor the banks on detecting massive loans irregularities and scams. After the meeting, Bangladesh Bank Executive Director and Spokesperson Md Mezbaul Haque told journalists that

the governor had asked the observers and coordinators to improve the lenders’ financial health. The governor warned those lenders’ management and board of directors that the central bank will not show any further sympathy, said Haque, also a coordinator at BASIC Bank. The practice for appointing observers started in 1994, when it enlisted Oriental Bank as a problematic lender and appointed an observer to address the worsening corporate governance at

the bank, which was later renamed as ICB Islamic Bank. However, those problem banks’ financial health has continued to deteriorate despite the appointment of observers. For instance, the volume of Janata Bank’s default loans continues to rise despite the presence of a central bank observer. Bangladesh Bank, back in November 2015, enlisted state-run Janata Bank as a problem bank and appointed an observer. At the end of 2017, the bank’s bad loans stood at Tk 5,818 crore. Then it rose

to Tk 14,950 crore, which is about 11.4 percent of the banking sector’s total default loans, at the end of March of this year. Industry insiders said the accountability of the observers and coordinators must be ensured to address the deterioration of corporate governance in banks, otherwise the situation would not improve. On the other hand, the practice of appointing coordinators started from this year after Abdur Rouf Talukder joined as the central bank governor.

Forex reserves drop by \$300m

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from informal to formal channels during the coronavirus pandemic had allowed large reserve accumulation, with gross reserves, as per the IMF formula, reaching a record high of about \$40.7 billion in August 2021, according

to a document of the IMF. But rising global commodity prices, supply disruptions, slowdown in external demand, and shift in remittance back to informal channels have led to the rapid decline of reserves. It declined to \$33.4 billion at the end of

the fiscal year of 2021-22. In the middle of July this year, the BB agreed to compile and report the official gross international reserves as per the balance of payments and international investment position manual (BPM6) of the IMF. As per BPM6, gross

foreign reserves include gold, cash US dollar, bonds and treasury bills, reserve position in the IMF, and special drawing rights holdings, a form of international money created by the IMF and defined as a weighted average of various convertible currencies.

USAID Policy Activity and BSAFE facilitate food safety roundtable.



Dhaka, Bangladesh: On Monday, September 25, 2023, the U.S. Agency for International Development (USAID) Feed the Future Bangladesh Policy LINK Agricultural Policy Activity (hereafter “the Policy Activity”) and the Bangladesh Safe Agro Food Efforts (BSAFE) Foundation convened an executive roundtable on “Recommendations to Strengthen Food Safety Policies and Systems in Bangladesh”.

Wahida Akter, Respected Secretary, Ministry of Agriculture attended as Chief Guest. The event brought together approximately 43 leaders and experts from government, private sector, development agencies and academia / research, and was chaired by Mr. Md. Ruhul Amin Talukder, Additional Secretary, Ministry of Agriculture and moderated by Emeritus Professor Dr. Md. Abdus Sattar Mandal, former Vice-Chancellor of Bangladesh Agricultural University, Mymensingh. Access to safe and nutritious food is key to sustaining life and promoting good health. In Bangladesh, food poisoning caused around 0.28 million cases of acute watery diarrhea in 2015, according to the Institute of Epidemiology, Disease Control, and Research. As recognized by the Government of Bangladesh, a reliable food safety system, including adequate food safety policies, impacts health and helps achieve nutritional security. Effective policies, including their implementation, can ensure that the food we consume is free from harmful contaminants - reducing the risk of foodborne illnesses and related medical burdens. The executive roundtable provided an

Given this context, food safety is one of the policy pillars anchoring the Policy Activity’s work in Bangladesh, which aims to improve policy formulation, analysis, advocacy, reform, and implementation. By engaging a wide range of stakeholders, the Policy Activity is working to ensure more inclusive policy systems, including in the food safety policy pillar. In his remarks Mr. Faheem Khan, Country Lead, Policy Activity, recognized the importance of elevating the voices of a diverse set of local and influential stakeholders in the national conversation around food safety policies. Dr. Mohammed Zainul Abedin, President, BSAFE Foundation, delivered the keynote presentation focusing on 13 prioritized issues and corresponding recommendations to strengthen food safety policies and systems. The policy issues include coordination of government agencies, private sector representation, integrated food safety and nutrition policies, uptake of Good Agricultural Practices, harmonization of food safety standards and policies, unsafe use of pesticides, development of innovative and eco-friendly technologies, reporting mechanisms, strengthened regulations in the hospitality industry and promoting collective enterprise. Subsequent discussions at the roundtable centered around the recommendations, which emerged from extensive consultations facilitated by the Policy Activity and BSAFE Foundation at the regional and national levels.

opportunity for participants to review each prioritized policy issue and associated recommendations by tracing its connection to the government’s food safety policies and regulations; share practical experiences highlighting how each policy issue impacts the food safety system; and deconstruct the relevant legal clauses that need to be addressed. The roundtable culminated in consensus on the recommendations and how best to see them reflected in policy. By the end of the event, the Policy Activity and BSAFE Foundation validated and accumulated further inputs to enhance the issues and recommendations that will be revised and formally submitted to the Minister, Ministry of Food, and relevant government authorities, in the form of a Policy Brief. As part of the final reflections, Wahida Akter, Respected Secretary, Ministry of Agriculture acknowledged USAID Feed the Future and BSAFE Foundation for the comprehensive food safety policy analysis and appreciated the scale of consultations at the regional and national level. She added, “With 60 laws related to food safety, coordination between key stakeholders like the Bangladesh Food Safety Authority (BFSa) and Bangladesh Standards Testing Institution (BSTI) is critical. I will share the recommendations from the roundtable with the Cabinet Secretary, Principal Secretary, the Secretary, Ministry of Industries and the Secretary, Ministry of Food to help facilitate a way forward to strengthen coordination and advance dialogue that strengthens the food safety system.”

Canada wants labour law reforms

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yesterday, a delegation of the Canadian labour department suggested the government allow trade unions in factories housed inside of the Export Processing Zones (EPZs). However, when EPZs were established in 1981, foreign investors provided funds on the condition that the government would not allow trade unions in factories housed inside EPZs to avoid labour unrest. Currently, instead of

trade unions, workers’ welfare associations are functional in factories inside EPZs. After the meeting, BGMEA President Faruque Hassan said he highlighted the government’s initiatives to reform labour laws during the meeting, adding that the process was underway. During the meeting, the Canadian delegation also wanted to know about the progress of the wage board, formed in April this year to

review the salary of more than four million garment workers. Rakesh Patry, director general of International and Intergovernmental Labour Affairs, Labour Programme of the Canadian government led the team during the meeting. The delegation also met senior officials of the labour ministry yesterday. The current scheme is going to expire at the end of 2024 and Canada is

expected to come up with a GPT Plus scheme from January 1, 2025. Bangladesh has been enjoying duty-free and quota-free access to Canada since 2003 under the Least-Developed Country Tariff (LDCT) scheme. In the fiscal year 2022-23, garment exports to the country reached \$1.55 billion, registering a 16.55 percent year-on-year growth compared to 2021-22, data from the Export Promotion Bureau showed.

Nearly 11,000 Bangladeshi firms

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invested abroad globally. The Dubai chamber has not disclosed the amount invested by the foreign companies. The central bank has not given permission to any company here to invest in Dubai, said Bangladesh Bank Executive Director and Spokesperson Md Mezbaul Haque. The chamber’s figures, alongside estimates of Washington-based Global Financial Integrity (GFI) and anecdotal information regarding capital flight, raise questions and call for investigations by the authorities, said Mustafizur Rahman, distinguished fellow of the Centre for Policy Dialogue (CPD). Bangladesh lost approximately \$8.27 billion on an average annually between 2009 and 2018 from misinvoicing of values of import-export goods by traders to evade taxes and illegal movements of money across international borders, said the GFI earlier. A portion of the Dubai investment could have been made legally by Bangladeshis working in the UAE and other Middle Eastern countries based on their income there, he said.

Dubai is a very investment friendly place and there are likely to be cases of investment by Bangladeshis working in the region, he said. Apart from them, a section of Bangladeshis may have sent money through unlawful means such as hundi or hawala and trade misinvoicing, he said. “The inflow of remittances has dropped even though nearly 24 lakh migrant workers went to the Middle East in the last two and half years. This requires special attention,” said Rahman. “On the one hand, foreign exchange reserves are falling. On the other, the number of new firms linked with Bangladeshi nationals becoming members of the Dubai chamber has increased significantly. This should be investigated,” he said. He also called upon the central bank to gather information about the businesses by collaborating with the authorities in the UAE. “The authority should investigate whether loan and tax defaulters have invested there; whether the money invested there has

been transferred illegally. Such step will send a message to the wrong doers,” he said. “If nothing is done, illegal money transfers will be encouraged,” he said. This correspondent tried to reach the head of Bangladesh Financial Intelligence Unit, Md Masud Biswas, to know whether the agency would take any step. He could not be reached despite several phone calls and a text message. The Dubai chamber said 30,146 new companies joined the chamber in the first six months of 2023 and Indian businesses topped the list, followed by United Arab Emirates and Pakistan. In total, Indian companies accounted for 22.3 percent of the firms registered until the end of June 2023. Some 6,717 new Indian-owned companies signed up for membership in the January-June period of 2023, up 39 percent year-on-year, said the chamber. It said 3,395 new companies from Pakistan joined the chamber, representing an increase of 59 percent. The total number of Pakistani

companies registered at the Dubai chamber rose to 40,315. Also, companies from Egypt, United Kingdom and China topped the list of new members of the Dubai chamber. The Dubai chamber said 42.4 percent of new companies are engaged in trade and repair services while 30.8 percent specialise in the real estate, renting and business services sector. Businesses in the construction industry took third place with 7.2 percent while the transport, storage, and telecommunications sector ranked fourth, accounting for 6.3 percent of all the activities of new companies joining the chamber during the first half of the year. “The diversity of nationalities represented among the new companies joining the chamber reflects the vibrancy of Dubai’s dynamic business environment,” said President and CEO of the Dubai chamber Mohammad Ali Rashed Lootah. “...together with the emirate’s strong ability to consistently attract a broad range of foreign direct investment,” he said.