

E-CAB honours 34 companies

STAR BUSINESS REPORT

The e-Commerce Association of Bangladesh (e-CAB) has recognised 34 banks and organisations with the “e-Commerce Movers Award (eCMA) 2023” for their outstanding contribution to society.

The awards were given in 27 categories selected from nearly 200 applications at an event at the InterContinental Dhaka on November 9, the e-CAB said in a press release.

Daraz Bangladesh Ltd was named the best e-commerce marketplace while Foodpanda was awarded as the best food delivery platform, bKash Limited stood out as the best MFS Platform, and City Bank secured the accolade for the best banking solution for e-commerce.

Other notable winners included Walton, Uber, Aarong, Mastercard, Sharetrip, and 10 Minute School.

United Commercial Bank, Chaldal, Rokomari, ShopUp, Pickaboo, Eastern Bank, Bikroy, ekShop, SteadFast, Nagad, Sheba XYZ, Shaigoi, Aroga, Fashol, BATA, Ribana, Singer, Upay, Pathao, Digibox, SkyTech, Laalsobuj, Women & e-Commerce, and Brain Station 23 were awarded for their role in their respective domains.

Parliament Speaker Shirin Sharmin Chaudhury was present as the chief guest.

Commerce Minister Tipu Munshi, Post and Telecommunications Minister Mostafa Jabbar, State Minister for Information and Communication Technology Division Zunaid Ahmed Palak, and e-CAB Advisor Nahim Razzak were present as guests.

E-CAB President Shomi Kaiser, General Secretary Muhammad Abdul Wahed Tomal and Director and e-CMA Convener Khondoker Tasfin Alam, and other executive members also attended the event.

In association with The Daily Star, the event was patronised and supported by UCB, Upay, Singer, Global Brand, Berger, Steadfast, Bikroy, and C Express.



Shirin Sharmin Chaudhury, speaker of the national parliament, poses for photographs with the recipients of the “e-Commerce Movers Award (eCMA) 2023”, guests and organisers of the awards at the InterContinental Dhaka on Thursday.

PHOTO: E-CAB

Ramgarh land port to be inaugurated tomorrow

Project set to forge connection with India’s northeast

JAGARAN CHAKMA

A land port in Khagrachhari’s Ramgarh upazila, around 99 kilometres away from the country’s biggest sea port in Chattogram, is set to open tomorrow, which is likely to boost trade and tourism between Bangladesh’s southeast regions and India’s northeastern states.

Prime Minister Sheikh Hasina is expected to virtually inaugurate the newly-constructed land port, said Mohammad Jahangeer Kobir, member (traffic) of the Bangladesh Land Port Authority (BLPA).

Of the 23 land ports in Bangladesh, 22 are located along the border with India while only one, located in Teknaf, borders Myanmar.

The government declared the Ramgarh customs station as a land port in November 2010.

“Construction work to develop the necessary infrastructure, including immigration and customs house, is about to be completed at a cost of Tk 123 crore,” Kobir said.

The BLPA met with their Indian counterparts to request fast construction of necessary infrastructure and they requested the Bangladesh government to offer immigration services, he said.

As a result, the Ministry of Home Affairs has given the nod to offer immigration services through the land port before other activities begin.

“We are ready to facilitate exports and imports through the port, but operations are likely to begin next April or June as India is constructing integrated checkpoints in Sabroom of Tripura (in anticipation of the movement of goods),” Kobir said.

In March 2021, Prime Minister Sheikh Hasina and her Indian counterpart Narendra Modi jointly inaugurated the Bangladesh-India Friendship Bridge-1 (Maitri Setu) over the Feni River in Ramgarh, which cost Tk 133 crore and was financed by India. The bridge connects Tripura of India with Ramgarh.

According to the BLPA, Bangladesh can export all kinds of products through the Ramgarh land port, with significant potential to import livestock, fruit, wood, seeds, wheat, coal and fertiliser.

The land port will improve trade and connectivity with Tripura while giving Indian exporters a scope to reduce their costs by shipping their products directly from the Chattogram port, said Mahbubul Alam, president of the Federation of Bangladesh Chambers of Commerce and Industry.

The Roads and Highways Department (RHD) started widening the Bariyarahat-Heyako-Ramgarh road in Mirsarai in April to facilitate the transport of import-export goods through the Ramgarh land port.

The widening of this 38-km road from 5.5 metres to 7.3 metres cost Tk 1,100 crore, of which Tk 581.2 crore came from a third

Indian line of credit. The rest was borne by the government.

The land port project has already been delayed by at least a year and a half as the Indian contractor demanded payment be 27 percent higher than initially estimated, said Pintu Chakma, executive engineer of the RHD’s Chattogram division.

This required revisions of the project details and endorsements from the Executive Committee of the National Economic Council, he said.

With 20 percent of the work completed till October 2023, the project is set to be completed by June 30, 2025, he added.

The port will play a crucial role in increasing trade and tourism, said Kujendra Lal Tripura, lawmaker of Khagrachhari and chairman of Tribal Refugee Affairs Task Force.

The land port will significantly bring down the distance required for travel from the northeast of India to the Chattogram port, he said.

India will also be able to use the Matarbari deep-sea port, noted Abdul Matlub Ahmad, president of the India-Bangladesh Chamber of Commerce and Industry.

Bangladesh’s imports from India far outweigh the country’s exports to its neighbour. Exports to India stood at just over \$2 billion whereas imports from India amounted to \$14.2 billion through official channels last fiscal year.

Leadership Summit held in Dhaka

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The “Leadership Summit” was held in Dhaka yesterday to develop leadership for meeting the multifaceted challenges and opportunities of the future.

Bangladesh Brand Forum (BFF) organised its seventh edition of the daylong summit at Radisson Blu Dhaka Water Garden with the theme “Navigating the Next Frontier: Transforming Organisations for the Future.”

Industry leaders and experts from home and abroad took part in the different sessions of the summit.

The programme presented by American International University-Bangladesh (AIUB) and powered by Summit Communications Limited and Sheltech was organised in association with BSRM, Team Group and The Daily Star.

Aspire to Innovate (a2i), Smart Bangladesh Network and Namcon Consultancy Ltd collaborated in the event.

“Our visions and journeys are shaped by our leaders. Therefore, it’s very important to address how we want to develop our leadership skills to meet the multifaceted challenges and opportunities of the future,” said Shariful Islam, founder and managing director of BFF, at the opening session.

There were five-panel discussions, three keynote sessions and an insight session.

US Fed could hike rates again if ‘appropriate’

AFP, Washington

The US Federal Reserve is prepared, if needed, to hike interest rates further in order to bring inflation down to its long-term two percent target, Fed Chair Jerome Powell said Thursday.

“We know that ongoing progress toward our two percent goal is not assured: Inflation has given us a few head fakes,” Powell told a conference in Washington.

“If it becomes appropriate to tighten policy further, we will not hesitate to do so,” he added, in remarks that were briefly disrupted by climate protesters.

Powell’s comments come just over a week after the US central bank voted to hold interest rates steady at a 22-year high for a second consecutive meeting, fueling expectations that it was done with rate hikes.

While the Fed’s rate-setting committee is “committed” to achieving a sufficiently tight stance of monetary policy, “we are not confident that we have achieved such a stance,” Powell said.

The Fed chair’s comments suggest the US central bank is still concerned about the prospect of a re-acceleration of inflation, which has more than halved since peaking last year, according to the Fed’s favored yardstick.

Bangladesh’s industrial belt

FROM PAGE B1

Bangladesh Investment Development Authority to invest Tk 1,200 crore to build the hotel.

A huge number of foreigners every day struggle finding a good place to stay during their visit to the zone that houses thousands of factories of several industries, said Amin Ahmad, chairman of Best Holdings Ltd.

There are many resorts but there is no 5-star hotel in the industrial zone, he said.

“So, we hope we will be able to attract businesspeople and buyers. The hotel will also be attractive for organising business summits and different programmes of the industries.”

The under-construction hotel will be 3.37 lakh square feet and it will have 209 deluxe rooms, 18 suites and a 2,000 square feet Marriott Suite.

Best Holdings inked an agreement with Marriott International Inc USA in June of 2021 for the hotel, which

will also include four restaurants, a banquet hall, three meeting rooms and an infinity pool.

Before the construction of the hotel, a project feasibility study was conducted by Hotelivate, a multinational hospitality consulting firm, Ahmad said.

The feasibility study suggested the 5-star hotel has huge business potential, as the hundreds of resorts the zone remain occupied round the year, he said.

“We are targeting to begin its commercial operation in July of 2024.”

The main structure of the hotel is complete and at present the interior design works are going on, he said.

Already, some of the rooms are ready and utility connections are also active, he added.

“If it does not get ready within the stipulated time, we will launch a portion of the hotel in July next year.”

Sugar price

FROM PAGE B1

In the international market, the price of sugar was \$0.40 per kg in the July-September period of 2022 and it rose to \$0.54 in January-September this year, according to World Bank data on commodity prices. It increased to \$0.57 in October.

Nayem Hossain, another wholesaler, said he received 10 sacks of sugar yesterday against a demand of 20 to 30 sacks and that too came after trying for a week.

Enamul Haque, a retailer in the port city of Chattogram, said he was selling sugar at Tk 142 to Tk 150 per kg. One week ago, it was Tk 130 to Tk 132.

Abdur Razzak, a wholesaler in the Khatunganj market, sold sugar at Tk 5,000 per maund (37.32 kgs), which was Tk 4,700 a week ago.

“An adequate supply of sugar is not available,” he said.

Md Taslim Shahriar, senior assistant general manager of Meghna Group of Industries, a top commodity importer and processor, said the market has been affected by the rising prices in the international market and the high cost of the dollar.

The taka has lost its value by about 30 percent against the greenback since January last year, making imports costlier.

“We face difficulty in opening the sufficient quantity of letters of credit,” Shahriar said.

Bangladesh consumes 20 lakh to 22 lakh tonnes of sugar each year. Of the volume, local mills produce 30,000 to 35,000 tonnes, forcing the country to rely on imports facilitated by five refiners.

‘We are helpless’ 1.19cr people

FROM PAGE B1

operators to remain almost idle despite being willing to operate since people were reluctant to travel due to fears of attacks on vehicles.

“It has become tough to ensure even 50 percent occupancy in a bus,” said the official of the Shyamoli Paribahan, adding that his firm could break even if it had 50 percent occupancy in a bus.

With a fleet of around 500 air-conditioned and normal buses, Shyamoli Paribahan has services in more than 50 districts in the country.

Gosh said Shyamoli Paribahan usually operates 300 trips on a normal business day. But since the beginning of the blockades, its average number of daily trips has fallen to 60.

“So, we owners are sitting helpless,” he said, adding that bus operators suffered losses during the Covid-19 pandemic as well when there was a countrywide shutdown.

Although the government provided some support to operators to cover their losses during the pandemic, things are different this time.

The cost of an AC bus is nearly Tk 2 crore, he said.

“Who will compensate the owners if a bus is set on fire?” he asked. “We have no way but to raise our hands and surrender in order to protect our buses. There is no insurance coverage from insurers if a vehicle is damaged during a hartal (strike) or blockade.”

The political unrest has affected passenger flow, raising the risk of losses and loan default in banks.

Although he declined to share the outstanding loan amount of Shyamoli Paribahan, he added they had loans with 10 banks.

During normal times, they can finance those bank loans using the revenue earned from transporting travellers to and from Dhaka.

But now the stream of revenue is not enough to service bank loans, according to Ghosh, who also pointed out other expenses.

“We have to bear maintenance and establishment costs even if we cannot ply our vehicles on the roads fully.”

FROM PAGE B1

The FAO report said higher yields have improved food availability but “concerns about access to food remain” due to persistent high food inflation that diminished the purchasing power of vulnerable households.

Food inflation has gradually strengthened since August 2022. It eased in September before surging to 12.56 percent in October, the highest since 2012-13, data from the Bangladesh Bank and the Bangladesh Bureau of Statistics showed.

In June, the average retail price of coarse rice, the benchmark, stood at Tk 50 a kilogramme in Dhaka, the highest on record. The price dropped marginally in July, figures from the FAO showed.

Food prices, however, went up in the last one month.

Yesterday, consumers in Dhaka had to pay an average Tk 50 to purchase one kg of coarse grain. The price was 2 percent higher than a month ago, according to the Trading Corporation of Bangladesh.

“The high food inflation rate is attributed to the high costs of production and transport that makes domestically grown cereals expensive,” the FAO report said.

“Reduced cereal imports, especially of wheat, a key staple in the country, coupled with the significant depreciation of the local currency resulted in strong price increases, contributing to the inflationary pressure.”

Between January 2022 and September 2023, the taka lost its value by about 30 percent against the US dollar.

The FAO said about 10 lakh Rohingya refugees from Myanmar are residing in the country, mostly in Cox’s Bazar, and rely entirely on humanitarian aid.

The UN agency said Bangladesh’s cereal imports consist mostly of wheat and the country relies on the external market to meet more than

80 percent of its demand. It also imports some rice and maize.

In the 2022-23 marketing year ending in June, Bangladesh’s total cereal imports were below 80 lakh tonnes, lower than the four-year average of 86 lakh tonnes.

The report said cereal imports were constrained by the country’s low import capacity due to the dwindling foreign currency reserves and the significant depreciation of the taka.

“As the national currency continues to weaken and the foreign currency reserves are low, the country is likely to face challenges to fully cover the import requirements in 2023-24.”

The FAO forecasts Bangladesh’s annual cereal import requirement to drop slightly below the average.

Imports of rice in 2024 are forecast at a reduced level of 2.5 lakh tonnes and wheat imports at the near average of 61 lakh tonnes.

In the case of maize, the FAO predicted the import of the grain to be above average of 21 lakh tonnes, driven by the steady demand for feed by livestock and fish industries.

Foodgrain production

The harvesting of the 2023 Aman paddy crop, which accounts for 35 percent of the annual output, is underway and will continue until January 2024.

Production is forecast at an above average level due mostly to anticipated high yields although localised losses of crops occurred in the Chattogram Division because of heavy rains and floods last August, according to the FAO report.

The harvesting of Boro and Aus crops, representing 55 and 10 percent of the national paddy output, was completed for the year.

The Boro paddy production was estimated at a record level at 3.11 crore tonnes, reflecting some area expansions and bumper yields. The output of the Aus crop is estimated to be at a below-average level.

The FAO said the 2023 maize production is estimated at record 47 lakh tonnes, mostly attributed to large sowings driven by robust demand and elevated prices during planting operations.

“Favourable weather conditions and the widespread use of high-yielding seed varieties supported above-average yields.”

The production of wheat, harvested in April, is officially estimated at near average 1.1 million tonnes.

Japan to spend \$13b for chip industry support in extra budget

REUTERS, Tokyo

Japan’s government will allocate roughly 2 trillion yen (\$13 billion) to support efforts to boost its chip industry, marking the latest move by the Asian nation to reclaim its past glory in the critical sector.

The country is a leading provider of chipmaking tools and materials that lost its edge in manufacturing in recent decades and is now providing subsidies to chipmakers to build capacity.

Some of the funds, which will be earmarked through a supplementary budget for this fiscal year, are expected to be used to support Taiwanese chipmaker TSMC and chip foundry venture Rapidus, which aims to manufacture cutting-edge chips in Hokkaido.

The chip industry allocation is part of Prime Minister Fumio Kishida’s 13.1 trillion yen spending promised in the 2023/24 extra budget which his government approved on Friday.

To fund the spending, Japan is set to issue close to 9 trillion yen (\$59.8 billion) in bonds, raising some concerns about ballooning debt.