Bangladesh has not reaped any benefit from the GI-tagged products such as Jamdani as the label has not been used to promote them due to a collective failure of the stakeholders, including ministries concerned, departments, trade bodies and businesses, according to experts.

PHOTO: STAR

Bangladesh yet to benefit from GI-certified products

21 products have earned GI status in one decade while another 10 are set to get the same

AKANDA MUHAMMAD JAHID

Bangladesh is yet to derive any benefit from the products granted the status of geographical indication (GI) due to a lack of initiatives from stakeholders although the recognition enhances the reputation of goods, builds consumer confidence and brings in higher prices.

The country has already registered 21 products as GIs since the formulation of the Geographical Indication (Registration and Protection) Act 2013.

Besides, it has awarded the same status to 10 more products in just eight days since February 8 after the culture ministry of India shared the news that it had secured the GI rights to Tangail sari, sparking criticism around Bangladesh and raising questions about the country's failure to get GI recognition despite being a rightful claimant to the traditional handwoven attire.

Many consumers pay close attention to origin of the products they buy. And when the source and authenticity matter, using GI can identify products as being the real deal, according to the World Intellectual Property Organization (WIPO).

Among other benefits, GI status helps fetch higher prices compared to similar products manufactured elsewhere, according to local experts.

However, Bangladesh has not reaped any benefit from the GI-tagged products such as Jamdani, Muslin of Dhaka and Hilsa as the label has not been used to promote them due to a collective failure of the stakeholders, including ministries concerned, departments, trade bodies and businesses, they said.

"The prices of GI-certified products are usually 20 to 30 percent higher in the global market compared to similar products without such labels," said Mohammad Ataul Karim, a PhD researcher in intellectual property law at the University of Oxford.

"Global customers are willing pay extra for GI products."

GI marks a product's authenticity and origin and the sign is used to certify that a product possesses unique characteristics for factors such as origin, climate, culture, manufacturing method, or even raw materials.

According to experts, stakeholders should design logo and packaging materials for the GI products first. Then they should enlist the products with buyers' association and other trade bodies and move to promote, brand and market them.

However, none of the steps has been initiated yet, said an official of the Department of Patents, Designs and Trademarks (DPDT), the authority under the industries ministry authorised to grant GI certification.

The agency provided the certification to Jamdani, a fine muslin textile mostly used for making saris in Narayanganj for centuries, in 2015 following an application from the Bangladesh Small and Cottage Industries Corporation (BSCIC). This was the first such recognition in the country.

According to BSCIC officials, no Jamdani sari has been tagged with GI yet. The situation is similar for Rangpur's Shotronji, which was certified as GI in 2019.

Akhil Ranjan Tarafder, general manager for marketing at the BSCIC, said the BSCIC is designing the logo and packaging for GI of Shotronji in cooperation with the DPDT.

"Besides, we have taken the initiative to train Jamdani sari producers to export GI-tagged products. We are working with the DPDT to this end."

Hilsa fish received GI recognition in 2017 while black tiger shrimp secured the status in 2022 following applications from the Department of Fisheries.

"So far, no traders have sold hilsa or black tiger shrimp with GI labels," said Md Zillur Rahman, additional director general of the Department of Fisheries.

Karim, also a consultant of the WIPO, said although the DPDT is responsible for registering GI products, it is the responsibility of the commerce and industries ministries as well as various other stakeholders, including trade bodies, businesses and producers, to promote the products.

Besides, he said, a lack of capacity for producers, the financial constraints they face, and sometimes substandard products are also to be blamed for the failure to reap benefit from GI products.

"Overall, we have not been able to deal with the GI issue properly."

The Bangladesh Handloom Board won the GI recognition for Muslin of Dhaka in 2020 but the commercial production of the GI-tagged fabric has not started yet, said an official of the state-run agency.

"Commercial benefits will be available once the private sector starts using the GI tag since there is a lot of demand for Muslin in the international market," he added.

Among the agriculture products, four mango varieties -- Ashwina, Langra, Fazli and Khirsapat (also known as Himsagar) -- obtained GI status in 2017.

However, not a single GI-tagged mango has been exported from Bangladesh yet, said Shafiqul Islam, principal scientific officer of the Rajshahi Fruit Research Station.

Md Munim Hassan, director-general of the DPDT, said he could not comment on the promotion, branding and marketing of GI products. "Other stakeholders can talk about these."

Zakia Sultana, senior secretary of the industries ministry, said the ministry is taking steps to register the products that have the potential to be recognised as GIs.

"After that, we will move to reap commercial and other benefits of the products."

The telecom services of the future

ARIJIT CHAKRABORTI

The global telecommunication sector is passing through an inflection point. Like other mature sectors, such as utilities, the telecom sector has established itself as a provider of vital services to billions of consumers and practically all business establishments.

While the demand for services is continuously rising, the operators in this sector, particularly the mobile network operators, have little to no pricing power due to the rapid commoditisation of the services and sustained rivalry among competing firms.

The telecommunication sector in Bangladesh is also growing, albeit at a slower pace. The number of mobile subscribers grew 6 percent in December 2023 compared to that in December 2022.

The total number of internet, mobile internet and other types of data subscribers has increased by 6 percent in December 2023 compared to that in December 2022.

As per a PwC analysis, data revenue is now commanding a significant part of the total revenue globally, and this global trend is expected to continue in the coming years. A similar trend is expected to happen in the telecom sector in Bangladesh.

As per the analysis outlined in the PwC Global Telecom Outlook 2023-27, the global data consumption over the telecom network will nearly triple, from 3.4 million petabytes (PB) in 2022 to 9.7 million PB in 2027. However, the revenue from internet access will clock a modest compound annual growth rate of 4 percent and will reach $921.6 billion globally by 2027.

The sector will be driven by two strong forces: the need to maintain the high capex and upgrade the infrastructure and winning the intense price war between the telecom operators to win more customers in saturated markets.

Under such circumstances, mobile network operators need to reshape their strategy in three broad areas: offerings for retail customers, offerings for businesses, and addressing the forces of competition in new ways.

In the retail customer business, the demand will be driven by evolving user preferences and new consumer devices. Video content and games, the key growth hotspots, will play an increasingly important role. By integrating these services seamlessly with the foundational voice and data services, mobile network operators should plan to sustain their revenue growth and average revenue per user.

A similar growth pattern is being seen in the corporate customer segment. As sensors and Internet of Things devices proliferate across shop floors, fleets and other business establishments, customers will increasingly drive up the demand for data using modern technology infrastructure like 5G. The telecom companies' ability to innovate and create solutions for such demand will thus help them stay in the profitable growth curve.

While data services through the mobile networks have seen a high growth in the recent years, this space is going to be far more competitive with the introduction of satellite-based data services from low-earth and medium-earth orbits. A few companies have already started offering data services in some countries.

The telecommunication sector in Bangladesh is going play a key role in realising the Smart Bangladesh Vision. It's, therefore, very important that the sector remains financially viable and economically affordable to foster the growth of the ecosystem -- such as digital health services, digital citizen services and digital education. The telecom companies must rework their strategy now and reinvent themselves to remain relevant in the coming years.

The author is a partner with PwC. The views are his own.

Moody's raises India's 2024 GDP forecast sharply

REUTERS, *Mumbai*

Moody's Investor Service sharply raised its gross domestic product (GDP) forecast for India on Monday, following the strong momentum seen in the South Asian economy in recent quarters, which the ratings agency expects will continue into 2024.

"India's economy has performed well and stronger-than-expected data in 2023 has caused us to raise our 2024 growth estimate to 6.8 percent from 6.1 percent," Moody's said. "India is likely to remain the fastest growing among G-20 economies over our forecast horizon."

India's economy grew at its fastest pace in one-and-half years in the final three months of 2023, led by strong manufacturing and construction activity, posting growth of 8.4 percent, which was faster than the 6.6 percent estimated by economists.High-frequency indicators show the economy's strong third and fourth quarter momentum carried into the first quarter of the current calendar year, Moody's said.

"Robust goods and services tax collections, rising auto sales, consumer optimism and double-digit credit growth suggest urban consumption demand remains resilient," it added. "On the supply side, expanding manufacturing and services PMIs add to evidence of solid economic momentum."

The ratings agency said it expects policy continuity after the general election due by May and a continued focus on infrastructure development.

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Several countries extend oil output cuts to boost prices

AFP, *Vienna*

Moscow, Riyadh and several other Opec+ members on Sunday announced extensions to oil production cuts first announced in 2023 as part of an agreement among oil producers to boost prices following economic uncertainty.

The plan to extend cuts to mid-2024 comes on top of previous cuts to both oil output and exports as some of the world's largest energy producers drive to push up market rates.

Saudi Arabia's energy ministry said it would cut its production by one million barrels per day (bpd) from April to June (Q2), while Russia announced 471,000 bpd of cuts in Q2.

"In order to maintain market stability, these additional cuts will be gradually restored depending on market conditions," after the end of the second quarter, said Russia's Deputy Prime Minister Alexander Novak.

The measures for both countries are in addition to a 500,000 bpd reduction announced in April 2023, which runs until the end of 2024.

UAE, Kuwait, Iraq and Kazakhstan followed suit, saying they would extend existing voluntarily cuts till the end of June. The Opec+ oil alliance of 22 nations has implemented supply cuts of more than five million barrels per day (bpd) since the end of 2022.

Russia's invasion of Ukraine in 2022 sent oil prices soaring to $140, raising earnings across the industry.

The West has tried to target Moscow's energy exports under sanctions imposed over the Kremlin's offensive in Ukraine, forcing Russia to ramp up supplies to countries like China and India.

Oil prices surged Friday in anticipation of the new extension. The US West Texas Intermediate (WTI) passed $80 for the first time since November while the North Sea Brent Crude Barrel hit a month-high $83.55.

Oil storage tanks are seen at a refinery in Big Spring, Texas. The latest extensions to oil production cuts came as part of an agreement among oil producers to boost prices.

PHOTO: AFP/FILE

In 2016 the crude oil producing Opec alliance, 13 members headed by Riyadh, formed Opec+ with an additional 10 countries, including Moscow, to ease prices following US competition.

"The whole purpose of Opec+ was to come up with a wider group so that there is no need for voluntary cuts," Rystad Energy economist Jorge Leon told AFP, "Everybody contributes and no one is going alone."

But for almost a year now, Saudi Arabia has done without unanimity due to the lack of agreement among members. Voluntary cuts, Leon warned, are a "clear signal that the cohesion of Opec+ is not great".

In a surprise move in December, Angola exited the alliance over a disagreement on a decision to cut production, backed by heavyweight Riyadh.

For Leon, "more countries will need to contribute to official cuts" as part of a joint agreement or risk an increasingly faltering alliance.