

Star BUSINESS

Farmers have been growing chillies as the first cash crop in char areas, with the hot peppers fetching good profits



Story on B4

WEEKLY INTERVIEW



Md Emdadul Hoque

'Draft law ignored broadband internet'

MAHMUDUL HASAN

The newly drafted telecom law and broadband policy ignored the broadband internet sector, said the top leader of the last mile cable operators, demanding more attention to the sector which caters to six crore customers.

"A telecom law and a broadband policy have recently been formulated. But both haven't paid attention to the last mile internet sector," Md Emdadul Hoque, president of the Internet Service Providers Association of Bangladesh (ISPAB).

He pointed out a telecom law provision with a fine of Tk 300 crore or a maximum jail term of 10 years for unlicensed operations.

The operations include establishing or operating a telecommunication system in Bangladesh or outside or constructing or installing any apparatus to provide internet services.

"This penalty isn't suitable for broadband providers, whose earnings pale in comparison to mobile operators," said Hoque.

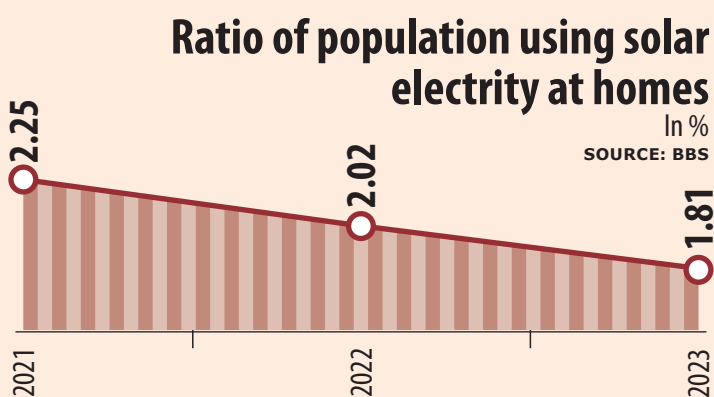
The penalty for the broadband internet service

READ MORE ON B2

Solar power that once lit up rural homes is dimming

SOLAR POWER: KEY POINTS

- ▶ Bangladesh started installing solar home systems (SHSs) in 2000
- ▶ SHSs installation peaked to **8.61** lakh in 2013
- ▶ Sales began to drop since 2013 as govt started expanding national grid
- ▶ Number of solar power users rose two and a half times to **4.66**cr since 2009
- ▶ Bangladesh has **60** lakh SHSs
- ▶ The SHSs generate **263.79**MW of power



IMPACT OF SOLAR POWER

- ▶ Solar power allowed children to study for longer hours
- ▶ Saved **4b** litres of kerosene during 2003-2021
- ▶ Reduced **9.6m** tonnes of CO2 emissions by getting rid of kerosene
- ▶ Households saved kerosene worth **\$908m** during 2003-2018

SOHEL PARVEZ

Solar power for homes in Bangladesh, which received widespread appreciation, is losing its lustre as the electricity supply through the national grid expands, virtually ending the growth of solar energy, which illuminated millions of rural households long used to go to sleep shortly after dark.

Over the last two years, the proportion of the population with solar home systems (SHSs) has been falling.

In 2021, some 2.25 percent of the population used SHSs. The number declined to 1.81 percent in 2023, according to a recent survey report of the Bangladesh Bureau of Statistics (BBS).

The data illustrated that SHSs, the adoption of which accelerated between 2003 and 2013, are expanding no more. Today, SHSs light up 60 lakh homes in Bangladesh and stakeholders say the number is unlikely to grow because an increasing number of households are being connected to the national grid.

So, SHSs might be available only in geographically distant locations, such as remote chars, that are challenging to connect to the grid.

"It is already saturated and there is no future for SHSs as electricity has been made

portion of the population had to depend on kerosene lamps as their only source of light.

In 2009, only 47 percent of households were connected to the national grid.

Infrastructure Development Company Ltd (IDCOL), with

of the grid, beginning in 2015, and the free distribution of SHSs under the government's social safety net schemes, according to a WB study report on SHSs in 2021.

Bangladesh Rural Electrification Board (BREB) had 94 lakh connections at the beginning of 2015. That number climbed to 3.56 crore in January this year.

BBS data also showed that the ratio of the population under the coverage of the national grid grew to 97.54 percent in 2023 compared to 96.86 percent two years ago. Such progress made SHSs less attractive.

Take the example of those residing in the Ghugumari village in the northern district of Kurigram.

People in the remote locality used SHSs until four years ago when the village was connected to the national power network. Villagers then began to switch to electricity, said Mahidul Islam, a resident, over the phone.

"Electricity connection

READ MORE ON B3



available in rural areas," said Mohammad Alauddin, a former chairman of the Sustainable and Renewable Energy Development Authority (SREDA).

Bangladesh began to install SHSs in rural off-grid areas at the turn of the millennium as the supply of electricity through the national grid was low and a huge

financing from the World Bank (WB), began to promote the installation of SHSs in 2003. Sales peaked 10 years later, in 2013, with over 8.61 lakh systems installed that year. Since then, the installation has begun losing steam.

The decline was mainly attributed to the rapid expansion

Deeper ties among Bangladesh, India and Japan to boost trade

A researcher says

STAR BUSINESS REPORT

Triangular cooperation among Bangladesh, India and Japan can boost trade, business, and economic growth as the three have similarities in climate, culture and commerce, said an international trade analyst yesterday.

Such a triangular relationship could also create more opportunities for Bangladesh if the proposed Comprehensive Economic Partnership Agreement (CEPA) between Bangladesh and India is signed, said Prabir De, a professor at the Research and Information System for Developing Countries (RIS) in New Delhi.

This is because a CEPA between India and Japan has been in place since 2011.

So, if Bangladesh and India sign a CEPA, there will be a situation akin to a free economic zone and all three countries can enjoy good business, De said.

He was addressing the first episode of a webinar titled "Trade Winds: Emerging Contour of Bangladesh-India-Japan Triangular Cooperation" organised by SANEM International Trade Centre.

De added that Bangladesh had developed a lot of infrastructure such as the Matarbari deep seaport alongside railways, expressways and bridges but could not sustain them alone.

Bangladesh needs to connect with neighbouring countries for sustainability, which could be achieved through tripartite cooperation, the analyst also said.

Bangladesh, India and Japan have similar rules of law and government, and the nations are in talks with each other about such agreements, he said.

The three countries responded to the severe fallouts of Covid-19 and the war between Russia and Ukraine together, he added.

READ MORE ON B3

STOCKS		WEEK-ON WEEK
DSEX	2.75%	CASPI
5,778.33		16,553.44

COMMODITIES		AS OF FRIDAY
Gold	\$2,232.75	Oil
(per ounce)		\$83.12
		(per barrel)

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
0.88%	0.5%	0.85%	1.01%	
73,635.48	40,369.44	3,224.01	3,041.17	

Keep import duties on essentials low till Eid-ul-Azha: FBCCI

STAR BUSINESS REPORT

FBCCI President Mahbulul Alam yesterday demanded the government continue the import duties on daily essentials at a lower level until Eid-ul-Azha in order to keep prices at a tolerable level.

"Moreover, the government should build a database of the essentials to ensure a smooth supply to the market," he said.

The leader of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) made the comments during a discussion on daily essential commodities at the office of the Moulvibazar Business Association in Old Dhaka.

He also urged businesses to stay alert to keep the prices of daily commodities stable.

"We are on the way to becoming a trillion-dollar economy. We may be a small country but our market is big. Bangladesh has business ties with many of the neighbouring countries and territories. Local businesses should remain united to help the country go forward."

Some 22 lakh jobs are created every year in the country and the private sector generates most of them, said Amin Helaly, senior vice-president and convener of the FBCCI's market monitoring committee.

Abdul Jabbar Mondol, an assistant director of the Directorate of National Consumers Rights Protection (DNCRP) for the Dhaka district, and Bikash Chandra Das, a deputy director of the DNCRP of the Dhaka division, were also present.

Demographic dividend: How long can Bangladesh enjoy it?



THE WEEKLY VIEW

MD ASADUZ ZAMAN

Bangladesh is currently enjoying the benefits of the demographic dividend as the number of young people outnumbers the non-working-age population.

The demographic dividend is accelerated economic growth resulting from a country's declining mortality and fertility rates and subsequent changes in the age structure of the population.

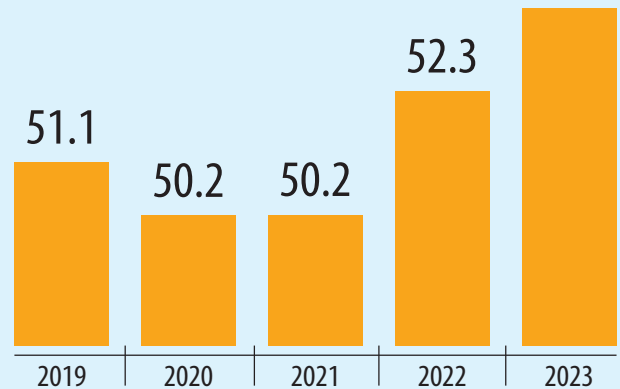
Presently, the foremost question for Bangladesh is whether the current momentum will continue in the coming years as well or if it will soon lose momentum.

The question has arisen because the number of elderly people has increased over the years, pushing up the dependency ratio for the last two consecutive years.

The proportion of working age people declined to 65.08 percent in 2023 from 66.58 percent in 2021, according to a survey of the Bangladesh Bureau of Statistics (BBS). A year before, the proportion was 65.67 percent.

Dependency ratio

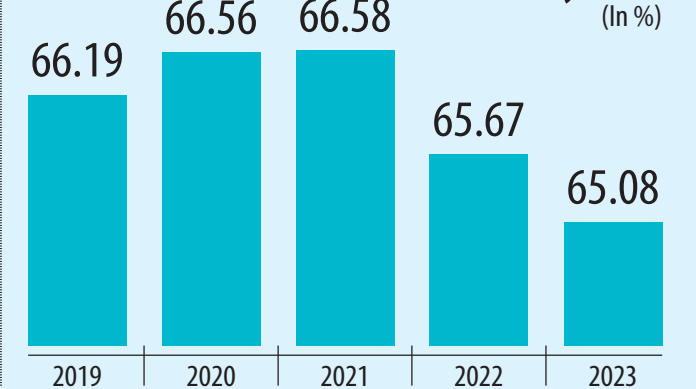
(In % of total population)



Working age population

(15-64 years)

(In %)



SOURCE: BBS

Similarly, the dependency ratio of people who are over 65 rose to 9.4 percent last year from 8.6 percent in 2022.

The dependency ratio is a measure of the age structure of a population and also relates to the number of individuals likely to be economically "dependant" on the support of others.

In Bangladesh, there are two opinions

among analysts and demographers about the dividend's beginning period. One group thinks it started in the 1990s while the other group says it arrived after 2000.

According to the government's Eighth Five-Year Plan, the share of the working-age population started to increase in 1978, heralding the beginning of the demographic window of opportunity.

Analysts and demographers warn Bangladesh's first demographic dividend window will close between 2033 and 2040.

"We are already in a declining stage as the dependency ratio is on the rise," said Mohammad Mainul Islam, a professor at the population sciences department at the University of Dhaka.

READ MORE ON B2

All Islamic Banking Services in One App