

## Drug production, supply take a hit

JAGARAN CHAKMA

Production and distribution of medicine have been disrupted for the last four days due to violence centring the quota reform movement and associated curfew to contain the situation, drug makers said yesterday.

Industry operators said they were unable to receive imported raw materials from Chattogram port and Hazrat Shahjalal International Airport as customs assessment and clearance were disrupted for internet blackout.

This may subsequently affect drug exports too, they said.

"Production of lifesaving drugs remains suspended since last Friday," said Md Mahbubul Karim, executive director (supply chain) at Incepta Pharmaceuticals.

There are adequate stocks of all the pharmaceuticals now to meet market demand for around one week but if the deadlock persists any longer, healthcare services will be seriously affected, he said.

Another concern was the absence of temperature-controlled facilities at the port and airport, for which some ingredients could get spoiled, he said.

Duty payments in cash are not accepted for release of raw materials, explained Karim.

All exports have been suspended since Thursday, said Wasim Haider, senior manager (international marketing) at Beximco Pharmaceuticals.

Their production facilities were running in full swing, but uncertainties remain over how long it could be continued, he said.

Domestic and global supply chains are almost wholly dependent on the internet and the blackout was seriously hampering trade, he added.

Bookings for shipment of four consignments had to be cancelled in the last three days while keeping contact with foreign clients over phone, especially centring shipment and payment confirmations, was troublesome, he said.

Jahangir Alam, chief financial officer of Square Pharmaceuticals, said their factories were running operations partially to produce some essential drugs such as insulin as employees had apprehensions over the commute to their workplaces.

Drug distribution was also affected as they were having to manually issue invoices for delivering products, he said.

On any given day they usually issue 30,000 invoices but nowadays it had come down to 8,000 to 10,000 as many pharmacies opt to stay closed, he added.

Exports had been growing but the current situation would definitely have an impact on the overall production and supply, said Monjurul Alam, chief executive officer of Medicare, a wing of Beacon Pharmaceuticals.

Most drug makers are facing troubles maintaining correspondence with foreign clients and distributing medicine in local markets due to the unrest, he said.

Some new foreign clients have even postponed scheduled factory visits, Alam added.

Export orders tend to be placed in July-September and the ongoing unrest may affect the sector's business, which would be apparent at the end of the year, he said.

Moreover, foreign buyers might lose confidence in the local manufacturers if they fail to stick to shipment schedules, Alam said.



There were very few vehicles plying the Dhaka-Chattogram highway yesterday, the third day of a nationwide curfew imposed to tackle violence centring the quota reform protests. The photo was taken in Sitakunda around 10:00am.

PHOTO: RAJIB RAIHAN

## Dhaka-Ctg highway is disrupted. What does it mean to economy?

AHSAN HABIB and TUHIN SHUBHRA ADHIKARY

The disruption in the Dhaka-Chattogram highway for the last six days amid violence centring the quota reform movement has dealt a huge blow to the economy, damaging the pipeline for around 90 percent of the country's \$120 billion trade and causing fears of a lasting ripple effect.

A huge number of industrial establishments have been built along the highway, hoping to capitalise on the connectivity to the country's largest seaport in Chattogram.

However, that means their supply chain is also dependent on the proper functioning of the highway. Furthermore, most of the tourism sector is also reliant on the highway as it links Dhaka to Cox's Bazar, the country's single largest tourist destination.

Against this backdrop, economists and businessmen were desperately seeking to ensure the security of the highway and guarantee hassle-free movement.

Agitators prevented vehicular movement on the highway several times this month, severing road connectivity, while protesting Cumilla University students shut it down as recently as Wednesday.

A few vehicles started using the highway on Sunday.

According to data from the Roads and Highways Department (RHD), on average around 35,000 to 40,000 vehicles use the four-lane highway daily.

Among the vehicles, 35 to 40 percent are goods-laden, an RHD official said, citing data from toll plazas at Meghna bridge and Gumti bridge along the highway.

"But, the number of vehicles was very thin in the last few days," the official added.

**On average around 35,000 to 40,000 vehicles use the four-lane highway daily. That number fell by nearly 80 percent to 8,550 on Sunday**

Only 8,550 vehicles used the highway on Sunday, according to data from these two toll plazas. From midnight to 7pm yesterday, 10,018 vehicles plied the highway.

Another RHD official said the highway was cleared of debris last night but the road from Jatrabari flyover area to Shitalakhya bridge was severely damaged as agitators had started a number of fires.

Additionally, barriers, medians, signs and signals along the highway were either burned or looted, which is expected to pose further problems, the official said,

asking not to be named.

The closure of the highway is also a source of huge sufferings for tourists and general passengers.

Khandaker Enyet Ullah, secretary general of the Bangladesh Road Transport Owners Association, said many tourists were stuck in Chattogram and Cox's Bazar due to the situation.

Prof Md Shamsul Hoque, a noted transport analyst, said the country is dreaming of becoming a developed nation by 2041. Although Bangladesh's \$450 billion economy is mostly dependent on the Dhaka-Chattogram route, the government is yet to turn it into an expressway.

The four-lane road is not of the quality required for the expected economic development, he opined, adding that expressways are the best way to ensure connectivity, reduce travel time and congestion, and ensure reliability.

He added that exporters also demand a quality road connection since their activities are time sensitive. "They are ready to pay a handsome amount to use quality roads. General people will also pay for it when they get proper service," Hoque said.

Bangladesh has eight highways. But the Dhaka-Chattogram highway undoubtedly deserves to be an expressway given its economic importance since it has enormous multiplier effect as it is also connected with

major tourism hubs, he added.

Fazlul Haque, a former president of the Bangladesh Knitwear Manufacturers and Exporters Association, said the country's main seaport would be better served by a railway connection, which is the most popular method in the world to carry goods.

However, even railway services remained shut down during the past six days.

The Pangaon water port is not an attractive option either as it lacks adequate infrastructure and supporting facilities. It also takes longer to send goods, he added.

A top official of a leading garment manufacturing company, preferring anonymity, said when he was travelling via the Dhaka-Bhanga expressway, he felt this type of expressway was required to connect Dhaka and Chattogram.

As the corridor has a huge economic impact, an expressway could lead to greater contributions to the economy.

At a meeting between Prime Minister Sheikh Hasina and top business leaders yesterday, Syed Nasim Manzur, president of the Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh, urged the government to ensure safe passage through the Dhaka-Chattogram highway.

"Otherwise, we will not be able to survive," he said.

## Internet blackout intensifies port congestion

DWAIPAYAN BARUA, Ctg

Container congestion turned acute at the Chattogram port yesterday as deliveries remained suspended for a second consecutive day for operational complexities caused by an ongoing internet blackout and a lack of transportation facilities.

At least 1,252 TEUs (twenty-foot equivalent units) of containers were unloaded from ships and placed at the port yards yesterday.

As of 8:00am, there were 42,150 TEUs of containers at the yards.

This is around 78.76 percent of the total storage capacity of 53,518 TEUs, according to data of Chittagong Port Authority (CPA).

Port officials say it becomes tough to load and unload containers and manoeuvre them through the yards once 60 percent of the storage capacity was reached.

Moreover, importers are having to bear storage rent for each additional day that they are having to keep import-laden containers at the port yards.

Export and import activities

have been facing unprecedented disruptions following the countrywide internet blackout since Thursday evening as digital entry of data is a must for port operations, said the port users.

They underscored the need for immediate resumption of internet

8,000 to 9,000 TEUs handled on any regular working day.

In the same period, a total of 2,107 TEUs of containers were discharged from the vessels and 2,972 TEUs were loaded onto ships, according to the CPA data.

Some 415 TEUs of import-laden

### AT A GLANCE

- Another 1,252 containers piled up at Ctg port in a day
- No import container could be delivered for the second day
- Importers are counting extra store rent
- Container transport between port and private ICDs improved a bit
- Port users called for immediate resumption of internet

services to prevent the situation from deteriorating further.

Meanwhile, container handling activities have dropped by around 50 percent as only 5,079 TEUs were handled in the 24 hours till 8:00am yesterday, much lower than the

containers were transported from the port to inland container depots (ICDs) during this time, but not a single one could be delivered to the consignees, said CPA Secretary Md Omar Faruk.

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## NBR for manual assessment of essentials

STAFF CORRESPONDENT, Chattogram

The National Board of Revenue (NBR) has recently instructed customs to release imported perishables, food, chemicals and industrial raw materials through manual assessments to keep supply chains and factories operational.

The same has been directed for shipment of exportable goods.

"We have given instructions to clear the goods from day one as the internet is not working," NBR Chairman Abu Hena Md Rahmatul Muncem told The Daily Star yesterday.

The move comes as an internet shutdown since the night of July 18 has been hindering the assessment of tariffs of imports and exports.

Chattogram customs began to assess goods in line with the directive. Officials said they are carrying out the task manually for imported industrial raw materials and fuel oil too.

Until now, importers received 22 consignments of fly ash, cement clinker and stone weighing 3,500 tonnes, said an official yesterday.

However, importers could not receive any perishable item as they could not submit any documents.

## Garment buyers worried over shipment

REFAYET ULLAH MIRDHA

International clothing retailers and brands are faced with uncertainties over work orders placed with Bangladeshi manufacturers as communication has become troublesome due to an internet blackout.

Following the internet outage since the night of July 18, liaison offices of foreign retailers and brands in Bangladesh have been unable to share documents with the port and customs authorities for clearance of goods. They have also been unable to send inspection reports to their headquarters.

A number of retailers and brands also have doubts about placing work orders amidst violence centring the quota reform protests, subsequent curfew to contain the situation and disruption to communication stemming from the internet shutdown.

"Our garments worth \$200 million are now lying at the Chattogram port as we cannot clear customs procedures because of the ongoing violence and curfew," said a top official of a European retailer asking not to be named.

"Similarly, I have been unable to place fresh work orders at the local factories over the past week due to the ongoing crisis," he said.

He said the disruption to the internet was also creating problems in communicating with their headquarters in Europe.

"The current situation will have a bad impact on business as the country's reputation will be under question," he said, urging the authorities for fast restoration of at least broadband internet services.

Another Dutch clothing retailer also said he was unable to communicate with his headquarters because of the internet blackout.

