

Debapriya may propose 10-member panel to prepare white paper

STAR BUSINESS REPORT

The panel, which will prepare a white paper on the state of the economy, will consider incorporating issues beyond its mandate depending on the situation, said Debapriya Bhattacharya, the panel chief.

He said he is likely to propose a 10-member panel to prepare the white paper which will recommend strategic steps to stabilise the economy, reach the Sustainable Development Goals, and mitigate the challenges after Bangladesh graduates from the least developed country category.

"It is prescriptive, but not mandatory. We will work based on the situation and consultation," he said after a meeting with Finance Adviser Salehuddin Ahmed at the secretariat.

The interim government last week announced its decision to prepare a white paper on the situation of the economy by making Bhattacharya chief of the panel.

The committee headed by Bhattacharya, who is convener of the Citizen's Platform for SDGs and a distinguished fellow of the Centre for Policy Dialogue, will get 90 days to prepare and submit the paper.



The disruption on the highway caused by floods has severely impacted transport of export containers and imported goods as the highway connects the capital to Chattogram port. The photo was taken from Lalpol area of Feni yesterday.

PHOTO: RAJIB RAIHAN

BATB's profit rises 3.7% in Q2

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British American Tobacco Bangladesh (BATB) posted a profit of Tk 511.92 crore in the second quarter of this year.

This is a 3.71 percent rise from the Tk 493.56 crore it secured in profits in the same period last year.

The tobacco product seller's earnings per share (EPS) for the April-June period of this year stood at Tk 9.48, according to its disclosure on the Dhaka Stock Exchange (DSE) website yesterday.

It was Tk 9.14 in the corresponding quarter of 2023. However, in the first half of this year is taken into account, the BATB's profit has dropped 2.5 percent year-on-year.

In other words, it secured a profit of Tk 925.56 crore in the first six months of this year whereas it was Tk 949.86 crore in the same period of the preceding year.

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Hatem new BKMEA president

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Mohammad Hatem has been elected as the president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA).

The post had been vacant since former BKMEA president AKM Salim Osman resigned citing health related issues.

The board of directors of the BKMEA accepted Osman's resignation at a meeting at the association's office in Dhaka yesterday, according to a press release.

The BKMEA also elected Fazlee Shamim Ehsan as the new executive president of the association.

Before the assuming new role, Hatem had been serving the BKMEA as the executive president.

The development came nearly three weeks after the students-led mass uprising ousted the Awami League government on August 5.



Transport activities partially resume along Dhaka-Ctg highway

MOHAMMAD SUMAN

Transport activities through the Dhaka-Chattogram highway partially resumed yesterday after a three-day disruption due to flash floods.

The disruption had severely impacted the transport of export containers and imported goods as the highway connects the capital to Chattogram port, which handles around 90 percent of the nation's trade.

Passenger transport was similarly halted because rail lines were also submerged since Thursday due to the flash floods, which were brought on by heavy rainfall and a rush of water from upstream.

Importers, exporters and traders said the economy would not stabilise until the transportation of goods through rail and roadways returns to normal.

They urged the government to quickly repair any damaged sections after the water recedes.

They also demanded initiatives to clear the stockpile of imported goods and facilitate the loading of export goods at Chattogram port.

According to officials of Chattogram port, there are usually 30,000 to 32,000 TEUs (twenty-foot equivalent units) of containers in the port yards.

However, that figure stood at 37,996 TEUs on Saturday, which means more than 71 percent of the port's total capacity of 53,518 TEUs was occupied.

According to official data, about 2,150 TEUs of import and export

containers were dispatched from the port till 5:00pm yesterday compared to 1,647 TEUs on Saturday. About 1,929 TEUs were discharged on Friday while it was 3,590 TEUs on Thursday and 4,130 TEUs on Wednesday.

Md Omar Faruk, secretary of the Chattogram Port Authority, told The Daily Star that the movement

Traders at the Khatunganj wholesale market, a century-old business hub that is home to about 4,000 businesses and more than 5,000 warehouses, said water had not breached their shops or warehouses this time around.

However, they informed that trade was dealt a heavy blow due to the three-day disruption.



of import-export cargo has slowly improved compared to what it was over the past few days.

"And although we still have fewer containers than the capacity, we have already taken some initiatives to reduce the pressure," he said.

For example, port and customs authorities will give importers the opportunity to release their goods through Chattogram port and Pangaon port instead of the Kamalapur ICD, Faruk added.

And although it has stopped raining in some areas since Sunday, trading activities have not returned to normal, they said.

Anis Ahmed, owner of M/S Anis Traders, a wholesaler of onion, garlic and ginger at the Hamidullah Mia Market in Khatunganj, said sales had halved since Thursday.

"This is because most customers are not taking the risk of coming to the market to buy goods," he said.

Bangladesh can learn from Korean experience in farm mechanisation

Official says

STAR BUSINESS REPORT

The Republic of Korea is now enjoying surplus rice production and one of the major factors that enabled the East Asian nation to become self-sufficient in this regard was farm mechanisation.

So, Bangladesh can learn a lot from the Korean experience, especially in the use of agricultural machinery, said Sang Moon Byun, director of the foodgrain policy division at the Ministry of Agriculture, Food and Rural Affairs (MAFRA) of Korea.

Byun made these comments in an interview in mid-July during a two-day visit to Dhaka to hand over rice to the local office of the World Food Programme (WFP).

Last month, Korea provided 15,000 tonnes of rice to the WFP, which is an organisation within the United Nations.

The donation was used to provide food assistance and nutrition support to Rohingya refugees in Cox's Bazar and Bhasan Char.

According to the WFP, 15,000 tonnes of rice is sufficient to feed around one million refugees for 1.5 months.

Informing that Korea attained self-sufficiency in rice production in the late 1970s, Byun added that MAFRA has institutions dedicated to researching agricultural technology.

So, governments of developing countries may have something to learn from the East Asian nation.



"Also, we can go for technical cooperation," he said, adding that if the government of Bangladesh expresses an interest in cooperating to adopt agricultural technology, then ministry would support the initiative through the local embassy.

He pointed out that rice cultivation in Korea is fully mechanised from the tilling stage to harvesting and emphasised that land use for agriculture must be organised, not scattered.

"Another thing to consider is the irrigation system. If you want to mechanise agriculture, some basic things must be done first," he added.

Furthermore, the government needs to play a leading role in farm mechanisation because the private sector cannot do it alone, he said.

"So, it should be a joint initiative between them," he added.

Byun said another consideration would be ensuring the sustainability of such initiatives by training farmers in the use of modern machinery. Most commercial farmers in Korea operated on a small scale in the past as they did not have the funds to purchase agricultural machinery. So, the Korean government helped the farmers purchase machinery, thereby facilitating farm mechanisation.

In a bid to boost its efforts, the Korean government requested farmers to grow only one crop, such as rice. By doing so, Korea was able to invest in productivity.

However, Byun said the Korean government did not necessarily restrict the farmers' freedom in choosing what they should cultivate. Instead, they were given examples of crops that were more suitable for the land. In that regard, rice ensured maximum productivity.

"But as we now have surplus rice, the government is recommending farmers plant beans instead," he added.

Byun also informed that the Korean government was focusing on the research and development of new rice varieties and agricultural technology.

"Another priority is investing in infrastructure that will help the country adapt to climate change," he said.

Morgan Stanley cuts oil demand growth outlook

REUTERS

Morgan Stanley has lowered its global oil demand forecast for 2024, mainly due to China's slower economic growth, increased electric vehicle usage there, and a rise in the number of trucks in China powered by liquefied natural gas (LNG).

The bank cut its global oil demand growth forecast for this year to 1.1 million barrels per day (mbpd) from 1.2 mbpd.

It also lowered its Brent price forecasts modestly and sees prices averaging \$80 per barrel in the fourth quarter of 2024 compared to \$85 per barrel previously.

Brent crude was trading around \$78 a barrel by 12:21 GMT on Friday, and US West Texas Intermediate crude futures were at \$74.52. The shift to LNG trucks has cut China's oil demand growth by 100-150 thousand barrels per day (kbd), while gasoline displacement by EVs has reduced it by about 100 kbd, Morgan Stanley analysts said in a note dated Aug. 22.

Additionally, growth in petrochemical capacity expansion - which boosts LPG, ethane, and naphtha consumption - has slowed due to low petrochemical margins, the note said. The note chimes with last week's cut by the Organization of the Petroleum Exporting Countries (Opec) in its oil demand growth forecast for this year and

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ANN/THE STRAITS TIMES

China approved the building of nine gigawatts (GW) of coal power generation in the first half of 2024, down by more than 80 per cent compared with a year earlier as the nation adds renewable energy capacity in record amounts, according to a study published on Aug. 22.

China is the world's top renewable energy investor and has been adding ever-growing amounts of wind and solar capacity.

It added 134.5GW of renewable energy capacity in the first six months of 2024, a 25 per cent year-on-year increase, according to Australian think-tank Climate Energy Finance and China's National Bureau of Statistics. Wind and solar comprised 128GW of this total.

In 2023, China accounted for more than half of the world's new wind and solar installations.

And as at end-June 2024, China's installed solar power capacity totalled 714GW, accounting for 23 per cent of the nation's total installed power generation capacity, compared with about 200GW of solar capacity for the United States.

"The steep drop in new coal plant permits is a hopeful sign that China's massive solar and wind builds are dampening its coal ambitions," said the report's co-author

Christine Shearer, research analyst at Global Energy Monitor (GEM), which tracks fossil fuel and renewable energy projects worldwide.

GEM and the Centre for Research on Energy and Clean Air (Crea), a research organisation registered in Finland and has offices across

Asia and Europe, conducted the study.

China's energy investment trends are closely watched because the nation is the world's largest source of greenhouse gas emissions heating up the planet. The world cannot win the battle against climate change



An aerial view shows residential buildings with roof-mounted photovoltaic solar panels in Yinchuan, in northwestern China's Ningxia region. In 2023, China accounted for more than half of the world's new wind and solar installations.

PHOTO: AFP/FILE

China coal plant approvals plunge as green power grows: study

without China slashing fossil fuel use and emissions.

And analysts are looking for signs that emissions have peaked in the world's second-largest economy and top coal consumer and producer. Burning coal is the biggest global source of carbon dioxide (CO2) and China has the world's largest fleet of coal power plants.

China's coal power generation fell by 7 per cent from June 2023 to June 2024. "If renewables continue to cut into coal generation, then a peak in China's CO2 emissions - pledged to happen before 2030 - is on the horizon, if not already here," says the report.

Yet, China is still building coal power plants.

While the issuing of permits for new coal plants has plunged, construction began on more than 41GW of coal projects in the first half of 2024, or more than 90 per cent of new coal construction activities globally, according to the study. For the same period the previous year, construction starts totalled 37GW.

This follows the surge in coal power permits in the country, exceeding 100GW annually in 2022 and 2023, leading to growing concerns about overcapacity in the coal power sector.

But the large additions of green energy are meeting China's growing electricity needs. So why is it still building new coal power plants?