

Bangladesh can now export potatoes to Vietnam

STAR BUSINESS REPORT

Vietnam has opened its market to potato imports from Bangladesh, creating new opportunities for local exporters and farmers.

According to the Bangladesh embassy in Vietnam, the country's Ministry of Agriculture and Environment approved Bangladesh's eligibility to export potatoes on March 27.

Under Vietnam's regulations, exporting countries must submit registration documents to the ministry, which then reviews and verifies the information before approving.

The Embassy of Bangladesh in Hanoi, in coordination with the Ministry of Commerce, the Ministry of Agriculture, and the Ministry of Food, initiated the registration process in May 2025.

The process has now been completed, making Bangladesh eligible to export potatoes to Vietnam.

Bangladesh Ambassador to Vietnam Lutfor Rahman said the development would create significant opportunities for exporters and benefit farmers.

Vietnam has a strong demand for potatoes, and the export opportunity would help reduce the trade imbalance between the two countries, he said.

The ambassador expressed hope that this progress would pave the way for exporting other plant-based products, such as sesame, to Vietnam.



Female workers sort and dry potato seeds across makeshift tarpaulins at a Bangladesh Agricultural Development Corporation facility in Gaibandha, with green paddy fields stretching into the distance. The photo was taken in Gobindaganj ahead of Eid-ul-Fitr, reflecting the quiet intensity of rural harvest work.

PHOTO: MOSTAFA SHABU

India-bound LPG tankers crossing Hormuz

REUTERS, New Delhi

Two liquefied petroleum gas tankers, BW Elm and BW Tyr, are crossing the Strait of Hormuz bound for India, according to ship tracking data from LSEG and Kpler.

The US-Israeli war against Iran has all but halted shipping through the strait, but Iran said this week that "non-hostile vessels" may transit the waterway if they coordinate with Iranian authorities.

The two India-flagged vessels have crossed the Gulf area and are in the eastern Strait of Hormuz, the data showed. India is gradually moving its stranded LPG cargoes out from the strait, with four LPG tankers moved so far — Shivalik, Nanda Devi, Pine Gas, and Jag Vasant.

As of Friday, 20 Indian-flagged ships including five LPG carriers were in the Gulf, Rajesh Kumar Sinha, special secretary in the federal shipping ministry, said.

Dhaka urges WTO reform without weakening core principles

REFAYET ULLAH MIRDHA

Bangladesh has emphasised the need to reform the World Trade Organization (WTO), while cautioning that any such changes must not undermine the body's fundamental principles.

Commerce Minister Khandakar Abdul Mukhtar made the call at the beginning of the 14th WTO Ministerial Conference on March 26 in Yaounde, Cameroon.

The call came as the multilateral trading arrangement faces challenges due to protectionism, particularly the unilateral imposition of tariffs by countries, such as the recent reciprocal tariff slapped by the USA on many nations.

The consensus-based, rules-based multilateral trading arrangement, anchored in non-discrimination and inclusivity, has benefited both developed and developing nations, including Least Developed Countries (LDCs), he said.

He highlighted key mechanisms

underpinning the system, including most-favoured-nation (MFN) treatment, duty-free quota-free market access, and special and differential treatment (S&DT) for developing countries and LDCs.

While reform is essential, it should not come at the cost of distorting its fundamental principles, he said.

Speaking to The Daily Star at the sidelines of the conference, Mukhtar said the WTO's rules-based framework has played a key role in reducing global poverty over the past three decades.

The time and effort invested by nations in creating the current framework should not be wasted in the name of reform, he said.

Mustafizur Rahman, distinguished fellow at the Centre for Policy Dialogue, who is also attending the conference, said the dispute settlement mechanism, often described as the "jewel in the crown" of the WTO, has become almost non-functional

due to this prolonged deadlock.

Rahman underlined the need to prioritise fixing tariff rates on an MFN basis.

He said that in recent years, developed countries like the US have been fixing tariffs unilaterally above MFN rates under the guise of reciprocal tariffs, causing many countries to lose their competitive edge.

For instance, he said, if Bangladesh applies the American reciprocal tariff formula to reduce its trade deficit with China and India, the rate of import tax could reach as much as 48 percent on imports from China and 42 percent on those from India.

Similarly, Bangladesh could face much higher tariffs from the European Union if reciprocal measures were applied, given its annual exports of over \$25 billion to the bloc compared to imports of \$6 billion.

Separately, Sheikh Hossain

Muhammad Mustafiz, a director of the Bangladesh Garment Manufacturers and Exporters Association, warned of a future cotton supply squeeze.

He said that four African nations, including Benin, plan to invest significantly in utilising their own cotton for domestic textile production by 2040. African countries have become key sourcing destinations as Bangladesh seeks to reduce its over-dependence on India.

Meanwhile, Aissatou Diallo, executive director of the Enhanced Integrated Framework (EIF), Executive Secretariat at the WTO, advised Bangladesh to improve its investment climate and diversify exports ahead of its graduation to a developing nation this November.

She said the EIF would continue providing technical and financial support for five years to enhance the competitiveness of Bangladeshi entrepreneurs.

Saudi pipeline pumping 7 million bpd of oil, bypassing Hormuz

REUTERS

Saudi Arabia's East-West pipeline, which circumvents the Strait of Hormuz, is pumping oil at its full capacity of 7 million barrels a day, Bloomberg News reported on Saturday, citing a person familiar with the matter.

Crude oil exports from Saudi Arabia's Yanbu port on the Red Sea have now reached 5 million barrels a day, and the country is also exporting about 700,000 to 900,000 barrels a day of oil products, the Bloomberg report said.

Reuters could not immediately verify the report. Saudi Arabia's Aramco did not immediately respond to a request for comment.

Aramco CEO Amin Nasser had told reporters earlier in March on an earnings call that the East-West pipeline was expected to reach its full capacity of 7 million bpd in the coming days as customers re-route.

The conflict in the Gulf region, triggered by US and Israeli attacks on Iran, has unsettled energy and transport markets and disrupted global shipping.

Iran has effectively closed the Strait of Hormuz, trapping roughly a fifth of the world's oil and liquefied natural gas supplies, sending crude oil surging above \$100 a barrel.

Brazil exporters reroute beef, chicken shipments to blunt Iran war impact

REUTERS, Sao Paulo

Brazilian beef and chicken exporters expect only limited disruption from the Iran war, even as the near closure of the Strait of Hormuz forces companies to reroute shipments and absorb higher costs to keep supplies moving.

The conflict has raised risks for two of Brazil's biggest meat export businesses, especially poultry, which is heavily exposed to the Middle East. But exporters said they were finding alternative sea and land routes to serve buyers in the region, while strong demand elsewhere was helping cushion the impact on beef trade.

Chicken exporters said shipments were still flowing to key Middle East markets despite the logistical upheaval. Industry group ABPA

President Ricardo Santin told Reuters that March exports were on track to exceed the 476,000 metric tonnes shipped in the same month last year.

To keep cargo moving, exporters have rerouted shipments through the Red Sea and Suez Canal and used alternative ports and overland trucking to reach buyers in Iraq, Qatar, the United Arab Emirates and elsewhere in the region, Santin said.

"Those are alternatives that take longer and are more costly," he said, adding that higher fuel, storage, transport and war-risk costs were being shared in part with importers seeking to maintain inventories.

The Middle East accounted for about 30 percent of Brazil's chicken exports in 2025, according to Datagro, making poultry one of the Brazilian farm sectors most exposed

to the conflict. Even so, Santin said there were no signs of excess supply building up in the domestic market.

Beef exporters also said the war had so far had only a limited effect, although industry group Abrafrijo warned on Friday that a broader conflict could further raise logistics costs. At the same time, the sector is also adjusting to China's safeguard measures on beef imports, which limit Brazil's access to a 1.1-million-tonne quota subject to a lower tariff; volumes above that face a steeper 55 percent duty.

Abrafrijo said Brazil, the world's largest beef exporter, had been redirecting shipments to markets including the US, the European Union, Chile and Russia, while tighter global cattle supplies were also supporting demand.

Rain brings relief to Boro farmers

FROM PAGE B1

"Rainfall was not limited to a single district on any given day, as precipitation occurred in several districts, with only a few stations reporting no rain," Faruq added.

"The recent rainfall has been beneficial for Boro rice cultivation, particularly in easing irrigation challenges amid the ongoing diesel situation," said Mohammad Khalequzzaman, director general at the Bangladesh Rice Research Institute.

He said such rainfall supports crop growth as long as it is not accompanied by hailstorms, which can cause severe damage.

"While prolonged rainfall can sometimes disrupt pollination, the current short-duration showers during this stage in March are unlikely to pose any risk."

Khalequzzaman also said that although there were reports of minor hailstorms in some villages, no significant damage has been reported so far, indicating that the overall impact of the recent weather has remained positive for farmers.

Md Ataur Rahman, director

general at the Bangladesh Agricultural Research Institute, said the recent rainfall has also largely been beneficial for seasonal vegetables, as it has not been excessive or accompanied by storms.

"Most vegetables, such as tomatoes, eggplants, and beans, are currently in the harvesting stage, and the rainfall has not caused noticeable damage," he said.

He added that only crops like potatoes in poorly drained clay soils may face some risk, while areas with sandy or silty soil have remained largely unaffected.

Rahman also said moderate rainfall at this stage can be helpful for upcoming Kharif cultivation by improving soil moisture for land preparation, although excessive rainfall could create challenges.

He further mentioned that crops like watermelon, bitter melon, and amaranth are performing well, and while market prices for some produce like watermelon may decrease slightly due to the rain, overall crop quality is expected to remain good.

"The recent rainfall over the past several days has generally been

beneficial for Boro rice, though its overall impact is still being assessed," said Md Jamal Uddin, additional director for monitoring and implementation at the field service wing at the Department of Agricultural Extension.

He added that preliminary information on affected areas is expected soon, but a comprehensive assessment of crop damage and coverage will take another one to two days to complete.

Talking about the government's fuel rationing decision earlier this month, Jahangir Alam Khan, an agricultural economist, said the decision was understandable given the global oil crisis.

"However, agriculture must receive top priority. Boro cultivation depends heavily on irrigation, with 62-65 percent of land using diesel-powered pumps. Diesel for irrigation should be subsidised, just like electricity for power generation," he said.

As per Bangladesh Petroleum Corporation (BPC) data, 15.41 percent of petroleum oil supplied by the corporation in the 2024-25 fiscal year was used in the agriculture sector.

Fuel queues pushing up

FROM PAGE B1

rises by Tk 5,000 to Tk 30,000-Tk 32,000 before Eid.

"Truck rentals have gone up as fuel is often not available," he said.

He said diesel shortages at local filling stations have forced truck drivers to queue for hours. "You have to queue up at pumps for hours, and often there is no fuel left when your turn comes."

Mobarak Ali, a vegetable wholesaler in southwestern district Jhenaidah, said fares have climbed to Tk 22,000 from Tk 18,000 per trip to Dhaka after the war began on February 28.

After factoring in additional unofficial costs, he estimated the final transport cost per trip to the capital now reaches nearly Tk 27,000.

He fears transport costs may rise further if the fuel situation does not improve.

OIL SHOCK REACHES FACTORY FLOOR

A covered van carrying imported

raw materials from Chattogram to Dhaka used to cost Tk 16,000-Tk 17,000 per trip, according to businessmen. Before Eid, that rate surged to Tk 30,000-Tk 33,000, a nearly twofold surge.

Industry insiders said the pre-Eid rush, the biggest festival for Muslims in Bangladesh, also contributed to the spike. As factories prepared for a week-long closure, entrepreneurs raced to ship and receive cargo beforehand.

After Eid, demand for transport has eased somewhat.

For instance, Dhaka-based Far East Knitting and Dyeing Industry paid Tk 33,000 per vehicle for five covered vans transporting imported yarn from Chattogram port on March 18, said Kamruzzaman Sagar, owner of the clearing and forwarding (C&F) firm handling the shipment.

In the past week, shipments from Chattogram fell by around 50 percent, said Chowdhury Jafor Ahmed,

secretary general of the Bangladesh Covered Van-Truck Prime Goods Transport Owners Association.

"The market is currently off. Our main freight flow depends on Dhaka and Chattogram," he said.

Ahmed claimed that freight rates have not risen significantly, though temporary fluctuations occur due to logistical bottlenecks.

"Before Eid, exporters sent advance shipments, creating congestion at depots where goods remained for seven to ten days," he said. "These delays and limited truck availability pushed up fares by around Tk 10,000."

Harunur Rashid, executive member of the Inter District Goods Transport Truck Covered Van Owners Association, said fares rose because vehicle shortages were caused by diesel scarcity at filling stations.

Drivers often waited hours in queues and had to collect fuel from multiple pumps along highways, leading to further delays.

S&P warns of heightened energy risk

FROM PAGE B1

The country is already grappling with stubbornly high inflation, which rose to 9.2 percent in February from 8.6 percent in January, and an extended moderation in growth following the collapse of the Awami League-led government in mid-2024.

The war will also be an unwelcome headwind against Bangladesh's improving external position, notes S&P Global.

It explains that the accumulation of a more meaningful foreign exchange buffer and the current account's modest surplus so far this fiscal year will help alleviate immediate stresses that could arise from a period of acutely high energy prices.

In addition, lower remittances would have the dual effect of tilting external flows unfavourably and reducing domestic private consumption momentum.

In that event, further delays to Bangladesh's economic recovery could lead to a significant erosion of the country's long-term growth rate or a deterioration in its external position, such that net external debt surpasses 100 percent of current account receipts on a sustained basis, the agency warns.

S&P Global notes that Pakistan, Sri Lanka, and Bangladesh are showing signs of economic recovery. The three countries have made progress, but sustained high energy prices and potential disruptions to trade and remittances could derail their fragile economies.

However, it states that Bangladesh—with government revenues at only around 9 percent of GDP—has fewer options to cap electricity and fuel prices through fiscal means.

Laos is comparatively less exposed due to its hydropower-based

electricity generation and balanced fiscal position.

All four governments are likely to see significant deterioration in credit metrics—through inflation and currency channels—if the Middle East conflict is prolonged, according to the report. However, the impact on ratings may be limited, as the generally low rating levels have already captured a significant share of the risks.

Bangladesh's long-term rating stands at B+, with a stable short-term outlook. The B+ rating reflects the economy's modest per capita income and limited fiscal flexibility, owing to a combination of low revenue generation capacity and the government's high interest burden.

S&P Global concludes, "Our ratings on Bangladesh can likely withstand the shorter-term economic disruptions associated with our base case scenario."