

Traders wary about Teknaf port 'reopening' as Myanmar conflict persists

MOKAMMEL SHUVO

Traders have expressed mixed reactions following the government's announcement to resume operations at Teknaf Land Port after about a year of disruption, citing ongoing security risks and uncertainties linked to the situation in Myanmar.

State Minister for Shipping Razib Ahsan made the announcement on April 6 during his first visit to the port since his appointment, saying the decision followed consultations with relevant stakeholders.

"We have decided to resume operations from today, ensuring security through coordination among the port authority, customs, Coast Guard, BGB, and other law enforcement agencies," he said.

However, the reality on the ground is more complex, with port officials saying trade activities have yet to resume in practice.

Traders said while the government's move has reopened the possibility of trade, its normalisation will depend on border security, navigability of the river route, and developments in the neighbouring country.

CONFLICT DETERS TRADE

Abu Morshed Chowdhury Khoka, former president of Cox's Bazar Chamber of Commerce and Industry (CBCCI), welcomed the government's decision to resume operations at the port.

"This is positive for traders. Essential items like onions, ginger, and garlic can be imported at lower costs, and government revenue will increase," he said.

However, the state minister's words could not entirely curb traders' concerns over safety along the Naf River route and the broader trade environment, as

fighting in Myanmar – particularly in Rakhine State – continues to stall cross-border movement.

Ehteshamul Haque Bahadur, president of the Teknaf Port C&F Agent Association, said although a trade agreement exists between Bangladesh and Myanmar, normal import activities have yet to resume in practice.

"Trade activities have remained largely stagnant for a long time," he said.

However, recent initiatives and

all need to be reorganised. Even if operations resume, goods will not start arriving immediately – it will take some time to get the whole process running."

Bahadur also clarified that there is no question of traders holding any direct or indirect talks with the Arakan Army regarding the normalisation of trade.

"This is a state-level matter, and only the government can make decisions on such issues. We believe the Myanmar

A YEAR OF IDLING

Bangladesh-Myanmar border trade began in 1995, with the Teknaf Land Port was formally launched on November 5, 2003, on 27 acres of land.

Trade at this port remained suspended due to the hindrance of the Myanmar rebel group Arakan Army. Since December 2024, most of the Rakhine state and the whole 271 kilometres border area with Bangladesh have come under their control.

They have also established influence over the Naf River, stopping cargo vessels and extorting money, traders allege.

Import activities effectively came to a halt after April 13, 2025, when the last timber-laden trawler arrived. Prior to that, several cargo vessels were reportedly detained, and extortion demands were made by the rebels.

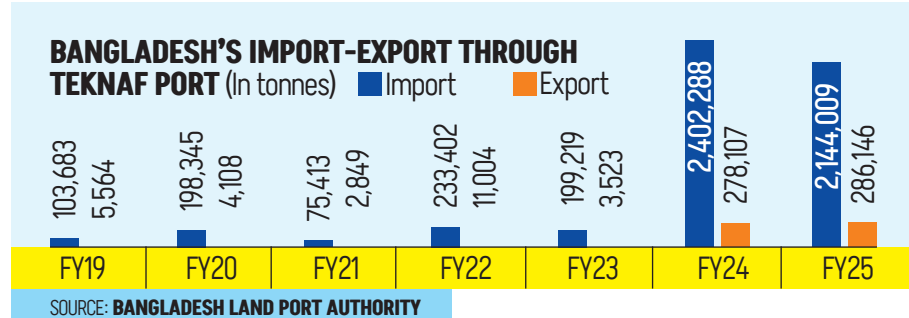
The port's General Manager Jasim Uddin last week said that trade activities have yet to resume in practice, and that the port was never technically closed.

"The port was technically open all along. We are ready, but operations will only begin once goods start arriving," he said. Former CBCCI director Sagor noted that just reopening the port will not solve the problem unless vessels can avoid Myanmar waters.

"If dredging is carried out on the Bangladesh side, an alternative route could be created to reduce these risks," he suggested.

Without this measure, he warned that the port could face disruption again in the near future.

He said a significant amount of money remains stuck with Myanmar traders. "About \$9 million remains held in drafts. Once goods start moving, this can be adjusted."



announcements from the government have given traders some encouragement, he noted.

Meanwhile, Home Minister Salahuddin Ahmed visited the port on Tuesday, further raising hopes for a trade revival.

Recalling State Minister Ahsan's words, Bahadur said, "We believe the state minister made such statements after discussions with relevant parties and seeing some positive prospects."

He said traders are not sitting idle and are preparing to restart import-export operations.

"Since trade has been halted for a long time, documentation, financial settlements, LCs, and dollar transactions

government and relevant stakeholders will resolve the situation."

He expressed hope that if conditions improve, import and export activities through the port will return to normal in the future.

One of the government's steps to improve the port's operations is to introduce scanners.

Abed Ahsan Sagar, former director of CBCCI, said the state minister proposed installing scanners inside the port to monitor goods movement.

"With scanners in place, goods can be verified during loading and unloading, while BGB can carry out checks at designated points," he said.

Fertiliser supply key to food security

SAZZADUL HASSAN

Rice is the cornerstone of Bangladesh's food security, feeding the nation and sustaining rural livelihoods. It provides two-thirds of the country's caloric intake and half of its protein consumption. Fertilisers have played a pivotal role in the steady rise of rice production and have powered the transformation of agriculture over the past decades. Their impact on rice yield is profound. Research shows that applying fertilisers in balanced amounts can raise yields by about 40 percent compared with unfertilised fields. Nitrogen, mainly supplied through urea, is especially important as it supports plant growth, tillering and grain development. Studies suggest that cutting nitrogen use can reduce yields by roughly 100 kilograms per hectare. While this may appear modest at the field level, scaled up nationwide, it represents a serious setback.

Annual fertiliser demand in Bangladesh is nearly 7 million tonnes. Urea accounts for 2.6 million tonnes, followed by 1.5 million tonnes of DAP, 1.15 million tonnes of MOP and nearly 0.8 million tonnes of TSP. The country depends on imports for around 80 percent of total demand, with a significant share coming from the Middle East. The disruption of the Strait of Hormuz, through which one-third of global fertiliser trade passes, has triggered a supply shock that threatens not only prices but agricultural output itself. Around 44 percent of sulphur, 31 percent of urea, 18 percent of ammonia and 15 percent of phosphates move through the Hormuz region.

At home, the strain is twofold. Imports have been disrupted, and domestic production has faltered. A severe gas shortage has led to the shutdown of all state-owned fertiliser factories across the country.

Disruptions in Qatar, which supplies two-thirds of Bangladesh's LNG, have deepened the crisis. Global urea prices have risen by about 25 percent, while DAP is up 10 percent. In Southeast Asia, urea now costs more than 40 percent higher than before. With existing stocks, the government says it can meet fertiliser demand for the ongoing Boro season, which is now in its final stage. Demand for urea during the Aman season is relatively low. However, adequate stocks must be ensured, as shortages or price spikes can delay application, reduce nutrient uptake and ultimately cut yields by up to 10 percent. When supply falls, prices rise. Experts warn that rice prices could increase by 15-20 percent, hitting the poorest households hardest. Amid continuing disruption in the Middle East, Bangladesh needs to secure fertiliser imports well ahead of the next Boro season.

The country can no longer afford to treat fertiliser as just another farm input. It must be managed as a strategic resource. This calls for action on three fronts: diversifying import sources to reduce supply risk, modernising domestic urea production to improve efficiency, and equipping farmers with tools and support for balanced and efficient use, including deep placement and integrated nutrient management.

The Bangladesh Agricultural Research Council (BARC) has long recommended balanced fertiliser use based on soil testing. Following these guidelines can raise crop yields by 8-14 percent and save up to Tk 20,000 crore each year. One practical guideline is that for every kilogramme of DAP applied, urea should be reduced by 400 grammes.

Fertiliser has underpinned Bangladesh's rice success, yet that achievement remains vulnerable. In a time of geopolitical uncertainty, securing fertiliser supply must be treated as a national priority.

The writer is chairman and managing director of BASF Bangladesh Limited



IMF holds Bangladesh's GDP growth projection steady

REJAUL KARIM BYRON

While the World Bank and Asian Development Bank had lowered Bangladesh's GDP growth forecast due to the Persian Gulf crisis and domestic vulnerabilities, the International Monetary Fund has kept its earlier projection unchanged.

The IMF's World Economic Outlook released on Tuesday projects Bangladesh's GDP growth at 4.7 percent for FY2025-26, which was the same as its earlier projection from January.

However, IMF's growth projection is set to dip further to 4.3 percent in the next fiscal.

The World Bank revised its projection down to 3.9 percent growth from 4.6, while the ADB revised its forecast down to 4 percent from its previous projection of 4.7 percent.

Former World Bank lead economist Zahid Hussain told The Daily Star that the IMF's forecast "appears rather strange," adding that "it is the same as projected in their Article IV report released in January 2026."

The absence of any impact of the war in the current fiscal year is inconsistent with their own assumption that economies with vulnerabilities and limited buffers are likely to be hit hardest. Bangladesh is one such economy.

He also said individuals and firms in Bangladesh have been living with the growth and inflation impacts ever since the war started. There is no reason in fact or logic to believe Bangladesh will remain insulated from the impact of the war for four months.

Hussain noted that the IMF's 4.3 percent growth projection for FY27 is more realistic if its reference scenario, in which the war shock fades by June, materialises.

The government, however, remains confident, insisting that GDP growth will reach 5 percent in 2026.

Oil prices flat

REUTERS, London

Oil prices were little changed on Wednesday as investors assessed prospects for renewed US-Iran talks and the potential for supply to be released from the Middle East, where exports remain constrained by the closure of the Strait of Hormuz.

Brent crude futures were up 43 cents, or 0.5 percent, to \$95.22 a barrel at 0821 GMT, after falling 4.6 percent in the previous session. US West Texas Intermediate crude was down 17 cents, or 0.2 percent, to \$91.11. The contract dropped 7.9 percent the session before.

The war has mostly shut the Strait of Hormuz, a key waterway for crude and refined product flows out of the Gulf to global buyers, particularly in Asia and Europe.

US President Donald Trump said talks with Tehran on ending the war could resume this week after ending over the weekend without any agreement.

But the US has also enacted a blockade of shipping leaving Iranian ports that its military said on Wednesday has completely halted trade going in and out of the country by sea.

Despite a two-week ceasefire, transit through the strait remains uncertain, with traffic at only a fraction of the 130-plus daily crossings that moved through the waterway before the war, sources said on Tuesday.

Oil demand to plunge as Mideast uncertainty lingers: IEA

AFP, Paris

Demand for crude oil will likely decline this year for the first time since the Covid pandemic slammed the global economy six years ago, weighed down by Mideast war disruptions, the IEA warned Tuesday.

Surging prices caused by the Strait of Hormuz's closure and damage to production facilities will force countries and industries to curtail oil use, and "demand destruction will spread as scarcity and higher prices persist", the International Energy Agency said in its monthly report.

It noted that its forecasts assume a "base case" of oil shipments resuming in May through Hormuz, which Tehran has effectively closed since the US and Israel began bombing Iran on February 28.

This would lead to a decline in demand of 1.5 million barrels per day (bpd) in the second quarter,

"the sharpest since Covid-19 slashed fuel consumption", the agency said.

Overall demand is forecast to have contracted by 800,000 bpd in March and is seen dropping by 2.3 million bpd in April.

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But a "protracted case" if the Strait of Hormuz remains closed would lead to persistently high prices that crimp demand by an even higher average of five million bpd through the rest of this year.

"In this case, energy markets and economies around the world need to brace for significant disruptions in the months to

come," the agency warned.

Global oil use is expected to fall over 2026 as a whole as a result of the Hormuz closure and the destruction of energy infrastructure across the Gulf from retaliatory Iranian attacks.

The IEA now sees a demand drop of 80,000 bpd this year, compared with its previous forecast of growth of 730,000 bpd.

It called it "the largest disruption in history" to the market and cautioned that with "the prospects for a lasting negotiated settlement to the conflict still unclear", the economic pain could be worse.

Already the supply cuts took more than 360 million barrels off the market in March, a figure expected to rise to 440 million barrels for April.

Oil supplies overall plunged to 97 million bpd in March, down by 10.1 million bpd as the Mideast fighting rocked the market.

US farmers strained as fertiliser costs surge amid war

AFP, China Grove

On Andy Corriher's farm in North Carolina, planting and preparations are underway for his corn and soybean crops – but fertilizer costs have surged on war in the Middle East, and orders he placed weeks ago have yet to arrive.

The 47-year-old is among US farmers facing a double whammy of soaring fertilizer and diesel prices after US-Israeli strikes on Iran triggered Tehran's blockade of the Strait of Hormuz, a critical waterway for such shipments.

"This time of year is when the majority of fertilizer is put out in this country," Corriher told AFP. "We got hit at the worst possible time, because we're trying to buy fertilizer when it skyrockets and when the supply also gets cut."

The cost hikes strike at a major support base for President Donald Trump, who won 78 percent of the 2024 vote in farming dependent counties, said news service Investigate Midwest.

Trump blamed "price gouging from the fertilizer monopoly" on Saturday, vowing: "American Farmers, we have your back!"

But spring planting is already ongoing, with Corriher loading bags of dry fertilizer onto a tractor, hauling them to his fields.

"I've ordered several loads of liquid

nitrogen a few weeks ago, and they're still saying they're not sure when it'll be delivered," Corriher said.

Since the war, Corriher estimates that the nitrogen fertilizer he uses rose by at least 40 percent in price.

The cost of urea – a common nitrogen-

based fertilizer – had jumped by around 50 percent at the port of New Orleans.

Corriher has reduced usage by a third, a decision he worries might hurt his yields.

'GUT SHOT'

Russell Hedrick, who farms up to 1,000 acres including corn and soybeans around

Hickory, North Carolina, said around 75 percent of his fertilizer purchases were made after prices rocketed.

Like himself, many US farmers lack storage to stock up far ahead of planting, the 40-year-old told AFP, after blending fertilizers and nutrients to be sprayed on his fields. He has cut fertilizer use to the "bare minimum," with an option to add more later.

Even before the war, rising costs meant "farmers have essentially become like Breaking Bad chemists with fertilizer, to get the most out of it," he said.

Agriculture Secretary Brooke Rollins said 80 percent of American farmers had bought fertilizer for the spring planting season before the conflict. But that's cold comfort to those who lacked funds and capacity to do so.

Those remarks were "a gut shot," said Marshallville-based farmer Derrick Austin.

Austin, 55, called his supplier upon learning of the strait's blockage, knowing that costs would jump.

"Thankfully, he let me buy three loads of nitrogen at the old price per ton so I could at least fertilize my wheat crop," he said. "It was devastating." Fertilizer supply has diminished before, like in 2021 when China restricted phosphate exports to prioritize domestic needs.



Co-owner of Soil Regen and a first generation farmer, Russell Hedrick, prepares a blend of minerals, biologicals, and fertilisers to be sprayed onto his fields in Hickory, North Carolina on April 10.

PHOTO: AFP