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## Solar-powered factories weather energy disruption

AHSAN HABIB

As many factories scramble for diesel to keep generators running during load-shedding, production lines at Ha-Meem Group hum on without interruption.

The difference is overhead. Over the past few years, Ha-Meem, one of the country's largest garment exporters, has turned its rooftops into power plants, installing 12 megawatts of solar capacity at a cost of Tk 54 crore.

The investment was steep, but it is currently paying off.

"... now we are getting a good advantage. For example, during load-shedding, it works as a backup," said AK Azad, managing director of Ha-Meem Group.

Ha-Meem's solar system does more than keep sewing machines running. When output exceeds demand, surplus electricity flows back to the national grid under a net metering arrangement, trimming the company's electricity bill.

Azad said that without solar power, the group would have faced serious difficulties. Frequent load-shedding and a worsening fuel shortage, caused by the US-Israel war on Iran, have pushed up costs across the production sector.

The situation has become so acute that the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) recently urged the government to prioritise diesel supplies for factories through nearby filling stations.

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### THE SOLAR SHIELD

#### Operational benefits

- 25%-30% production loss avoided

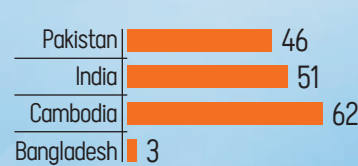
#### Immunity to energy disruption

- Reliable backup power during load-shedding

#### Net metering dividend

- Surplus electricity generated during off-peak hours flow back to national grid
- Factories pay lower utility bills

### Renewables' share in total energy mix (In %)



### BARRIERS TO TRANSITION

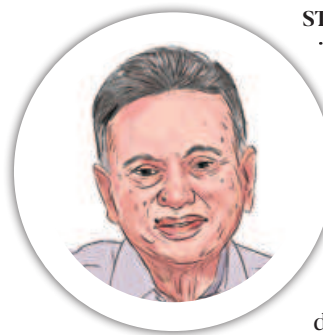
- 58% duty on industry-grade lithium batteries
- High initial investment costs



## \$2b out of pocket as energy costs surge

### Says finance minister

STAR BUSINESS REPORT



Bangladesh has shouldered nearly \$2 billion in extra costs as global disruption drives up energy imports, said Finance Minister Amir Khosru Mahmud Chowdhury.

"The major sources of procurement were not working anymore. Due to disruptions, we have had to rely heavily on spot market purchases, which are significantly more expensive," the minister said during a discussion at the Atlantic Council on the sidelines of the IMF-World Bank Spring Meetings in Washington.

Bangladesh imports about 95 percent of its energy. Following the US-Israel war on Iran and conflict across the Middle East, global supply chains took a severe hit. Oil and natural gas prices spiked as state-run agencies



increasingly turned to the volatile spot market. "And if this continues, I don't know what the eventual outcome will be," said Khosru, adding that prolonged disruption would deepen pressure on public finances.

To ease the pressure, he said the government is seeking new suppliers and more competitive deals abroad.

"We have also requested and received a waiver from the United States to import energy from Russia, which offers relatively lower prices. This will provide some relief," said the minister.

At the same time, Bangladesh is strengthening energy ties with the United States and other development partners to secure longer-term price and supply stability, he added.

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## AL kept people 'hostage' to IMF by taking loans: Titumir

STAR BUSINESS REPORT

The ousted Awami League-led government effectively held the people "hostage" by taking the bailout loan from the International Monetary Fund (IMF) with difficult conditions in 2022, said Rashed Al Mahmud Titumir, finance and planning adviser to the prime minister.

The AL took the loans after using public projects as tools of appeasement and plunder, he alleged yesterday while addressing a seminar on economic challenges and planning of the government for the next 180 days.

He, however, acknowledged that the agreements inked by previous governments, both with the IMF and the United States, must be honoured under international norms.

"What we can do is review the conditions of those agreements," he said at the event organised by the Economic Reporters' Forum at its own auditorium in the capital.

The IMF loan conditions mandate that Bangladesh significantly increase its tax-GDP ratio, which is one of the lowest globally at under 7 percent, through ambitious reforms under its loan programme.

Titumir, however, said there is no way to increase the GDP-to-revenue ratio overnight as the BNP-led government inherited a "troubled" economy.

Citing an example, he said if the government raised domestic fuel prices following outside prescriptions amid global price hikes caused by the US-Israeli war on Iran, inflation would have surged to an unbearable level. "We cannot do that because we are accountable to the people."

Referring to the BNP's election manifesto, he stated that the government aims to "realistically" increase the tax-GDP ratio to 10 percent by 2030 and 15 percent by 2035.

"The problems we face must be addressed through our own domestic solutions, and the government has already begun that process," he said.

Citing examples of such steps, he mentioned that the government waived loans of up to Tk 10,000 for farmers, initiated efforts to universalise social safety net

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## Heavy rain, upstream water damage crops in six districts

SUKANTA HALDER and DWOHA CHOWDHURY

Abdur Rahman, an elderly farmer from Bhukshimail union in Kulaura upazila of Moulvibazar, took loans to cultivate Boro paddy this season, hoping for a good harvest and some financial relief.

But back-to-back storms, heavy rain, and water flowing from upstream areas have destroyed that hope.

"I invested all my savings and even took loans to cultivate Boro

Tk 36.36 crore, affecting 9,390 farmers.

Maize was also damaged on one hectare of land, causing losses of about Tk 4 lakh and affecting 135 farmers.

Sultan Miah, a farmer from Dekhar Haor in Sunamganj Sadar upazila, said, "A government built dyke on the western side of the haor has increased water pressure and broken part of the dyke we built to protect our crops."

He added that hundreds of acres of Boro crops are now at risk

### BY THE NUMBERS

Total affected land: 1,724 hectares (6 districts) | Farmers impacted: 9,525 | Time period: March 31-April 5

### BORO RICE

- Over Tk 36 crore in estimated losses
- 1,723 hectares of rice damaged
- 9,390 farmers affected



on five acres of land. Now the entire crop field is under two to three feet of water. Not a single grain of paddy can be saved," he told The Daily Star on Friday.

"Now I don't know how I will repay my debts or support my family," he lamented.

Abdur Rahman is not the only one facing this predicament. Data from the Department of Agricultural Extension (DAE) shows that storms, rain, and the onrush of water from the upstream between March 31 and April 5 affected 1,724 hectares of farmland across six districts, harming 9,525 farmers.

The affected districts are Sunamganj, Habiganj, Moulvibazar, Nilphamari, Kishoreganj, and Netrokona.

Boro rice bore the brunt of the damage, covering 1,723 hectares. Total losses are estimated at over

of total failure. Tara Miah, a farmer from Tanguar Haor in Madhyanagar upazila of Sunamganj, said the situation this year was unexpected.

"In 2017 and 2022, flash floods destroyed our crops. That was understandable as those were natural disasters. But this year, just a few days of rain caused waterlogging and damaged most of my crops," he said.

### GOVT RESPONSE AND REHABILITATION PLANS

Md Mosharrar Hossain, additional director of the DAE in Sylhet, said authorities are assessing the situation.

"We are preparing a list of farmers who lost crops due to recent waterlogging. We will send the list to the ministry for further instructions," he said.

"Right now, our main focus is

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