

Chittagong Port

A catalyst for the growth of the
'Made in Bangladesh' brand

IFC Blue Finance guidance for
Blue Economy:
Bangladesh perspective

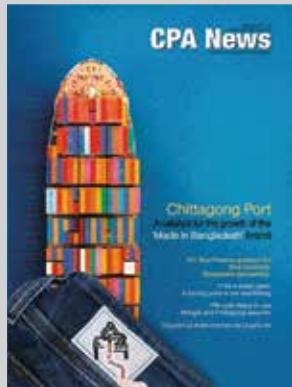
IT for a better yield:
A turning point in our sea-fishing

PM calls Nepal to use
Mongla and Chittagong seaports

Ctg port up three notches on Lloyd's list

CPA News

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Editorial

Chittagong Port – the principal export gateway for RMG

The figures on imports and exports reveal that ready-made clothing accounted for 81% of total exports in the previous financial year. Chittagong Port is the primary shipping port for all garments exported from Bangladesh. Chittagong Port Authority has improved the quality of their services in response to rising exports. To reach the government's export goal, the port is placing a priority on supporting the industry's entrepreneurs. The Chittagong Port has been the key export gateway behind the expansion of the 'Made in Bangladesh' brand, as highlighted in the issue's lead article.

In order to gather and manage funds for the blue economy and sustainable development, Bangladesh's blue economy needs blue financing. Small-scale fishing, aquaculture, and coastal tourism have the potential to flourish if financial support, insurance, and other services are made available. The blue financing will also help to develop Bangladesh's coastal and marine resources by providing incentives for businesses to engage in sustainable practices. An article outlining the requirement for blue finance for Bangladesh's sustainable blue economy industries can be found in the 'Perspective' chapter of this issue.

If we have accurate information about the fish and the precise region where they are available, we can choose the appropriate number of fish to harvest from that region without endangering the ecology. In a similar manner, if we have better knowledge of the global fish markets with their demand for the choice of fishes, we can make a deal more quickly and profitably. By familiarising and educating the fishing community about information technology and contemporary communications, we can create an efficient local, regional, and international network that will support the development of our marine fisheries business in a sustainable manner. The article in the 'Horizon' chapter has discussed the potential of information technology in the field of sustainable marine fisheries.

Additionally, the 'News Bytes' section will keep you informed of all significant maritime events and advancements from the third quarter of this year.

We sincerely appreciate your insightful remarks and new ideas for improving this maritime magazine. Our sincere appreciation for your unwavering support over the years.

Thank you

Zafar Alam

Editor



Lead Story

Chittagong Port: A catalyst for the growth of the 'Made in Bangladesh' brand

04

The largest export-oriented industrial sector of Bangladesh is ready-made garment (RMG) sector. It was initiated as an export-oriented industry in the 1960s and became the primary export industry in Bangladesh by the end of 70s. The Chittagong Port has been instrumental in advancing this RMG industry initiative from the very beginning. Bangladesh is currently represented in the global economy by the textile sector. The lead piece goes into greater detail on this.

02 **Editorial**

News Bytes

15

Maritime business, logistics, connectivity and infrastructure

- PM calls Nepal to use Mongla and Chittagong seaports
- CPA pays tribute to Bangabandhu at Tungipara
- National Mourning Day observed at Ctg port
- Cabinet committee approves appointment of berth operators
- IFC appointed as transaction advisor for PCT management
- ICDs hike container handling charges by 25pc
- Bay Terminal coming with modern facilities, enhanced communication: CPA Chairman
- PM's birthday celebration at Ctg port
- Transit cargo reaches Assam via Mongla Port
- Bangladesh exports its largest-ever container ship to UK
- Apparel exports to Europe, US may surge to \$54b in 8 years
- 90% of river encroachment recovered by BIWTA: State Minister for Shipping

15

Chittagong Port has moved up three position in Lloyd's list

The Chittagong Port, which is the premier sea port of Bangladesh and handles bulk of imports and exports including the all-important apparel shipments, moved up three positions, to become the world's 64th busiest port in terms of annual throughput of containers in 2021.

In 2020, total container handling 28,39,977 TEUs

EV INFOGRAPHICS



10

Perspective

IFC Blue Finance guidance for Blue Economy: Bangladesh perspective



The nation must concentrate on the growth of blue finance in order to advance this blue economy. A type of financing known as 'blue finance' can be used to support initiatives that promote the conservation of the maritime environment and the sustainable exploitation of marine resources. The article explores it in depth.

19

Horizon

IT for a better yield A turning point in our sea-fishing



Regrading Chattogram port's position in this year's ranking, Lloyd's List stated, "Bangladeshi box hub bounces back to post stellar throughput numbers, despite the port's much-maligned capacity constraints."

Success in any sector today greatly relies on the nifty use of information technology. The free flow of information across the globe has made the work of resource management and supply systems much more efficient and sustainable than ever. This article discusses IT's possibilities in Bangladesh's marine fisheries industry.



Chittagong Port: A catalyst for the growth of the 'Made in Bangladesh' brand

Omar Faroque Emon

Introduction

The largest export-oriented industrial sector of Bangladesh is ready-made garment (RMG) sector. It was initiated as an export-oriented industry in the 1960s and became the primary export industry in Bangladesh by the end of 70s.

From the very beginning, the Chittagong port had played a crucial role in forwarding this venture of the RMG industry. At present, the textile industry represents Bangladesh in the global economy.

In 1969, on July 20, three astronauts -- Neil Armstrong, Michael Collins, and Edwin B. Aldrin -- riding spacecraft Apollo 11 created history as mankind stepped on the moon for the first time. Their names were etched in record books, from textbooks to research papers. After their mission to the moon, these three astronauts came to visit Bangladesh (the then East Pakistan) in October. A grand citizen reception was arranged at The Intercontinental Hotel in Dhaka (Dacca), where hundreds of people gathered to welcome them. Among the

crowd was a businessman called Reazuddin, who brought three ready-made shirts, sewn at his tailoring shop, as gifts for the visiting astronauts.

The gifts were well received and Armstrong and company also wrote a letter of appreciation to an already elated Reazuddin.

While everyone was rejoicing at seeing the famous astronauts up close, Reazuddin's mind was busy weaving another dream. It involved expanding his business in the foreign market. The praise from the

astronauts did wonders to his confidence and, so, he figured other foreigners would likely rate his products.

Reazuddin then made several visits to Karachi, in an attempt to make scopes for exporting 'Reaz Shirts' abroad. But the liberation war of Bangladesh in 1971 halted his plans. Along with other shops and stores in Chawkbazar, Reazuddin's tailoring shop and factory were also burned to ashes by the Pakistani military.

However, after Bangladesh's independence, Reazuddin resumed his business in 1973. He named it 'Reaz Garments limited' and got recognised as the first ready-made garments factory in Bangladesh. Reazuddin managed the banking and marketing department as the company's managing director, while his nephew Maizuddin oversaw the production department.

Reazuddin adopted an innovative way to market his products. From sponsoring a bicycle race under the slogan 'Made in Bangladesh' to presenting 'Reaz Shirts' to players from Mohun Bagan – a renowned football club from Kolkata – when they visited Bangladesh.

A letter of appreciation, along with a photograph of Mohun Bagan's popular player Chuni Goswami, got published in the newspapers. Moreover, popular actor Abdur Razzak, fondly known as 'Nayok Raj Razzak', became the ambassador of 'Reaz Shirts'.

The next year, Reazuddin received additional encouragement by the then secretary of the Ministry of Textile, Idris, who helped Reazuddin to ship samples of 'Reaz Shirts' to France, and its high quality had the French interested in buying the shirts.

Soon after, he expanded his factory over one-and-a half katha land (1080 square feet) in Urdu Road, doubling his machinery and employing more people. On 28 July of 1978, Reazuddin exported a consignment of 10 thousand shirts to the French buyer Hollander France -- becoming the first RMG export from Bangladesh. The price of that consignment was 427 thousand takas in Bangladeshi currency.

In the same year, upon seeing a huge opportunity for export, industrialist Nurul Quader Khan and South Korean company Daewoo jointly formed Desh Garments and established the first hundred per cent export-oriented apparel factory of Bangladesh at Kalurghat in Chattogram. Within the next two consecutive years, Reaz Garments got three more export orders and,

Comparative Statement on Export of RMG & Total Export of Bangladesh

Value in Million USD

Year	Export of RMG	Total Export of Bangladesh	% Of RMG's to Total Export
1983-84	31.57	811.00	3.89
1984-85	116.2	934.43	12.44
1985-86	131.48	819.21	16.05
1986-87	298.67	1076.61	27.74
1987-88	433.92	1231.2	35.24
1988-89	471.09	1291.56	36.47
1989-90	624.16	1923.70	32.45
1990-91	866.82	1717.55	50.47
1991-92	1182.57	1993.90	59.31
1992-93	1445.02	2382.89	60.64
1993-94	1555.79	2533.90	61.40
1994-95	2228.35	3472.56	64.17
1995-96	2547.13	3882.42	65.61
1996-97	3001.25	4418.28	67.93
1997-98	3781.94	5161.20	73.28
1998-99	4019.98	5312.86	75.67
1999-00	4349.41	5752.20	75.61
2000-01	4859.83	6467.30	75.14
2001-02	4583.75	5986.09	76.57
2002-03	4912.09	6548.44	75.01
2003-04	5686.09	7602.99	74.79
2004-05	6417.67	8654.52	74.15
2005-06	7900.80	10526.16	75.06
2006-07	9211.23	12177.86	75.64
2007-08	10699.80	14110.80	75.83
2008-09	12347.77	15565.19	79.33
2009-10	12496.72	16204.65	77.12
2010-11	17914.46	22924.38	78.15
2011-12	19089.73	24301.90	78.55
2012-13	21515.73	27027.36	79.61
2013-14	24491.88	30186.62	81.13
2014-15	25491.40	31208.94	81.68
2015-16	28094.16	34257.18	82.01
2016-17	28149.84	34655.90	81.23
2017-18	30614.76	36668.17	83.49
2018-19	34133.27	40535.04	84.21
2019-20	27949.19	33674.09	83.00
2020-21	31456.73	38758.31	81.16
2021-22	42613.15	52082.66	81.82

Source: BGMEA

gradually, Bangladesh began to secure its place in the global market.

Why Bangladesh

Initially, the 100 per cent export-oriented RMG industry was completely dependent on imported raw materials, and this dependency led to a vulnerable situation. However, with time, Bangladeshi entrepreneurs became experienced and their level of efficiency also improved to an astonishing degree.

The local entrepreneurs invested and established backward linkage industries and, within the country, these industries began to produce export quality yarn and fabrics. The textile industry also expanded

their scopes to production and processing of colouring fabrics and then cutting and sewing the fabric to export-quality ready-made garments.

BGMEA, an organisation for export traders, have highlighted ten reasons for the stronghold of Bangladesh in the RMG sector: experience, competitive market price, international standard, dedicated and quick to learn workforce, tax-free entry to developed countries, preferential trade agreements, prompt development of 'Green-Factory' concept, versatility, and advantages of backward-linkage supplies.

At present, large and full-scale RMG factories are built with vertically integrated set ups. Vertical integration in the RMG



According to BGMEA, the number of women working in the garment sector of the country is about 2.5 million. This employment is acting as an influencer in poverty alleviation and women empowerment

sector refers to an industry where instead of relying on external contractors or suppliers, all the production and supply of raw materials are owned and operated under the same industry. Factories under the textile and RMG industry produce yarn from cotton, yarns are then turned into fabric, the fabrics are coloured and go through various phases of treatment and processing.

These factories not only produce export-quality apparels but also aid in meeting the local demand for clothing. These factories -- as per the designs, demands that vary in sizes according to each country's standards -- cut and sew fabrics to produce ready-made garments, package and deliver them to different countries of the world. Due to our strong backward-linkage production factories, we have a strong comparative advantage in the global market. Bangladesh now exports to more than 150 countries in the world.

11 per cent contribution to GDP

The RMG and apparel industry make about 11 per cent contribution to the total GDP count of Bangladesh. About 4 million people are employed in this sector. The capital investment of entrepreneurs is about 20 billion dollars in more than 3,500 factories. With this investment in the fiscal year of 2021-2022, RMG and the apparel industry exported a little over 42 billion dollars. The continuous growth of this sector has made

Bangladesh to rank second among 167 RMG and textile exporter countries.

Participation in export income

Up until 1980, jute and jute-related products held the first place in export earning with 50 per cent contribution in total export earning of the country. At the end of the 80s, ready-made garments started to replace the position that the jute industry held. The 1983-84 fiscal year saw the total export earnings to be 811 million dollars, during which the RMG industry contributed 31.57 million dollars in the total export earnings, contributing only 3.89 percent of the total export income.

With increase in RMG export this value also began to increase. Within ten years, by fiscal year 1990-91, the RMG export sector had contributed to 50.47 per cent of the total export income. In the same year, out of a total of one thousand and 717.55 million dollars of export income, RMG industry had a contribution of 866.82 million dollars.

Having enjoyed a constant growth in export income, the RMG industry contributed to 81.16 per cent of total exports from Bangladesh in the latest fiscal year. Out of 38 thousand and 758.31 million dollars of total export income, RMG sector had 31 thousand and 456.73 million dollars' worth of export income. The highest export income earning sector was RMG and textile industry

in the fiscal year of 2018-2019. Out of the total export income earning sectors, RMG and textile industry had about 86.21 per cent.

Where the products are exported

The RMG sector has been playing the key role of an 'influencer' in the dynamics of Bangladesh's continuous development as the country stands on a strong economic foundation based on RMG exports. Along with exports, this sector has also established the 'Made in Bangladesh' brand. Now 'Made in Bangladesh' is a top clothing brand in more than 150 countries of the world. The majority of the country's garment exports go to European Union (EU) countries. About 62 per cent of the total exports are made to the 27 countries of the EU, followed by exports to USA and Canada which comprises 19 and 3 per cent, respectively, of Bangladesh's total RMG exports.

In the last fiscal year (2020-21), products worth 19 thousand and 430.53 million dollars were exported to EU countries. In the previous two fiscal years (2019-20 and 2018-19), exports were 17,146.18 million and 21,133.08 million dollars, respectively. And out of total export earnings, the RMG exports of the mentioned years are 61.77, 61.35 and 61.91 per cent, respectively.

Within the same period (2020-21 to 2018-19), RMG exports worth 5 thousand and

946.40 million, 5 thousand and 146.53 million, and 6 thousand and 133.72 million dollars were earned from the United States, which corresponds to 18.90 per cent, 18.41 per cent, and 17.97 per cent, respectively, of the total export.

RMG export destinations other than the EU, the United States, and Canada are known as 'non-traditional markets', which includes Australia, Brazil, Chile, China, India, Japan, South Korea, Mexico, Russia, South Africa, Turkey and several other countries. In the last fiscal year, the total export to these countries was 5 thousand and 84.21 million dollars and is about 16.16 per cent of total exports. In the previous two fiscal years, their respective export values were 4 thousand and 780.20 million dollars and 5 thousand and 687.17 million dollars, which respectively corresponds to 17.10 per cent and 16.66 per cent of total export value.

RMG sector has maintained their growth continuum in the current fiscal year as well. Bangladesh's apparel export to the European Union (EU) rose by 44.6% to \$11.31 billion during the first six months or first half (H1) of 2022. During the same period last year, it was worth \$7.82 billion only to the EU countries.

Apparel exports to the USA stood at US \$ 2.01 billion in the first three months of FY 2022-23 with 5.13 percent Y-o-Y growth, indicating a clear deceleration in growth but at the same time exports to the UK and Canada reached US \$ 1.19 billion and US \$ 334.65 million, with 15.11 percent and 17.40 percent growth respectively. The Green Revolution

In the field of eco-friendly clothing industry, outstanding progress has also been witnessed. Bangladesh has the highest number of green factories in the world. At present, the number of LEED-certified green garment factories in the country is around 160 and, out of which, 48 factories have platinum and 98 factories have gold standards. Out of the world's top 100 green factories, 40 are located in Bangladesh. About 500 more factories have applied for LEED certificates.

Women empowerment

According to BGMEA, 60 per cent of the workers in Bangladesh RMG and apparel sector are female. Most of them are between 18-30 years old. Consequently, working women are not only contributing to the development of the garment sector but their employment is also acting as a catalyst for alleviating women's poverty.

Considering the social context of Bangladesh, female participation in the workforce is also



A forklift operator unloading imported goods at private ICD Golden Containers Limited. 37 types of imported goods were unloaded from ships at Chittagong Port and taken to the private ICD

preventing child marriage and underage pregnancy. Furthermore, it provides her with the decision-making power, leads to higher living standards and creates health awareness.

To achieve the target export income, attention must be given towards the RMG and apparel export sector

Through the process of establishing backward and forward linkage factories with incentives, policy support, and a circular economy to attract domestic and foreign investment in the export sector, the Ministry of Commerce has set a target of 80 billion dollars in export earnings by the year 2024, which is 57 per cent greater than the target of the current

fiscal year. The target export revenue of 80 billion dollars was approved as a policy in the Cabinet Committee on Economic Affairs meeting for 'Export Policy Order for 2021-24' at the beginning of the current fiscal year.

To achieve the export revenue target, utmost importance must be given on the export of products from the RMG and apparel sector. Exporters and economists believe this is an achievable target.

According to them, while maintaining the growth continuum of the RMG and apparel sector, the market for garments products also has to be expanded. They stated that by diversification of export, reduction of interest rate on working capital and development of

Bangladesh has the highest number of LEED certified green garment factories in the world



160
LEED certified



48
Platinum



98
Gold

40
40 out of 100 first class green factories are located in Bangladesh.

500
500 factories have applied for the LEED certificate.



Workers are staffing export product containers in a private ICD. From here containers will be brought for shipping to Chittagong Port

skilled human resource the market for apparel export can be expanded.

Since our export sector is dependent on imported raw materials, hence to meet the target of 80 billion dollars of export revenue, import expenses too may reach up to 100 billion dollars. To minimise import expense, backward linkage factories must be established and more emphasis should be given on production of high-value products.

Chittagong Port is a primary partner in progress

Chittagong Port, for hundreds of years as the main seaport of the region, has utilised all its resources to assist in smooth economic development. Since pre-independence of Bangladesh to post-independence and even

in the 21st century, this port functions as the lifeline of the country's international trade and economy. Starting from jute products to garments products, almost all export cargoes are transported through Chittagong Port.

As per statistics, Chittagong Port transports more than 90 per cent of the country's foreign trade goods and about 98 per cent of containerised goods. According to the import-export statistics, 81 per cent of the total exports in the last fiscal year were ready-made garments. Almost all the garment export products are containerised and shipped through Chittagong port to reach buyers in different parts of the world.

In the beginning of RMG export, due to the absence of backward linkage factories, almost all of the required raw materials for

RMG production had to be imported. Over time, backward linkage factories under RMG and the apparel industry have developed.

However, this did not lessen the import dependency much yet. Some raw materials including fabrics, dyes and chemicals still have to be imported from different countries of the world including China. In other words, to make RMG products for export, an equal measure of raw materials has to be imported. As the amount of import is very high as opposed to export in the country, the share of the garment sector in import is not discussed.

Let us now look at the statistics of exports of goods through Chittagong port. In the last fiscal year, Chattogram port handled 32,55,358 TEUS of containers. In the previous year, 3 million and 97 thousand TEU (Twenty-foot Equivalent Unit) containers were transported through Chittagong port. Out of which, 1 million and 438 thousand TEU were export containers. Apart from a few empty containers, the remaining containers were loaded with apparel sector products and delivered to buyers across the globe.

In the previous years as well, most of the export containers that left Chittagong Port were loaded with apparel sector products. In fiscal year 2019-20, out of 3 million and 4 thousand single containers, 1 million and 457 thousand were apparel goods. In the 2018-19 fiscal year, out of 2 million and 919 thousand single containers, 1 million and 453 thousand were apparel goods. In the 2017-18 fiscal year, out of 2 million and 809 thousand containers, 1 million and 394 thousand single containers were loaded with apparel goods in Chittagong port.

At the same time, if we look at Mongla port, it will be seen that in 2020-2021 this port transported 43 thousand and 959 TEU



containers, out of which 22 thousand and 520 TEU were export containers. In the previous fiscal year 2019-20, there were 29 thousand and 363 TEUs out of 59 thousand and 476 TEU containers, and 29 thousand and 68 TEUs out of 57 thousand and 732 TEU containers in fiscal year 2018-19, and 21 thousand and 229 TEUs out of 42 thousand and 989 TEU containers in the fiscal year 2017-18.

Priority service for apparel sector entrepreneurs

According to statistical records, the Chittagong port is leading the transportation of export goods in the country. As a result of increasing exports, Chittagong Port Authority has also increased the quality of their services. They are giving highest emphasis in providing services to the entrepreneurs of this sector, to achieve the government's export target. Now, let us take a look at the preferential services that the entrepreneurs of the garment sector are getting in addition to all other services at the port.

Cut-off time

All exporters are required to take shipment orders at the respective ship jetty for loading the goods on the ship. Chittagong port's functions are dependent on the state of the tides. Therefore, the shipment order has to be taken by 7:30 am in case of ships arriving at the jetty in morning tide and 8:00 pm in case of ships arriving at night tide.

Exceptions in this case are garment exporters. Exporters in the apparel sector have the opportunity to take shipment orders even 24 hours after the ship arrives at the jetty. Simply put, they get an extra 24 hours to take shipment orders than non-garment exporters.

Get-in time

After receiving the shipment order there is an obligation to bring the concerned export goods to the port before the specified time of departure of the ship from the jetty. In this case, the general exporters have to bring the goods to the port 6 hours before the ship leaves. However, this obligation is somewhat relaxed in the case of garment exporters. Containers loaded with export garments can be brought to the port up to 3 hours prior to ship departure.

Garment sector entrepreneurs have always requested the port authorities to provide these two facilities of cut-off time and get-in time. As a top priority, the port authority has kept these facilities particularly for the garment export sector.

Dedicated export yard

Chittagong port has two terminals (NCT and CCT) and a dedicated yard for general cargo berths for easy transportation and shipping of export cargo containers. This enables easy transportation of export products to the port from the private depots after loading the products in the containers. These get stored in yards and shipped from there, as per ship's schedule. Chittagong port has storage facility for more than 4 thousand containers with two terminals and general cargo berths.

Priority berthing

In February 2022, direct shipping began from Chittagong port to Italy. This route has been introduced mainly to save time and cost of exporting ready-made garments. Although this service started with the start of direct shipping with Italy, several other countries in Europe have also expressed interest in starting direct shipping. Chittagong Port

officials have been giving priority berthing (permitting ships to berth at the jetty) right from the start of shipping. The Chairman has stated this matter strongly in the forum of interested shipping lines and other related institutions.

Apart from these benefits, garment sector entrepreneurs have been getting concessions on port handling charges and product storage charges for a long time.

At the beginning of this year, the government set a target of 80 billion dollars income in exports by 2024, with the garment sector set to meet most of it. Certainly, these products will be transported through Chittagong Port, increasing the pressure on transportation of goods.

Patenga Container Terminal is soon going to be added to the port to increase the capacity in addition to providing the maximum service in the existing capacity. As a result, this will increase the transportation capacity of Chittagong Port by about four hundred and fifty thousand TEU containers per year.

Apart from this, information technology-based services including electronic delivery order, port community systems are taking the service concept of Chittagong port up a few notches. Thus, the entrepreneurs in the apparel sector will undeniably benefit from the development projects and practical applications of technological excellence provided by the Chittagong port.

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IFC Blue Finance guidance for Blue Economy: Bangladesh perspective

CPA News desk

Introduction

The sustainable use of our oceans, seas and marine resources is the foundation of the blue economy. It works to support an environment that is productive and healthy for all living things. As the government invests in marine research, infrastructure, and the growth of marine companies, Bangladesh's blue economy is starting to take shape. The nation must concentrate on the growth of blue finance in order to advance this blue economy. A type of financing known as "blue finance" can be used to support initiatives that promote the conservation of the maritime environment and the sustainable exploitation of marine resources.

What Is Blue Finance?

A growing area of finance known as "blue finance" employs financial mechanisms

and strategies to support initiatives that encourage the sustainable use of the oceans and seas. This includes initiatives like marine life protection, the creation of renewable energy, and sustainable fishing. Projects meant to lessen environmental pollution and the effects of climate change are also included. Blue Finance is frequently used to finance initiatives in underdeveloped nations and can be used to fund both governmental and private projects.

By 2030, the ocean economy is predicted to double to \$3 trillion, employing 40 million more people than in 2010. Innovative financial solutions are essential for boosting ocean and coastal protection and expanding clean water supplies, and Blue Finance has the potential to significantly contribute to the achievement of these objectives.

Blue Finance is distinct from traditional finance in that it prioritises the ocean and

marine life's long-term sustainability. Blue Finance focuses on long-term sustainability and the protection of marine resources, whereas conventional finance is typically focused on short-term profits. Blue Finance is distinct from traditional finance in that it prioritises the ocean and marine life's long-term viability. Blue Finance focuses on long-term sustainability and the protection of marine resources, whereas conventional finance is typically focused on short-term profits.

Blue Bonds and Blue Loans are new financing mechanisms that allocate funds solely for ocean-friendly initiatives and the safeguarding of essential clean water resources. In general, the market has experienced the exponential rise of sustainable finance and the emergence of a variety of instruments based on green or social use-of-proceeds or sustainability objectives. In this context, several

transparency and integrity principles have been introduced, including the Green Bond Principles (GBP), administered by the International Capital Markets Association (ICMA), and the Green Loan Principles (GLP) published by the Loan Market Association (LMA). These principles provide examples of green-eligible use of revenues and have led to the development of a credible green bond and loan process.

The Sustainable Blue Economy Finance Principles were introduced in March 2018. The principles were created by the European Commission, WWF, the World Resources Institute (WRI), and the European Investment Bank (EIB) as part of the Sustainable Blue Economy Finance Initiative and are hosted by UNEP FI (United Nations Environment Programme Finance Initiative). These Principles consider the conservation and exploitation of oceans, seas, and marine resources in accordance with Environmental and Risk Management practices, such as the IFC Performance Standards (IFC's Environmental and Social Performance Standards define IFC clients' responsibilities for managing their environmental and social risks).

To provide guidance on the IFC's implementation of Blue Finance in the context of green bonds and green loans, IFC has built on the Green Bond Principles and the Green Loan Principles, as well as related resources such as the ICMA (International Capital Market Association) Handbook for Impact Reporting.

GREEN BOND

A green bond is a type of fixed-income instrument that is specifically earmarked to raise money for climate and environmental projects. These bonds are typically asset-linked and backed by the issuing entity's balance sheet, so they usually carry the same credit rating as their issuers' other debt obligations.



GREEN LOAN

A green loan is similar to a green bond in that it raises capital for green eligible projects. However, a green loan is based on a loan that is typically smaller than a bond and done in a private operation.

IFC Blue Finance Guidance Framework

The market has been seeking guidance on project eligibility criteria, translating generic Blue Economy Financing Principles, such as the Sustainable Blue Economy Principles and the Sustainable Ocean Principles, towards guidelines for blue bond issuances and blue loans. Here relevant blue project categories are identified to steer IFC's investments to boost the blue economy, in line with the Green Bond Principles and Green Loan Principles.

The Blue Finance Guidance Framework refers to Sustainable Development Goals 6 and 14, as well as other actions relating to SDGs 2, 12, 13, and 15, which address pollution in rivers and coastal areas. This

covers actions recognised by using the following assessment criteria:

1. Is the project type consistent with the eligible project categories of the Green Bond Principles and Green Loan Principles, and does it provide a significant contribution to Sustainable Development Goals 6 or 14 beyond compliance with current laws and regulations?
2. Does the project type present risk that could impede progress on other environmental priorities, such as SDGs 2, 7, 12, 13, and 15?
3. Are Environmental, Social, and Governance (ESG) safeguards and standards, such as the IFC Performance Standards, used in project implementation if there are significant environmental and social risks?

Identification of Blue Eligible Activities

Consistent with Green Bond Principles & Green Loan Principles & contribute to Sustainable Development Goals 6 & 14?

In order to qualify as blue project, a project must be consistent with the project categories of Green Bond Principles and Green Loan Principles and contribute to either Sustainable Development Goal 6 or 14 with outputs and outcomes directly related to one or more of the target indicators of Sustainable Development Goals.

Limited risk to effect progress on other Sustainable Development Goals areas?

The project can only be labelled blue if it does not introduce material risk to other themes and priority environmental areas of the Sustainable Development Goals themes, including:

- 2: No hunger
- 7: Affordable and clean energy
- 12: Climate action
- 13: Responsible consumption and production.

Use minimum ESG safeguards?

The project must clearly state which internationally accepted sustainability standards it is following. IFC Performance Standards and the World Bank Environmental, Health, and Safety guidelines, or similar, are expected to be followed. In addition, industry specific sustainability standards, as well as certain specific product standards, may also be applied for a blue investment above national requirements.

Mapping Blue Activities under the Green Bond Principles and Green Loan Principles

Green Bond Principles and Green Loan Principles Board Categories and Eligibility					
Blue Finance Area	Pollution Prevention and Control	Natural Resource Conservation	Biodiversity ¹	Climate Change	
				Mitigation	Adaptation
A. Water Supply	★★★	★★	★★	★★★	★★
B. Water sanitation	★★★	★★	★★	★★★	★★
C. Ocean-friendly and water-friendly products	★★★			★	
D. Ocean-friendly chemicals and plastic related sectors	★★★			★	★
E. Sustainable shipping and port logistics sectors	★★★	★	★★	★★★	★
F. Fisheries, aquaculture, and seafood value chain	★★★	★★		★	★
G. Marine ecosystem restoration	★★	★★★	★★★	★	★
H. Sustainable tourism service		★★	★★		
I. Offshore renewable energy production		★	★★	★★★	
	★★★	Primary or direct effects	Light Blue	Minor impact	
	★★	Secondary or indirect effects	Medium Blue	Some impact	
	★	Tertiary or derived effects	Dark Blue	Strong impact	

The Blue Finance Guidance framework further maps aspects of the blue economy and how they relate to each of the Green Bond Principles' and Green Loan Principles' categories, beginning with the broad categories of eligibility under the Green Bond Principles and Green Loan Principles.

This IFC only approves projects as 'blue financing' if they make significant contributions to SDG 6 or 14 criteria and have measurable outcomes beyond a defined baseline. This allows the loan to be used for either new funding or the refinancing of previously approved projects and programmes:

A. Water supply: investments in the research, design, development, and implementation of efficient and clean water supply.

1. New drinking water treatment, storage, and delivery infrastructure that saves at least 20% water per unit of service relative to a baseline.
2. Water infrastructure rehabilitation that saves at least 20% per unit of service relative to a baseline.

3. Sustainable desalination plants that safeguard groundwater and wetlands and minimise hypersaline pollution (e.g., ISO standard 23446).

4. Water-efficient equipment and management lower water footprint. This includes financing or refinancing technology (e.g. drip irrigation, water recycling solutions, etc.) where manufacturers show substantial water efficiency gains or a documented reduction in land-based aquaculture, agriculture and irrigation as well as residential, commercial, and industrial applications.

B. Water sanitation: investments in the research, design, development, and implementation of water treatment solutions.

1. Water treatment infrastructure expansion with new installations.
2. Renovation of water treatment infrastructure.
3. Industrial, agribusiness, commercial, residential, or city wastewater treatment plants. Biogas and heat exchange systems boost the efficiency and efficacy of wastewater treatment plants.

C. Ocean-friendly and water-friendly products: investments in the value chain, including production, packaging, and distribution of environmentally-friendly products that avoid water or ocean pollution.

1. Research, design, manufacturing, trade, or retail of household products with a sustainable supply of raw materials that can displace existing harmful products or reduce nitrogen and phosphorus loads of the aquatic environment, including but not limited to:

- Biodegradable and phosphate-free detergents and shampoos, such as new enzyme-based products.

- Non-plastic microbead-free toothpaste.

2. Research, design, production, trade, and retail of low carbon and biodegradable materials (e.g., Lyocell) utilised in medical, fashion, and other industries.

3. Design, manufacture, market, or retail biodegradable plant-based plastics and packaging in compostable facilities.

D. Ocean-friendly chemicals and plastic-related sectors: investments in the research, design, development, and implementation of measures to manage, reduce, recycle, and treat plastic, pollution, or chemical wastes in coastal and river basin areas.

1. Infrastructure that prevents agrochemical, industrial, and mercury runoff into rivers or coastal water basins.

2. Substantial reduction per unit or replacement of phosphate- or nitrogen-based synthetic fertilisers with biodegradable alternatives in river or coastal water basins.

3. Use recycled or reused plastics for manufacturing in river or coastal water basins with a circular economy approach.

4. Plastic collection and recycling facilities, sustainable and biodegradable packaging, and reuse or repurposing in river or coastal water basins.

5. Drainage systems that prevent plastics, chemicals, or contaminants from entering rivers or coastal water basins.

6. Flood mitigation systems that prevent plastics, chemicals, solid wastes, or pollutants runoff in river or coastal water basins.

E. Sustainable shipping and port logistics sectors: investments in the research, design, development, and implementation

of water and waste management and reduction measures in shipping vessels, shipping yards and ports.

1. Investments in ballast water treatment and cargo vessels to comply with the BWM Convention to prevent invasive alien species spread (e.g., ISO standard 11711).
2. Invest in membrane bioreactor water treatment equipment and facilities for all blackwater and greywater from ports and ships.
3. Ships' bilge water treatment.
4. Ship investments to decrease air and noise pollution.
5. Improve oil spill prevention, risk protection, and recovery capabilities.
6. Garbage collection at ports and terminals

F. Fisheries, aquaculture, and seafood value chain: sustainable production and waste management and reduction measures that meet, keep, or exceed the Marine Stewardship Council certification standards or equivalent.

1. Sustainable land-based aquaculture production of high-value niche products, such as crustaceans, sea urchins, ornamental corals, and fish.
2. Sustainable cultivation of bivalves for algae and nutrient removal in eutrophic coastal waters.
3. Sustainable production of algae and other marine micro- or macro-organisms to produce food, feed, pharmaceuticals, cosmetics, or other bio-based products through biotechnological applications.
4. Cold chain and storage for small- and medium-sized fishing in areas with sustainable fishing quotas.
5. Medium- to large-scale processing and product development, with an emphasis on pelagic species, such as fish loins, sashimi-grade fish, and bycatch in a jurisdiction with enforced sustainable fishing quotas.
6. Small- to medium-scale bio-refineries for fish processing byproducts (e.g., oil, collagen, amino acid, mineral production) in jurisdictions with enforced sustainable fishing quotas.
7. Investments in fisheries to meet, keep or exceed the Marine Stewardship Council certification standard or equivalent.
8. Investments in aquaculture to meet, keep or exceed the Aquaculture Stewardship Council certification standard or equivalent.
9. Production, trade, or retail of seafood



Kutubdia wind turbines, Bangladesh's first wind power generation project

products with the blue Marine Stewardship Council label or Aquaculture Stewardship Council label.

10. Investments for a Fishery Improvement Project¹⁵ registered at the International Seafood Sustainability Foundation.
11. Traceability systems to ensure the sustainability of operations, facilities, and supply chains in the fishing industry. This investment should meet, keep, or exceed the Marine Stewardship Council certification for a chain of custody certification for suppliers of seafood products.

G. Marine ecosystem restoration.

1. Investments in conserving, enhancing, and restoring marine and coastal ecosystems, including innovative governance frameworks.
2. Investments in the coral reef, mangrove, and wetland insurance products.
3. Investments in information systems, technology, and equipment for monitoring, recording, and reporting water body physical and chemical indicators for sustainable fishery and aquaculture management, water-related ecosystem restoration, and disaster resilience. This could include drones, autonomous sailing vessels, autonomous underwater vehicles, and ocean buoys, among other technologies.
4. Investments in promising new restoration approaches, such as biodegradable potato starch and coral reef regeneration.

H. Sustainable tourism services.

1. Licensed, certified sustainable tourism in the vicinity of maritime conservation areas, within 20 km of Key Biodiversity Areas, Important Bird and Biodiversity Areas, and Ramsar Sites, with inclusive livelihood aspects and business prospects, such as resorts, hotels, boat operators, sailing schools, and diving centres.
2. Freshwater and marine visitor centres that showcase the environment and share research on lakes, wetlands, reefs, and other aquatic habitats.

I. Offshore renewable energy facilities.

1. Wind farms that don't impact marine habitats. The offshore wind farm may contain juvenile fisheries sanctuaries, artificial reef elements, and other methods fostering marine biodiversity. Offshore wind farms included in the IFC Blue Finance Guidance are subject to the condition that no-fishing zones and artificial reefs contributing to natural resource conservation and biodiversity are added to the project design. Besides, it needs to ensure that comprehensive Environmental Impact Assessment baseline surveys are conducted over a full year in addition to regular environmental monitoring of the area during operation. Due to potential lock-in to a fossil-based economy and greenhouse gas emissions, proceeds cannot be allocated to offshore oil and gas. Proceeds cannot be used for the marine extraction of seabed



Blue finance can significantly improve the status of coastal and marine tourism of Bangladesh

minerals because the operations could be harmful to the ocean and marine life.

Benefits of Blue Finance

According to several international organisations working on oceans and climate, there are numerous advantages to Blue Finance. Initially, Blue Finance can be used to fund ocean conservation and marine life preservation projects. This can include the development of renewable energy sources and the application of sustainable fishing techniques. Blue Finance can also be used to fund maritime environment protection projects. These projects may involve the installation of waste management

systems, the creation of pollution control measures, and the installation of water management systems. Blue Finance can also be utilised to fund projects associated with the growth of marine businesses. These initiatives may include the development of fishing, aquaculture, and maritime tourism infrastructure.

Blue Finance and the Blue Economy in Bangladesh

In Bangladesh, Blue Finance can be used to fund projects related to the sustainable use of marine resources. This includes projects such as the conservation of marine life, coastal and maritime tourism, renewable

energy production, and sustainable fishing. It also includes projects that are intended to reduce environmental pollution and the effects of climate change. These projects can include the development of infrastructure for fishing, aquaculture, and marine tourism. The government has launched the Blue Economy Initiative and Bangladesh Delta Plan 2100, both of which can get funding from Blue Finance.

Conclusion

The blue economy is essential to the prosperity and sustainability of Bangladesh. The 710 km of coastline and network of rivers, lakes, and wetlands of Bangladesh provide livelihoods, food, energy, and other resources. It is advantageous for fishing, aquaculture, coastal infrastructure, and tourism.

The blue economy of Bangladesh requires blue financing. It seeks to acquire and manage money for sustainable development and the blue economy. It has the potential for contributing to the growth of small-scale fishing, aquaculture, and coastal tourism by offering financial resources, insurance, and other services. Moreover, the blue finance sector will help to create a supportive environment for the development of Bangladesh's coastal and marine resources, by providing incentives for businesses to invest in sustainable practices. A well-planned Blue Economy Initiative provides jobs, eradicates poverty, and stimulates economic progress besides protecting the environment, conserving resources, and mitigating the risk of climate change. Investing in the blue economy under the IFC Blue Finance Guideline can assure a bright and secure future for Bangladesh.

Basic Blue Glossary



Blue Economy: Sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of ocean ecosystems and water resources.

Blue Finance: Investments dedicated to finance or refinance activities that contribute to ocean protection and/or improved water management.

Blue Loan: Loan that is aligned to the Green Loan Principles and where the proceeds are exclusively dedicated to finance or refinance activities that contribute to ocean protection and/or improved water management.

Blue Bond: Fixed income instrument that is aligned to the Green Bond Principles and where the proceeds are exclusively dedicated to finance or refinance activities that contribute to ocean protection and/or improved water management.

Blue Impact: The measurable variation in a physical, chemical, or biological variable of ocean ecosystems or water-related systems as expressed by a quantitative indicator.

► **PM calls Nepal to use Mongla and Chittagong seaports**



Prime Minister Sheikh Hasina proposed that, besides Saidpur Airport, Nepal can take the advantage of using Mongla and Chittagong seaports. She said this on 6 August when a visiting Nepalese parliamentary delegation headed by the chair of the international relations committee of the federal parliament of Nepal Pabitra Niruola Kharel met her.

The premier said Bangladesh is developing Saidpur as a regional airport that the neighbouring countries, including Nepal, can use.

Both countries stressed further consolidating bilateral cooperation through enhancing business and trade for mutual benefit.

Among other members, Chandtara Kumari MP, Dr Deepak Prakash Bhatt MP, Dev Prasad Timalsena MP, Lila Devi Sitaula MP, Narad Muni Rana MP, and Sarala Kumari Yadav MP, of the Nepalese delegation team were present in the meeting.

► **Ctg port up three notches on Lloyd's list**



Chittagong Port has advanced three steps in a year to become the world's 64th busiest port on Lloyd's List in terms of the annual throughput of containers.

The latest 2022 edition of Lloyd's List's One Hundred Ports was published on 18 August tallying up the annual container throughput figures of the world's elite port facilities in 2021.

The premier seaport of Bangladesh handled a total of 32,14,548 TEUs (twenty-foot equivalent units) of containers in 2021, posting 13.2 per cent year-on-year growth.

Lloyd's List stated, 'Bangladeshi box hub bounces back to post stellar throughput numbers.'

► **CPA pays tribute to Bangabandhu at Tungipara**



Chittagong Port Authority (CPA) paid tributes to Father of the Nation Bangabandhu Sheikh Mujibur Rahman by placing a wreath at his mausoleum at Tungipara in Gopalganj on 26 August.

In memory of the Father of the Nation on his 47th death anniversary, the port authority organised doa mahfil seeking eternal peace for the departed souls of Bangabandhu and others who had to embrace martyrdom on the fateful 15 August 1975.

Shipping Minister Khalid Mahmud Chowdhury, MP, Shipping Secretary Md. Mostafa Kamal, Chairman of Chittagong Port Authority Rear Admiral M Shahjahan, CPA board members and CBA leaders including department heads were present there.

► **National Mourning Day observed at Ctg port**



Chittagong Port Authority observed the 47th death anniversary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman and National Mourning Day with due

respect through various programmes throughout the day.

On the morning of 15 August, CPA Chairman Rear Admiral M Shahjahan and the board members laid wreaths at the portrait of the Father of the Nation and planted trees at the port building premises. All department heads and officers and employees were also present there.

Later the port Chairman attended the Khatam-e-Quran, doa mahfil as the chief guest. He also inaugurated the plantation campaign at Chittagong Port Girls' High School. He later attended the discussion meeting at Shahid Mohammad Munshi Fazlur Rahman Auditorium as the chief guest and distributed prizes among the winners.



► Cabinet committee approves appointment of berth operators

Cabinet Committee on Government Purchase has approved six separate proposals of the Chittagong Port Authority for appointing six berth operators for the next five years.

Besides, the committee also approved 16 purchase proposals at a virtual meeting presided over by finance minister AHM Mustafa Kamal on 17 August.

"In Chittagong Port's Container Terminal area, the work of managing containers and container-carrying cargo is challenging. So, following Public Procurement Rules 2008 and single stage to the envelope system, we have approved the purchase proposal of appointing an operator for five years," said finance minister AHM Mustafa Kamal.



► ICDs hike container handling charges by 25pc



Private Inland Container Depots (ICDs) have raised charges for their services involving the handling of export-laden containers by 25 per cent citing the 5 August hike in fuel prices.

The change was decided upon by Bangladesh Inland Container Depots Association (BICDA) and Bangladesh Freight Forwarders Association (BAFFA) at the latter's Dhaka office on 21 August.

BICDA earlier said charges for five types of services which required the use of diesel, such as vehicular and equipment operations, needed to be adjusted for the price of each litre of the fuel increased to Tk 114 from Tk 80.

On the other hand, Bangladesh Garments Manufacturers and Exporters Association (BGMEA) has sought the shipping ministry's interference against the increased charge fixed by the ICDs. The organisation sent a letter to the shipping minister in this regard on 22 August.

► IFC appointed as transaction advisor for PCT management

The Public Private Partnership (PPP) Authority has appointed International Finance Corporation (IFC) as a transaction advisor to negotiate with Saudi Arabia's Red Sea Gateway Terminal (RSGT) for developing a proposal for the management of the Patenga Container Terminal (PCT).

On 20 August, IFC signed a 'Transaction Advisor Service Agreement' with the Chittagong Port Authority (CPA) in this regard.

Principal Secretary to the Prime Minister Dr Ahmad Kaikaus, Shipping Secretary Md. Mostafa Kamal and CPA Chairman Rear Admiral M Shahjahan were present there.

The transaction advisor will give advice and form proposals on the process of appointing an operator to manage the PCT. After that, the government will negotiate with RSGT on the terms of operating the terminal. If their proposal sounds good for the country, CPA will sign an agreement with RSGT.

► Bay Terminal coming with modern facilities, enhanced communication: CPA Chair



The construction of a multipurpose terminal under the long-awaited Bay Terminal project will get underway following the appointment of a contractor between January and February 2023, the Chittagong Port Authority (CPA) hopes.

At a discussion held at the Shaheed Mohammad Fazlur Rahman Munshi Auditorium at the port on 21 September on the master plan prepared by the consultant Kunhwa DY JV for the construction of the terminal, CPA Chairman Rear Admiral M Shahjahan expressed his expectation to complete the work by the end of 2025. This terminal is among three terminals to be constructed under the project.

Rear Admiral M Shahjahan, who presided over the meeting said the multipurpose terminal will have five jetties while the Bay Terminal will have a total of 11 jetties. The terminal will have multimodal connectivity facilities.

Currently, ships over 9.5 metres in depth and 190 metres in length cannot enter Chittagong Port. The new Bay Terminal will be able to accommodate ships up to 12 metres deep and 260 metres long. There will be no need to depend on high tide to berth the ships.

▶ PM's birthday celebration at Ctg port



Chittagong Port CBA celebrated the 76th birthday of Prime Minister Sheikh Hasina. On 28 September on the occasion, a cake was cut and a special prayer was held for the well-being of the Prime Minister besides the continuing progress of the country.

Chittagong Port Authority Chairman Rear Admiral M Shahjahan attended the celebration as the Chief Guest. Naibul Islam Fatik, general secretary of CBA, conducted the programme presided over by CBA President Mohammad Azim. Board members of Chittagong Port Authority, department heads, senior leaders of CBA and officials were also present at the event.

▶ Bangladesh exports its largest-ever container ship to UK

Bangladesh exported a locally built 6100-tonne load capacity high-speed multipurpose container ship to the UK. This is the largest container ship built in the country that has been exported, according to the ship's builder. Ananda Shipyard, a Bangladeshi shipbuilding company, has built the ship as per the requirements of UK-based Enzian Shipping Company Ltd.

The vessel was officially handed over on 13 September through a ceremony held at InterContinental Dhaka. State Minister for Shipping Khalid Mahmud Chowdhury was present as the Chief Guest at the function.

Khalid Mahmud Chowdhury MP said, "This is our pride. Through exporting ships, another door has opened for foreign exchange earnings." He said, "We have expertise in state-of-the-art shipbuilding. We expect this industry to achieve export earnings close to that of the readymade garment industry in the future".

The ship is 364 feet long, 54 feet wide and 27 feet high. The ship's engine capacity is 4130 horsepower, speed is 12.5 nautical miles and capacity is 6100 tonnes.

Bangladesh has earned foreign exchange worth over Tk 10 million by exporting the ship. Since 1983, Ananda Shipyard and Slipways Ltd have delivered 350 ships. The ship can cruise through even 4 metres of thick ice in the Baltic Sea.

▶ Transit cargo reaches Assam via Mongla Port



The first transit consignment of two containers meant to reach northeastern India through Bangladesh's Mongla Port has reached Meghalaya and Assam.

One of the containers reached India's Meghalaya state through Tamabil while the other to India's Assam through the Bibirbazar border.

On 8 August, Bangladesh flag-bearing cargo vessel MV Rishad Rayhan, carrying the cargo, anchored at jetty-9 of the port in the morning, having left Kolkata port on 1 August.

This was the first of the four trial cargo ships on this route. The movement of cargo is part of the trial runs being undertaken for the operationalization of the agreement to use Chittagong and Mongla ports for the transit of goods to and from India which was signed between Indian and Bangladesh in 2018.

There are eight approved routes for the transit of goods under the agreement, namely, Chittagong/Mongla Port to Agartala via Akhaura, Chittagong/Mongla Port to Dawki via Tamabil, Chittagong/Mongla Port to Sutarkandi via Sheola, Chittagong/Mongla Port to Srimantapur via Bibirbazar and vice versa on all four routes.

During the visit of the Prime Minister of Bangladesh to India in 2019, an SOP was signed to operationalise the agreement.

▶ Apparel exports to Europe, US may surge to \$54b in 8 years



In 2010, 45% of apparel imported to Europe was from China, which fell to 30% in 2021. At the same time, Bangladesh's share in the market doubled from 10%, while that of Vietnam also grew slightly.

A declining trend of China's garment exports and the establishment of a strong local backward linkage industry make the Bangladesh apparel sector nicely poised to increase its annual exports to two key markets- Europe and the US- by \$54 billion by 2030, predicts Research and Policy Integration for Development (RAPID).

Bangladesh has the potential to boost its apparel exports to the US market to \$24 billion and the European market to \$65 billion in the next eight years, says the research organisation. In other words, Bangladesh's garment exports to these two markets may increase two and a half times in eight years, with an average annual export growth of 12% to Europe and 15% to the US, according to RAPID.



► 90% of river encroachment recovered by BIWTA: State Minister for Shipping



Almost 90% of river encroachment space has been freed by the Bangladesh Inland Water Transport Authority (BIWTA), informed State Minister for Shipping Khalid Mahmud Chowdhury.

"Prime Minister Sheikh Hasina has formed the National River Conservation Commission. She always talks about river protection, which shows how conscious the government is about protecting rivers. So far, the BIWTA has cleared 90% of the river area grabbed illegally."

The state minister said this as chief guest at a discussion meeting on 'Rights of Rivers', organised by the National River Conservation Commission to mark World River Day at Cirdap Auditorium in Dhaka on 25 September.

Dr Ainun Nishat was the main speaker and United Nations Resident Representative Ms Gwyn Lewis spoke as the special guest at the discussion meeting. The programme was conducted by Zillur Rahman, executive director of the Centre for Governance Studies, with Dr Manzoor Ahmed Chowdhury, chairman of the National River Protection Commission, in the chair.

► US Coast Guard lauds security at Ctg port



A delegation of the US Coast Guard visited Chittagong Port in the last week of August and gave their positive opinion after observing its overall security system. This was disclosed at a meeting regarding the development, finances and administration of

Chittagong Port held in the meeting room of the Ministry of Shipping on 11 September.

State Minister for Shipping Khalid Mahmud Chowdhury MP presided over the meeting. Secretary of the Ministry Md Mostafa Kamal along with senior officials and Chairman of Chittagong Port Rear Admiral M Shahjahan and department heads were virtually present at the meeting.

A press release says, some 1,241 cameras have been installed to strengthen and modernise the port's security system and 60 tonnes of hazardous goods have already been destroyed at the port under the supervision of customs authorities.

Navigability improvement work reached 95% of completion through dredging from Sadarghat of Karnaphuli river to Bakliar Char; the rest of the work will be completed at the earliest. Maintenance dredging will continue in this area for the next three years.

► Chittagong Port observed World Maritime Day



World Maritime Day 2022 was observed on 29 September globally with the theme 'New Technologies for Greener Shipping.' Following that, the Chairman of the Chittagong Port Authority (CPA) Rear Admiral M Shahjahan inaugurated different programmes at the port in the morning.

CPA Chairman in his speech said, "the world is putting great emphasis on reducing carbon emissions. We are also introducing different ways and methods to reduce emissions from the gears and machines that we use. Besides, we are implementing all our projects keeping in compliance with the environment."

The port chairman gave directives to include the reduction of carbon emissions and new technology in the training curriculum of the port training institute.

Deputy conservator Captain Faridul Alam gave the welcome speech at the event moderated by Deputy Harbour Master Md. Mustahidul Islam and attended by the board members, directors, and departmental heads including officers and staff of the port.

► Uniform duty on imported goods at all customs houses: NBR

The National Board of Revenue (NBR) has introduced new rules for customs duties on imported goods and has directed all the customs houses and duty station authorities of the country to charge a uniform price. A circular in this regard was issued on 19 September.

Till now each custom house used to levy duty separately based on the price of the product. According to the new rules, the imported goods will be taxed at the same price at Chittagong Customs House, and all other customs houses and duty stations.

About 30 per cent of the total revenue NBR collects annually comes from import duties. There are 12 full-fledged customs houses and 36 duty stations operating under NBR.



IT for a better yield A turning point in our sea-fishing

Shariful Alam Shimul

Eat fish meat

Our doctors say we should eat fish at least twice a week as part of a healthy diet. That is surely a good word.

Now let us look at these aquatic, cold-blooded craniate vertebrates from a different perspective and we will find that fish are much more significant than just being presented before us on a platter to satiate our appetite when we are hungry, for several obvious reasons, like,

1. As food (of course), besides vitamin D, they provide low-fat high-quality protein (6.7% of all proteins). Globally over 3 billion people rely on fish as their primary source of

animal protein (almost 20%). Not to forget, it is more bioavailable, i.e., our body can absorb the amino acids found in fish more rapidly than beef, pork, or chicken.

2. They give by-products that include, fish oil, fish manure, fish glue, and Isinglass; Indian salmons and catfish are used in the preparation of special cement and the purification of wine and beer, scales of shark and ray are used in polishing the wood and other materials, for covering the jewellery boxes and swords, leather, and artificial pearls.

3. They can control diseases, like malaria, yellow fever and other dreadful diseases spread through mosquitoes, for example,

Larivorous fish eat larvae of mosquitos.

4. They are a direct source of income and employment for about one billion people on our planet who with their families depend on these resources for food and the basic needs of life.

Fair enough, fisheries are pillars of today's global economy.

The mighty fish

The current UN estimate shows the global population would reach 10 billion by 2050. The question remains, how could we find enough fish in our seas to meet up the demand of this huge number of people?



A bird-eye view of a coastal fisheries hatching site in Bangladesh

Resources on our planet are limited, and failure in its effective management will bring about failure in the development activities of other areas too.

One interesting point to ponder here is, when it comes to the mineral resources, how much of the content would be mined is usually decided through an intensive course of diversified calculations on different dimensions including their impact and the aftermath; a similar approach now needs to be followed in the fishing sector, and it is

more urgent since the marine ecosystem is more sensitive if compared with the others.

If we can have the right information on the fishes and the exact area of their availability, we can decide on the ecologically correct number of fishes that should be procured from that area without harming the ecology; similarly, if we can have a better knowledge on the fish-markets on a global scale with their demand for the choice of fishes, we can make a faster and a better deal, earning a higher revenue for the country too.

To disseminate this essential information (most of which is available via different government, local and global agencies) among all the stakeholders in the fishing sector, the first mission we need to accomplish is to make the fishers' community familiar and trained with the information technology and modern communication and thus build up an effective network locally, regionally, and globally.

An expanding market

The UN Food and Agricultural Organisation (FAO) in its State of World Fisheries And Aquaculture (SOFIA) report says total fisheries and aquaculture production reached a record 214 million tonnes in 2020, worth about USD 424 billion. Of them, 178 million tonnes are aquatic animals and 36 million tonnes are algae, largely due to the growth of aquaculture, particularly in Asia.

Accordingly, the amount destined for human consumption was 20.2 kg per capita, more than double the average of 9.9 kg per capita in the 1960s. An estimated 58.5 million people were employed in the primary sector while about 600 million livelihoods depend on fisheries and aquaculture.

In 2020, international trade of fisheries and aquaculture products generated around USD 151 billion, down from the record high of USD 165 billion in 2018 mainly due to the outbreak of COVID-19. Global aquaculture production

A fisherman is catching marine fishes with traditional fishing gear at the coast of the Bay of Bengal



reached a record 122.6 million tonnes, with a total value of USD 281.5 billion. Asia continued to dominate world aquaculture, producing 91.6 per cent of the total.

The total number of fishing vessels was estimated at 4.1 million, a reduction of 10 per cent since 2015, reflecting efforts by countries, in particular China and European countries, to reduce the global fleet size. Asia still had the largest fishing fleet, at about two-thirds of the global total.

Meanwhile, the total production of aquatic animals is expected to reach 202 million tonnes in 2030, thanks mainly to the sustained growth of aquaculture, projected to reach 100 million tonnes for the first time in 2027 and 106 million tonnes in 2030.

World capture fisheries are projected to recover, increasing by 6 per cent from 2020 to reach 96 million tonnes in 2030, because of improved resource management, underfished resources, and reduced discards, waste, and losses.

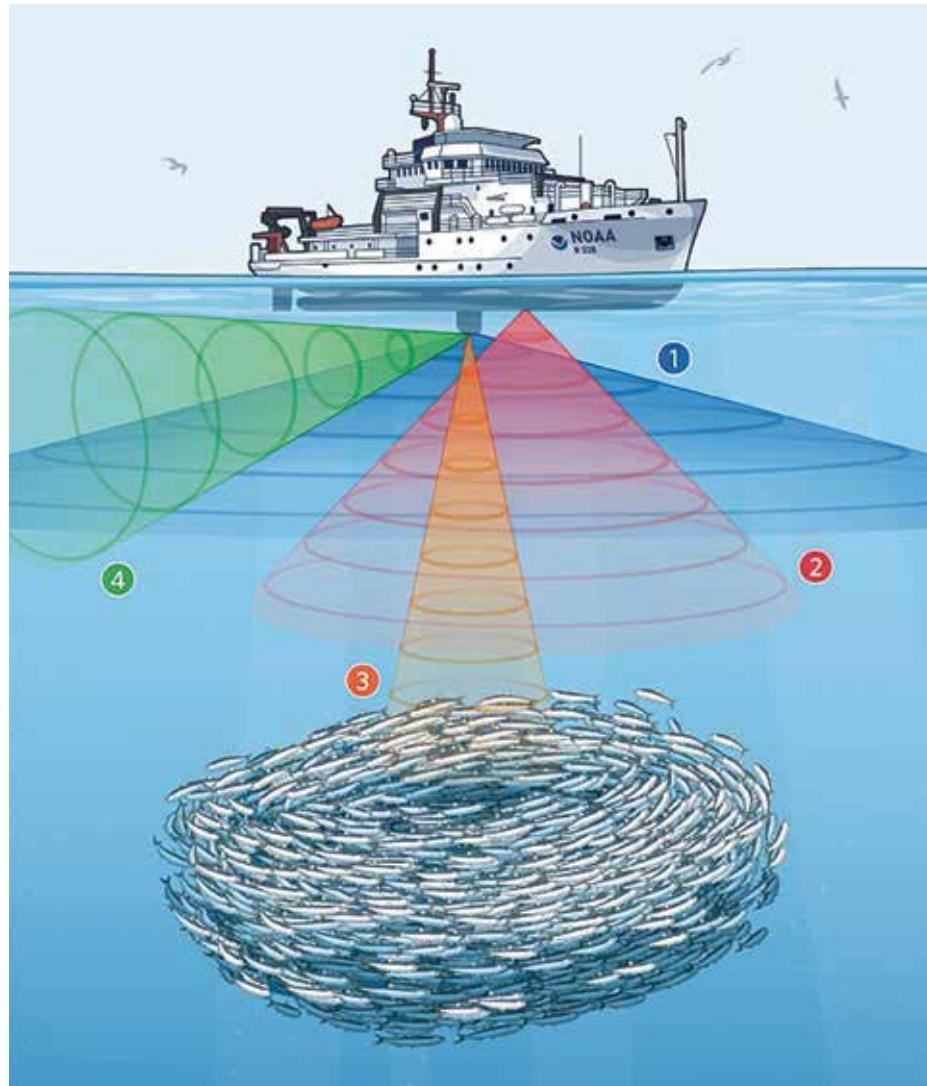
Changes coming with information technology

Since the revolution of information technology in the closing decades of the last century, the production process in developed countries has drastically shifted primarily from being human-centric to machine-centric, with the arrival of sensors, robots, AI (Artificial Intelligence), machine learning- all these have replaced human labour with intelligent machines making the process more efficient than ever before. Farmers today can monitor the health status of their crops sitting at home or afar on their phones via satellites; they can even employ drones to disperse insecticides or fertilisers on their soil.

Here is a glimpse of what sea fishing looks like today in advanced communities.

Since 1999, the Port of New Bedford has been the number one fishing port in America. Fishing boats of this port have special sensors onboard that detect and record information about water temperature, salinity and oxygen level and store them in a marine data bank. For the fishers, the data bank provides updated information about the different types of fish and the different areas of their availability, greatly helping them avoid unwanted bycatch.

In less developed areas in the world, such as Bangladesh, however, we shall find an opposite picture. Fishers still go fishing in the Bay of Bengal in their age-old vulnerable boats with their century-old traditional gears and equipment. They risk their lives with the



Latest technology should be used to develop sustainable marine fisheries

sole intention to make a handsome harvest in the sea without heeding much attention to the concern of environmental pollution or endangering some marine species or the sustainability of the resources. Reckless fishing of legal and illegal fishers is causing serious harm to the marine habitat and ecology of BoB. To control and monitor these activities and safeguard our marine reserve, we, enabled with IT power, need to coordinate between the demand and the supply in the market, build up a network of fishers and fishing vessels to track their movements and activities in the sea, besides, creating a central data bank to record the day-to-day catch of each vessel.

The good news is, leading global bodies are coming up with innovative and futuristic ideas and changes are being introduced at different corners including the policy-making

level for a revolutionary change in the sea-fishing sector.

Global Fishing Watch, a non-profitable organisation regularly monitors sea-fishing activities across the global oceans and publishes them after 72 hours on their website. This is greatly helping in identifying illegal fishers and forcing them to operate within the boundary of the law.

Using data obtained through a series of reviews and research the organisation also has developed a mobile app called 'OFish' that can guide fishers like a guardian angel in the sea giving them clear directions like a google map providing the latest data on weather and highlighting the nearby fishing zones. A similar initiative called 'Number8' is working with the fishers of Kerala and Maharashtra of India and has eventually expanded its coverage area up to Sri Lanka.



The fishermen's community of Bangladesh mostly depends on the traditional methods of fishing

And the benefits

Experts claim the use of global positioning systems (GPS), fish finders, echo-sounder and aquatic cameras by fishing vessels can increase their catch at the rate of 2% growth every year.

Currently, the two big challenges the global sea-fishing community faces are 1. to tackle the climate change impact and 2. to stay abreast of the ever-changing fish-market dynamics.

Global warming and ocean pollution severely impact the chemical compound of the sea water changing the environment and significantly harming the ecology of sea life and their reproduction system. As a result, fishes migrate from their original habitat to a different safer zone leaving the fishers puzzled.

Introducing the electronic monitoring system, computer vision technology and AI can solve this puzzle by giving fishers intelligent predictions of marine ecology helping them prepare a result-oriented plan.

Another menace in the sea is the threat of piracy. It has made it much easier for seafarers today as information can instantly reach the coast guard or the navy and necessary help can reach faster than before. The automatic Identification System (AIS) of the vessels makes it easier for the rescuer to find the distressed vessel by sending them the vessel's exact location via satellite. Weather updates on imminent tropical storms or cyclones help fishers on the

sea to seek help on their devices and take precautionary measures for the safety of their vessels, or on other occasions decide on deferring the fishing voyage.

The International Maritime Organisation (IMO) initiated the Cape Town Agreement in 2012 which aims at vesting more authority to the flag state, port, and coastal countries over their fishing boats. The Agreement makes it mandatory for the fishing boats to be fit to navigate in the sea, and have supporting electrical and other machinery, communication, fire fighting gear and life-saving equipment on board.

However, the Agreement is yet to materialise as the precondition says, the implementation will begin in 12 months after at least 22 states and 3,600 fishing vessels have ratified the Agreement. Besides illegal and unregulated fishing, the ever-increasing global demand for mineral-rich seafood, especially in tourist hotspot zones, is also posing a serious threat to marine reserves.

Knowing your market is another crucial challenge for the fishers as in the free market following the supply chain, the catch from South Asia might end up on some European or Mexican dining table while fish processed in those countries might again show up in the super shops of Asia and Africa. Sometimes, excess supply to a market results in an unexpected fall in price while the same goes high where the supply is lower than the demand. Unbarred information flow can provide solutions to address these gaps and thus augment the efficiency of the supply chain benefitting the buyers as well as the producers.

Bangladesh moving forward

The Bay of Bengal in the south of the country is the largest bay on this planet which is immensely rich in biodiversity. Corals, fish breeding areas and mangrove forests add to this diversity. The Bay of Bengal is one of the 64 largest marine ecosystems in the world home to various species of turtles, whales, dolphins, barracuda, skipjack tuna, yellowfin tuna, etc. About 457 species of marine fish are found in the Bay of Bengal.

F.T. Agro Food-3 made by Western Marine Shipyard during a sea trial



In addition to shrimp, the saltwater fish of Bangladesh has high demand all over the world. Experts have identified 56 species of shrimp of which, 37 species belong to brackish water, 12 species to moderately saline water and seven species to fresh water.

Bangladesh Navy and Bangladesh Coast Guard are the watchful sentinels protecting the country's marine fisheries. Thanks to their vigilance in checking illegal fishing in the territorial waters, Bangladeshi hilsa and fish have regained their previous popularity in foreign countries, making remarkable contributions to the national economy.

Hilsa production in the country meanwhile has increased by more than 80 per cent over the last decade. At present, fishers in the country procure hilsa worth BDT 20,500 crores every year, which contributes about 1 per cent to the country's GDP. To protect hilsa and the fish resource since 2001, Bangladesh Navy and the Coast Guard are conducting special operations e.g., Mother Hilsa Conservation Campaign and Operation Jatka.

To further secure our marine resources, 3.8 per cent of the sea area has been declared as Marine Protected Area (MPA). Law enforcement agencies are keeping their vigilant eye over the protected areas by 24-hour patrolling and monitoring. The international community has welcomed and greatly appreciated this venture undertaken by the BD government for the protection of the marine reserves, saying this would set a model before the rest of the world.

The Marine Fisheries Office in Chattogram under the Department of Fisheries is working on the implementation of several initiatives like the conservation and management of fish resources in the sea area of Bangladesh, implementation of harvesting policies, conservation of the marine environment, control of commercial fishing trawlers and other mechanized vessels, development of the socio-economic conditions of fishers and so on.

Every fishing vessel after its return from harvesting at sea must report to this office about the volume of its catch. The Department, after compiling and analysing this data, estimates the annual catch of the commercial trawlers in the country. According to the information provided by the organisation, during 2016-17 a total of 6,37,476 tonnes of fish was harvested from the Bay of Bengal while within five years, this figure reached 7,05,871 tonnes in 2020-21.



About six million tonnes of tuna are now caught worldwide annually, according to the *Fisheries Research journal*

To make the best use of a resource, it is essential to have correct information about its availability and behavioural pattern. The same applies to fisheries. It is imperative that in this case, we know in which territory the fish are available, which species are being endangered from the fishers' excess harvesting, when is the breeding season of the species, at what depth they lay their eggs, what should be the ideal temperature of the water and the environment for the eggs to hatch into fries, etc. This kind of data and information will make fisheries efficient and sustainable. It will also play a big role in the protection of marine reserves.

Keeping these points in mind Bangladesh is putting great emphasis on marine research. State-of-the-art marine survey vessels equipped with high-tech gears for conducting research and survey work on fisheries and other marine-related issues have been procured. More than five lac coastal communities in countries whose livelihood directly depends on marine fisheries will be immensely benefited from this much-needed information.

The survey vessels, by providing accurate data on these topics can contribute greatly to fisheries protection, good management, sustainable harvesting and increasing efficiency, as well as improving the quality of life of the coastal communities.

Nonetheless, Bangladesh still needs to improve greatly in one area i.e., deep-sea fishing. Deep-sea fishing trawlers must have sophisticated information technology that can instantly communicate with the rescue forces in case of an emergency. On a

separate note, if each trawler can collect one single piece of marine data, collectively, they could build an actual database to be shared by and benefit all.

Many Asian countries, including our neighbours India and Sri Lanka, are employing fishing vessels equipped with advanced information technology for their fishing in the sea. In such a competitive and ambitious market, if we want to survive and sustain, we must grow.

End words

Success in any sector today greatly relies on the nifty use of information technology. The free flow of information across the globe has made the work of resource management and supply systems much more efficient and sustainable than ever.

In the age of Digital Bangladesh, our national economy too has attained tremendous success over the last decade by introducing information technology in all sectors for its faultless management and unhindered progress.

The fishing sector, sadly, still needs to do a lot to cope with the mainstream. With a development-oriented government as the backdrop, it is time we take heed and step forward and introduce modernity in our fisheries; educate the fishers, equip the vessels with IT power and thus ensure a viable harvest of our fish resource and marine reserve in the Bay of Bengal.

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