

BUSINESS OUTLOOK

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Investment Abroad

Govt Gives In To Pressure?



**Capital
Machinery**
Imports Rise
Above \$1b In Dec

**Blackstrap
Molasses**
Country Turns Importer
From Exporter



OF THE STEEL INDUSTRY



BSRM WINS THE BEST BRAND AWARD FOR THE 10TH TIME IN A ROW

Thanks to the consistent trust and support of our stakeholders, we are the country's No. 1 steel expert, and have achieved the Best Brand Award for the 10th time. The Best Brand Award is a platform where top brands of Bangladesh are identified through a nationwide survey conducted by Nielsen Bangladesh, organized by Bangladesh Brand Forum.

Overseas Investment Needs Strong Monitoring

Bangladeshi businesses are expanding globally and many local companies envision becoming global. Recently, the government allowed local companies to invest abroad under some conditions. As per a newly-adopted guideline, Bangladeshi entrepreneurs will be allowed to make offshore equity investments to the tune of 25 per cent of their net asset in a company. The issuance of the guidelines is the culmination of a process that started almost five years ago. In 2017, the cabinet committee on economic affairs asked the Bangladesh Bank to draft the guidelines amid demand by businesses to open up overseas investment. In September 2020, BB drafted the 'Capital Account Transactions (Overseas Equity Investment) Guidelines 2020'. Normally, such a move deserves appreciation from economists. But, instead, economists are cautious to welcome this development. Many of them do not agree to support such a move at this stage of the country's economy. Even some economists are critical of the government's decision, raising concerns. The country's current account balance recorded a deficit of \$6,186 million in July-November 2021 against the surplus of \$3,555 million in July-November 2020. Current account balance is in deficit mainly for the larger deficit in the trade balance. The timing of the guideline's issuance has raised eyebrows since it was done a year from the conclusion of the current tenure of the incumbent political regime. Finance Minister AHM Mustafa Kamal defended the government's stance, saying the government had allowed overseas investment to curb the transfer of money out of the country through illegal channels. "It is not wrong to invest abroad. If you don't allow it, it will go to different countries through hundi. It is better to do it officially," he said. We're not against allowing eligible Bangladeshi firms to invest abroad as we believe that flexibility in business will help promote more businesses. But at the same time, there should be strong monitoring so that such opportunities are not abused by any quarter -- be it political persons or businessmen. Because a report of the US State Department definitely is of concern. The report released in November 2020 said Bangladeshi nationals' investments across the world exceeded \$3 billion by 2018, nine times or \$2.67 billion higher than the legally invested amount.

So, we always support any measure being taken to be part of "ease of doing business". But strong monitoring, an efficient watchdog and finally the political will are the main driving force in protecting the interest of the country in any kind of new policies. ■



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EC Formation — Acid Test Awami League

e-GP System Achieves ISO Certification

The Information security management system of the electronic government procurement (e-GP) has achieved ISO certification. A recent assessment conducted by the Certification Body notified that the information security management system for e-GP has been found to conform to the requirements of ISO/IEC 27001: 2013 within the scope of e-GP IT Operations and Data Center, said a press release. Prime Minister Sheikh Hasina inaugurated e-GP portal on June 2, 2011. The Central Procurement Technical Unit (CPTU) of IMED, Ministry of Planning, introduced e-GP in August 2011 to digitize public procurement. ISO stands for International Organization for Standardization. It is a worldwide federation of national standards bodies. According to information available online, ISO/IEC 27001 is an international standard, the aim of which is to help organizations keep their information assets more secure. ISO/IEC 27001 certification recognized that the



organization is managing its client's information securely. The e-GP system is considered a milestone in procurement reforms and digitization of government services. Until February 6, 2022, a total of 95696 tenderers registered with the e-GP system. More than 5.50 lakh tenders have been invited through e-GP up to February 6, 2022. Both the procuring entities and tenderers can carry out their respective procurement processing through e-GP. It saves time, cost and environment. ■

Bond Facility To Be Fully Automated By 2023



National Board of Revenue (NBR) chairman Abu Hena Md Rahmatul Muneem said that the bond facility will be completely automated by 2023 so that no one can gain illegal benefit from the system. He made the remarks today at a pre-budget discussion with the members of the Economic Reporters Forum (ERF) at the NBR office in the capital on Feb 8. The NBR chairman urged the concerned officials to be careful so that foreign nationals cannot join any job by arriving here in tourist visas aiming to evade the tax. He also sought cooperation from other ministries and government agencies so that the local employers feel discouraged to employ foreign nationals, those who come here with tourist visas. ■

Govt Raises Ceiling For Import Without LC

Industrialists can now import raw materials and capital machinery worth \$5,00,000 a year without opening letters of credit under the fresh import policy order for 2021-24 approved on Feb 7. The government has raised the ceiling by \$3,00,000 in the new policy. Besides, registration fee of primary import certificate has been reduced while the import of casino equipment has been banned. The approval came from the virtual Cabinet meeting presided over by Prime Minister Sheikh Hasina, Cabinet Secretary Khandker Anwarul Islam told the media. Bangladesh's last import policy was for 2015-18, which will remain in force until the new one comes into effect. A gazette notification is expected to be issued soon. ■



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First Ship On Direct Bangladesh-Italy Route Leaves Ctg Port

The ship MV Songa Cheetah left the Chattogram port with 952 twenty-foot equivalent unit (TEU) containers for Italy on Feb 7, marking the beginning of the direct shipping connectivity between the two countries. The ship left around 2:45pm, and most of the containers contained readymade garments, Chittagong Port Authority Chairman Rear Admiral M Shahjahan said. He said the direct shipping route to Italy was the beginning of an important chapter in Bangladesh's economy. Considering the importance of garment exports, the port authorities would prioritise all facilities, including berthing and gantry crane allocation, on the route, he also said. Because of the direct route, it will now take only three weeks instead of 40-45 days for apparel items to reach Europe while costs will go down by 30-40 per cent. Sources said it would cost around \$10,000 to send a container directly from the Chattogram port to Italy. But the cost is \$14,000-15,000 if the container has to be carried by mother vessels at transshipment ports in Singapore or Colombo. ■



BD Company To Set Up Backward Linkage Industry In IEPZ

M/s Adnan Fibre Limited, a Bangladeshi company, is going to establish a backward linkage industry in Ishwardi Export Processing Zone (IEPZ). Bangladesh Export Processing Zones Authority (BEPZA) and Adnan Fibre Limited today signed an agreement to this effect at BEPZA Complex in the city, said a press release on Feb 6. Member (Investment Promotion) of BEPZA Ali Reza Mazid and Managing Director of Adnan Fibre KH Adnan Mehmood signed the agreement on behalf of their respective organizations. ■

BSEC Mulls Performance-Based Service Fee System For AMCs

The Bangladesh Securities and Exchange Commission has moved to limit asset management companies to charging annual service fees from mutual funds based on performance by MFs under their management. Currently the AMCs are charging the fees based on weighted average net asset value of mutual funds. The BSEC would make categories on the basis of the performance by the mutual funds, BSEC officials said, reports New Age. The commission would consider dividend giving ability, net asset value and governance of the funds while assessing performance, they said. A mutual fund is a professionally managed investment fund that pools money from investors to invest in securities such as stocks, bonds and other assets. Depending on the profits earned, investors are then paid their share as dividends. The MFs allow investors to generate returns and minimise risk through professional investment management. BSEC chairman Shibli Rubayat-Ul-Islam told New Age that the mutual fund



industry must be vibrant for a stable stock market. He said that the regulator would set criteria on the basis of performance for AMCs for charging service fees from the MFs to encourage and award good performing AMCs. ■

EC Formation — Acid Test Awami League



Prime Minister Sheikh Hasina At The Meeting Of Awami League Presidium Members At Ganabhaban

MS Hasan

When the opposition is preparing for a one-point “oust-government” movement as part of its strategy targeting the next election scheduled for the later part of 2023, the debate over the formation of a new election commission came to the fore.

The tenure of the current election commission will expire on February 14. The opposition BNP says it has no headache about whom are being seated in the EC. Rather, it says its topmost priority is forcing the government to hold the next election under a caretaker administration. The stance of the ruling Awami League is just the opposite. It said after the amendment of the constitution following the Supreme Court verdict, there is no scope for holding any general election under any caretaker administration. As a

result, the BNP refrained from submitting any names for the next EC members while AL put forward names of 10 persons. The government formed a search committee following the passage of a law in the parliament. The BNP outright rejected the committee accusing its members of being pro-Awami League.

The BNP believes, such a search committee will not be able to find out any names beyond their biases towards Awami League. The search committee, headed by Supreme Court Judge Obaidul Hassan, sought names from different political parties as candidates for the formation of the next EC. Responding to the request, some 30 political parties including the ruling Awami League submitted names while BNP and its like-minded political parties did not do that. Now, political analysts are watching carefully what

development is going to take place—who are being proposed by the search committee and finally who will be appointed as chief election commissioner and other election commissioners. It will be a test case for the ruling Awami League as to how it would deal with the next election.

Obaidul Hassan leads EC Search Committee

Appellate Division Justice Obaidul Hassan has been made the chief of the six-member search committee to suggest names for the next Election Commission. The Cabinet Division issued a gazette notification in this regard as per the directives of President M Abdul Hamid on February 5. Other members of the committee are – Justice SM Quddus Zaman (chief justice nominated), Comptroller and Auditor General Mohammad Muslim Chowdhury (ex officio member), Bangladesh

Public Service Commission Chairman Md Sohrab Hossain (ex officio member), and former election commissioner Muhammad Sohul Hossain and author Anwara Syed Haque (president-nominated).

The Cabinet Division will provide secretarial assistance to the committee. According to the new EC law, the search committee has to submit names of 10 eligible persons to the president within 15 working days. Justice Hassan told the media that he would sit with other members of the committee very soon and submit the list of suitable persons within the stipulated time. Earlier on 27

acquires the citizenship of or affirms allegiance to a foreign country surrendering Bangladeshi citizenship;

has been convicted for a criminal offence involving moral turpitude and sentenced to at least a two-year imprisonment; convicted by the international crimes tribunal, and is disqualified for such posts by or under any law, he or she would not be eligible for the post of CEC and election commissioners. Explaining the last disqualification, he said that if a person held the post of CEC once or the CJ, he or she would not be eligible for the post of the CEC.



Supreme Court Judge Obaidul Hasan Heads The EC Search Committee

January, the bill was passed during the 16th session of the 11th National Assembly unanimously by voice vote. Later, it got the approval of President Hamid. Law Minister Anisul Huq placed the bill in parliament on 23 January to give a legal shield to the current and previous commissions formed through search committees. About the qualifications of the Chief Election Commissioner (CEC) and ECs, Cabinet Secretary Khandker Anwarul Islam said they must be Bangladeshi citizens, at least 50 years old, and have a minimum 20-year work experience in important government, semi-government, private or judicial posts. About the disqualifications, he said if a person is declared "insane" by any court;

has not been released from the jail after being declared as "bankrupt";

But if a person held the post of EC, he or she might be considered to be appointed as the CEC. To give legal protection to the constitution of previous election commissions, it would be considered that these were made under this law, he said. The dialogue with the President and the political parties to form a new Election Commission started on 19 December last year. It started with the Jatiya Party and ended on 16 January with talks with the ruling Awami League. The president called on 32 political parties to take part in the dialogue, but six, including the BNP, boycotted the dialogue.

Pro-AL EC search committee: BNP

Following the formation of the

search committee, BNP alleged that the government has formed a body that is close to the ruling Awami League in the name of a search committee. "This committee and those who will be found out by them for the Election Commission are all the passengers of the same boat. They're birds of a feather," BNP Senior Joint Secretary General Ruhul Kabir Rizvi told the media at BNP's Nayapaltan central office on February 6. He said all the names that would be proposed by the search committee would be members of the AL family.

Rizvi alleged the intended goal of the search committee will be finding out the tested and genuine AL family members to hold another 'stage-managed' election as per a government blueprint. The tenure of the incumbent Nurul Huda-led commission will expire on February 14. Rizvi narrated how the search committee members have links with Awami League. "Obaidul Hassan, the current search committee head, was a member of the previous two search committees and he belongs to a tested Awami League family. He was also an Awami League MP candidate," he said. The BNP leader said Sohul Hussain, an expert in election engineering, has become a search committee member. "He bought the nomination form of Awami League in 2018 for Sylhet-1 seat."

He said another committee member and High Court Justice SM Kuddus Zaman is the son of Rajbari's late Awami League leader Hamiz Uddin Sheikh. "His brother is an important leader of the party's local unit." Rizvi said neither the country's people nor the BNP has any interest in the search committee or in the EC. "People believe that a fair election is impossible without a non-partisan and neutral government." He said a polls-time neutral government must be formed to hold the next general election in a credible manner. "Once the polls-time impartial government

is formed, it will constitute a neutral EC...people have turned down the Awami private committee in the name of the search committee with hatred.” The BNP leader said the EC to be nominated by the search committee will be loyal to the government. “So, a mockery with people is going on in the name of formation of the Election Commission through the search committee.”

He urged the government to quit and take steps for holding the next polls under a neutral government to protect the country from a civil war.

BNP: People will reject search committee recommendations

BNP standing committee has said



*AL General Secretary
Obaidul Qader*

that the people will turn down the recommendations of the search committee for the appointment of the chief election commissioners and other commissioners. At their virtual meeting on February 8, the BNP standing committee also said almost all members of the search committee are directly or indirectly involved with Awami League, said a press release signed by party secretary general Mirza Fakhru Islam Alamgir. “Our meeting felt that BNP did not want to show any interest in the search committee as the Election Commission to be formed by them would not be able to conduct an acceptable, free and fair election

unless it’s held under a neutral government,” it said. The BNP policymakers also think the formation of the Election Commission through the current search committee is unacceptable and meaningless.

“It’s clear that the Election Commission to be formed based on the recommendations of this search committee will aim to bring Awami League back to power like the outgoing commission. This is another deception with people. People will reject such a mockery,” said BNP policymakers. The BNP alleged that people’s basic human rights and right to vote have been snatched in the last decade: “This is a big crime. Awami League will have to face trial.” At their maiden meeting, the search committee decided to request registered political parties to propose names of eligible persons for the posts of chief election commissioner and other commissioners. The BNP policymakers said there is no alternative to a neutral government in overcoming the current political crisis. Replying to a question, Fakhru said the Awami League government has destroyed every institution. “The Election Commission is not only failing to hold credible elections, but they are stealing public money and involved in corruption. It’s unbelievable,” he said.

AL submits 10 names

The Awami League on February 11 submitted 10 names to the search committee. Awami League’s information and research affairs secretary Selim Mahmud submitted the list to the Cabinet Division. Sayem Khan, deputy office secretary of the party, was also present. Selim told reporters that they had submitted the list in a sealed envelope. He said that party president Sheikh Hasina and presidium members had finalised the list of the 10 names and that they had just submitted the letter ‘as a messenger’ on behalf of the party. “I don’t know whose names are in it,” he added.

Search committee to sit with 20 eminent citizens

The search committee sat with 20 eminent citizens on February 12, the first session of getting opinions from distinguished citizens. The committee held a view-exchange meeting at the Judges’ Lounge of the Bangladesh Supreme Court building. The search committee exchanged views with- Advocate AF Hassan Ariff, founder of AF Hassan Ariff & Associates; Fida M Kamal, senior advocate of Bangladesh Supreme Court; Ali Imam Majumder, former cabinet secretary of Bangladesh; Yusuf Hossain Humayun, senior advocate of Supreme Court; Mun-



*BNP Secretary General
Mirza Fakhru*

surul Haque Chowdhury, senior advocate of Supreme Court; Barrister Rakanuddin Mahmud, of Rakanuddin Mahmud & Associates, MK Rahman, senior advocate of Supreme Court; Dr Shahdeen Malik, senior advocate of Supreme Court; Dr AAMS Arefin Siddique, former vice-chancellor Dhaka University; Dr Borhan Uddin Khan, professor of Department of Law of Dhaka University.

Syed Manzoorul Islam, professor of Department of English of Dhaka University; Professor Dr. Kamrul Hasan Khan, former vice-chancellor of Bangabandhu Sheikh Mujib Medical University (BSMMU); Dr

Mustafa Jalal Mohiuddin, president of Bangladesh Medical Association (BMA); Dr Asif Nazrul, professor of law at Dhaka University; Professor Dr ASM Maksud Kamal, pro-vice chancellor (Academic) of Dhaka University; Professor Mahfuza Khanam, President of Bangladesh Asiatic Society; Md Jasim Uddin, president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI); Sharmeen Murshid, chief executive of Brati, Munira Khan, president of Fair Election Monitoring Alliance (FEMA) and former Attorney



*Chief Election Commissioner
KM Nurul Huda*

General AJ Mohammad Ali were also invited at the meeting. The search committee would take decisions on majority votes and in case of equal votes, the meeting's chair would have the authority to cast the second or deciding vote as per the law. The committee will recommend two names against each vacant post before the president. In the absence of this law, the president appointed the CEC and commissioners in the past. The last two election commissions were constituted in 2012 and 2017 through search committees formed by the president following dialogues with political parties.

PM: People will vote for AL again

Prime Minister Sheikh Hasina has

said the people will vote the Awami League to power again at the next general election. She also instructed top party leaders to raise support for the Awami League by showcasing the development of the country under the incumbent government and highlighting the failures of the BNP regimes. "I hope the people will vote for us in the next election because we have changed the country. The Awami League believes in democracy. We have confidence in the people," Hasina said at a presidium meeting of the party at Ganabhaban on February 8. When contacted, Awami League leaders who attended the meeting said the ruling party would assist the search committee in forming the new Election Commission.

AL leaders suggest names of EC candidates to Sheikh Hasina

Meeting insiders said Sheikh Hasina sought names for the Election Commission from her party colleagues at the meeting, as the search committee had sought recommendations from registered parties. Four presidium members of the ruling party told a daily that they had not suggested any names to the party president yet, but some other leaders had written down names and handed them to Hasina. Party sources said the ruling party leaders suggested the names of a former cabinet secretary, former secretaries, a former PSC and other top officials of government, former military and police high officials, and also experts from civil society.

Clear instructions for next election

During the meeting, the Awami League president urged party leaders to start campaigning for the next polls by championing the development work of the government over the last 13 years. Hasina said the government had handled the pandemic dexterously, ensuring economic stability through various stimulus packages. "At this stage, Bangladesh's GDP growth is 6.94

per cent and per capita income is \$2,591," she told the presidium members. "We have achieved the status of a developing country. The quality of life has improved in Bangladesh because we are in power," the PM said.

'Boost activities at grassroots'

The Awami League chief wanted party activities to begin at the grassroots after the recent surge of Covid-19 died down. She also instructed a proper analysis report to be prepared of the recent Union Parishad elections in association



*BNP Joint Secretary General
Rizvi Ahmed*

with divisional organising secretaries of the Awami League. "A decision over the renegade candidates has been taken and now it is time to take action against the leaders who backed the rebels," Sheikh Hasina said, according to meeting sources. Awami League presidium members Matiya Chowdhury, Sheikh Fazlul Karim Selim, Abdur Razzaque, Faruk Khan, Abdur Rahman, General Secretary Obaidul Quader, Publicity Secretary Abdu Sobhan Golap, among others, were present at the meeting. Ruling party leaders Mofazzal Hossain Chowdhury Maya and Quamrul Islam attended presidium meeting for the first time. Both were nominated as presidium members by Sheikh Hasina recently.

Teleworking During COVID: Risks, Benefits And Steps To A 'New Normal'



Business Outlook Report

More than two years since COVID-19 began disrupting office life around the world, crucial changes are needed to safeguard health while teleworking, two UN agencies said on Feb 2. In a new technical brief on healthy and safe teleworking launched on Wednesday, the World Health Organization (WHO) and the International Labour Organization (ILO) outline the health benefits and risks of remote work arrangements along with the measures needed to accommodate both the shift, and the ongoing digital transformation. “The pandemic has led to a surge of teleworking, effectively changing the nature of work practically overnight for many workers”, said Maria Neira, WHO Direc-

tor, Department of Environment, Climate Change and Health.

Upside

Among the benefits, the report says, are an improved work-life balance; opportunities for flexible working hours and more physical activity; reduced traffic and commuting time; and a decrease in air pollution across urban areas, reports UN News. These can all improve physical and mental health, and social wellbeing. Moreover, teleworking can also lead to higher productivity and lower operating costs for many companies.

Downside

However, the report warns that without proper planning, organization and health and safety support, teleworking can lead to feelings of isolation, burn-

out, depression, eye strain, increased alcohol consumption and unhealthy weight gain. “Which way the pendulum swings, depends entirely on whether governments, employers and workers, work together, and whether there are agile and inventive occupational health services to put in place policies and practices that benefit both workers and the work”, said Dr. Neira.

Settling into a 'new normal'

As both companies and employees alike have experienced the benefits of home and hybrid work, the Director of ILO's Governance and Tripartism Department, Vera Paquete-Perdigão, said that they are “here to stay and will likely increase after the pandemic”. “As we move away from this ‘holding pattern’ to settle into a new

normal, we have the opportunity to embed new supportive policies, practices and norms to ensure millions of teleworkers have healthy, happy, productive and decent work”, she said. Occupational health services should be providing ergonomic, mental health and psychosocial support to teleworkers using digital telehealth technologies, the report says. For example, employers should put measures in place to ensure that personnel receive adequate work-related equipment; relevant information and training to reduce the psychosocial impact of teleworking; and establish the “right to disconnect”.

Meeting needs

The report outlines the roles of governments, employers, workers and health services at workplaces to promote and protect health and safety while teleworking. It also offers practical recommendations for the organization of telework that meet the needs of both workers and businesses, such as developing individual work plans with clear priorities, timelines and expected results. The agency advice calls on businesses to develop special programmes for teleworking that combine measures for managing work and performance, using effective digital platforms. ■

Capital Machinery Imports Rise Above \$1b In Dec

Business Outlook Report

The country's businesses imported capital machinery worth above \$1 billion in December amid a major spike in export earnings in the recent months of the current fiscal year 2021-2022.

The country's import of capital machinery in the July-November period of FY22 was \$1.66 billion and the spending for the same purpose in July-December of FY22 reached \$2.69 billion. In July-December of FY22, the spending for capital machinery imports grew by 67.37 per cent year-on-year. In the entire fiscal year of 2020-2021, the country's spending for capital machinery was \$3.74 billion, reports

New Age. Capital machinery import grew sharply in December 2021 as high export orders might have instigated the country's exporters to take measures to enhance their production capacity, businesses said.

Along with the major spike in capital machinery import, the country's import spending for industrial inputs also posted a major hike in the current fiscal year. The country's overall import payments in half of the current fiscal year 2021-2022 grew by 52.91 per cent year-on-year. In the period of FY22 under consideration, the country's import spending increased to \$38.39 billion against \$25.11 billion in the corresponding period of FY21. 'In a

sense, it's a positive indication. But on the other hand it's a matter of concern,' Policy Research Institute executive director Ahsan H Mansur told New Age on Monday.

Throughout the current fiscal year, the country's import increased sharply, he said, adding that it was a healthy sign but funding would be difficult. If the current trend continues, the country's import costs for FY22 would be \$30 billion higher than the import payments for FY21, he said. Considering the high import spending, there is a challenge ahead for the economic management, Ahsan said. As a result of the high import spending, the country's foreign exchange reserve came





under stress to drop around \$45 billion in January 2022 after hitting \$48 billion in August 2021.

In July-December of FY22, the country's trade deficit surged to \$15.62 billion from \$6.87 billion in the same period of the previous fiscal. At the end of December of FY22, the country's current account deficit stood at \$8.18 billion whereas the deficit was \$3.52 billion surplus current account balance at the December-end period of FY21. Ahsan said that the continuation of such import payments might bring down the country's reserve below \$40 billion at the end of the current fiscal year. 'Import is good but it has to be within the capacity,' he said.

Asked whether the high import payments suggested any capital flight in disguise, Ahsan said that there might be but the authorities did not have the capacity to identify capital flights.

To contain the import situation, he suggested an immediate depreciation of the taka as it would help contain the massive growth in import payments. The country's import spending, based on settlement of letters of credits, for intermediate goods and industrial raw materials grew by 60.31 per cent and 49.74 per cent respectively year-on-year in July-December period of FY22. Spending for intermediate goods stood at \$3.39

billion in the first six months of FY22 against \$2.11 billion in the corresponding period of FY21.

Settlement of letter of credit for industrial raw materials reached to \$13.49 billion in July-December of FY22 from \$9.01 billion in the same period of the previous fiscal year. Cost for the import of petroleum and petroleum products increased by 103.33 per cent to \$3.67 billion in July-December of FY22 from \$1.80 billion in the same period of FY21. Import cost for consumer goods rose by 49.13 per cent to \$4.53 billion from \$3.04 billion. ■

IFAD To Increase Investment In Bangladesh, Hopes Kamal



Business Outlook Report

Finance Minister AHM Mustafa Kamal hoped that the International Fund for Agricultural Development (IFAD) would play a positive role towards boosting its investment in Bangladesh for implementation of the 8th Five Year Plan, SDGs and facing the COVID-19 challenges.

The Finance Minister also urged the IFAD to provide soft-term loans to Bangladesh in various sectors including in food processing alongside facilitating loans from the GEF, GCF and other development partner funds. Kamal made the call at a virtual meeting between the Bangladesh delegation and the IFAD delegation on Feb 2. The Finance Minister led the Bangladesh delegation while the newly appointed country director of IFAD Arnoud Hameleers led the IFAD delegation. Economic Relations Division (ERD) Secretary Fatima Yasmin and other high officials virtually joined the

meeting, said a Finance Ministry release. The release said that Kamal thanked the IFAD for extending their support in Bangladesh's agriculture, rural economy, climate change and women's empowerment. The Finance Minister highlighted that Bangladesh has attained an unprecedented economic growth over the last one era under the dynamic and farsighted leadership of Prime Minister Sheikh Hasina.

He said although Bangladesh was affected from the COVID-19 pandemic like other countries of the world, but the economy of the country was still in a good position due to the prudent leadership of the Premier. Kamal also wished a success of the ensuing 45th governing council of IFAD. In response, the new IFAD Country Director Arnoud Hameleers sought support of the government of Bangladesh for building a hunger free world by 2030. He also assured that the

support of IFAD would continue for ensuring sustainable development, food security, facing the challenges of climate change, boosting farm productivity and generating more employments in the rural areas.

ERD Secretary Fatima Yasmin informed that the cumulative investment of IFAD to Bangladesh stood at \$2.3 billion after the country got its membership in 1979. IFAD has so far extended loan and grant support to some 34 projects in Bangladesh benefitting some 11.7 million families. Out of those 34 projects, some 27 projects have already been completed while 7 are under implementation. She mentioned that the Country Strategic Opportunities Programme (COSOP) of IFAD would end in December this year while IFAD would further extend its support in the next COSOP (2023-2028) for Bangladesh especially in the areas of gender, nutrition and climate challenge. ■



World Leaders Call For \$23 Billion To End Pandemic This Year

Business Outlook Report

The COVID-19 pandemic could be defeated this year but only if vaccines, tests and treatments are made available to all people, UN Secretary-General António Guterres has said. The UN chief was among world leaders calling for \$23 billion to support the ACT-Accelerator, the landmark collaboration that makes these goods accessible to everyone globally.

People paying the price

“Vaccine inequity is the biggest moral failure of our times – and people are paying the price,” said Guterres, underlining the urgency to act now, reports UN News.

“Until and unless we can ensure access to these tools, the pandemic will not go away, and the sense of

insecurity of people will only deepen.” The ACT-Accelerator was established in April 2020, just weeks after the pandemic was declared, to speed up development and access to COVID-19 tests, treatments and vaccines. The global vaccine solidarity initiative COVAX is one of its four pillars.

The partnership brings together governments, scientists, philanthropists, businesses, civil society and global health organizations such as GAVI, the vaccine alliance; the Coalition for Epidemic Preparedness Innovations (CEPI), and the UN’s health agency, WHO.

‘Fair share’ financing

The campaign launched on Wednesday aims to meet a \$16 billion financing gap, and nearly \$7

billion for in-country delivery costs, in the bid to end the pandemic as a global emergency this year. The co-chairs of the ACT-Accelerator Facilitation Council, which provides high-level political leadership to advocate for resource mobilization, recently wrote to more than 50 rich countries to encourage “fair share” contributions. The financing framework is calculated on the size of their national economies and what they would gain from a faster global economic and trade recovery.

As the Secretary-General put it: “If we want to ensure vaccinations for everyone to end this pandemic, we must first inject fairness into the system.”

Procuring lifesaving tools

The funding will help to curb

coronavirus transmission, break the cycle of variants, relieve overburdened health workers and systems, and save lives, world leaders said, warning that with every month of delay, the global economy stands to lose almost four times the investment the ACT-Accelerator needs. Financing will be used to procure and provide lifesaving tools, and personal protective equipment (PPE) for health workers, to low and middle-income countries. It will support measures that include driving vaccine rollouts, creating a Pandemic Vaccine Pool of 600 million doses, purchasing 700 million tests, procuring treatments for 120 million patients, and 100 per cent of the oxygen needs of low-income countries.

“The longer inequitable access to COVID-19 vaccines, tests and treatments persists, the longer the pandemic will persist,” said President Cyril Ramaphosa of South Africa, who co-chairs the Facilitation Council together with Norwegian Prime Minister Jonas Gahr Støre. The UN and partners contin-

COVID-19 tests have been administered globally so far, WHO report only around 22 million, a paltry 0.4 per cent, were administered in low-income countries. Furthermore, only 10 per cent of people in these nations have received at least one vaccine dose. “Science has consistently delivered throughout the course of the COVID-19 pandemic, but tragically the world’s scientific achievements have not yet been matched by equity,” said Dr. Richard Hatchett, the CEPI Chief Executive Officer. “A fully funded ACT-Accelerator will enable COVAX and the other ACT-A pillars to redouble their efforts to get vaccines, diagnostics, therapeutics and other countermeasures to those who need them, while also continuing vital R&D (research and development) which will address current gaps in scientific knowledge and strengthen the world’s defences against the virus and its variants.”

Since its inception, the ACT-Accelerator has funded vital research and development of new therapeutics, vaccines, and diagnostics, and deliv-

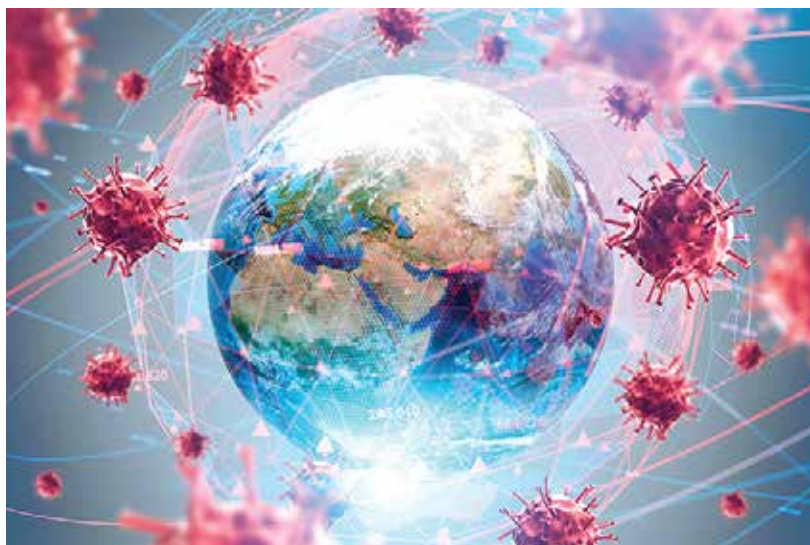
pledged \$814 million, leaving the \$16 billion funding gap. It is expected that the remaining \$6.5 billion will be self-financed by middle-income countries. Separate to the budget, another \$ 6.8 billion is required for in-country delivery of vaccines and diagnostics.

Sharing and solidarity

WHO chief Tedros Adhanom Ghebreyesus stated that the rapid spread of the Omicron variant has underlined the urgent need to ensure tests, treatments and vaccines are distributed equitably globally.

“If higher-income countries pay their fair share of the ACT-Accelerator costs, the partnership can support low and middle-income countries to overcome low COVID-19 vaccination levels, weak testing, and medicine shortages,” he said.

“Science gave us the tools to fight COVID-19; if they are shared globally in solidarity, we can end COVID-19 as a global health emergency this year.” ■



ue to warn against the dangers of inequity three years into the pandemic.

Science no match for inequity

Although more than 4.7 billion

ered over a billion vaccine doses through COVAX, among other achievements. The mechanism has an overall budget of \$23.4 billion and donors are urged to contribute \$16.8 billion. They have already

DCCI For Automation To Ensure Transparency, Accountability



Business Outlook Report

Dhaka Chamber of Commerce and Industry (DCCI) President Rizwan Rahman has underscored the need for ensuring automation of overall taxation, VAT and revenue information management system to ensure transparency and accountability. He said a predictable and compliant tax culture would increase tax net and foreign investment and highlight the importance of simplified VAT refund process.

DCCI President made the remarks at a press conference titled "The contemporary economic situation and DCCI's plan of action for the year 2022" at DCCI auditorium on Feb 6. For a smooth LDC graduation process, Rizwan Rahman stressed the need for improvement of country competitiveness, rational elimination of non-tariff barriers, and formulating national way forward strategies for local and export market competitiveness. He

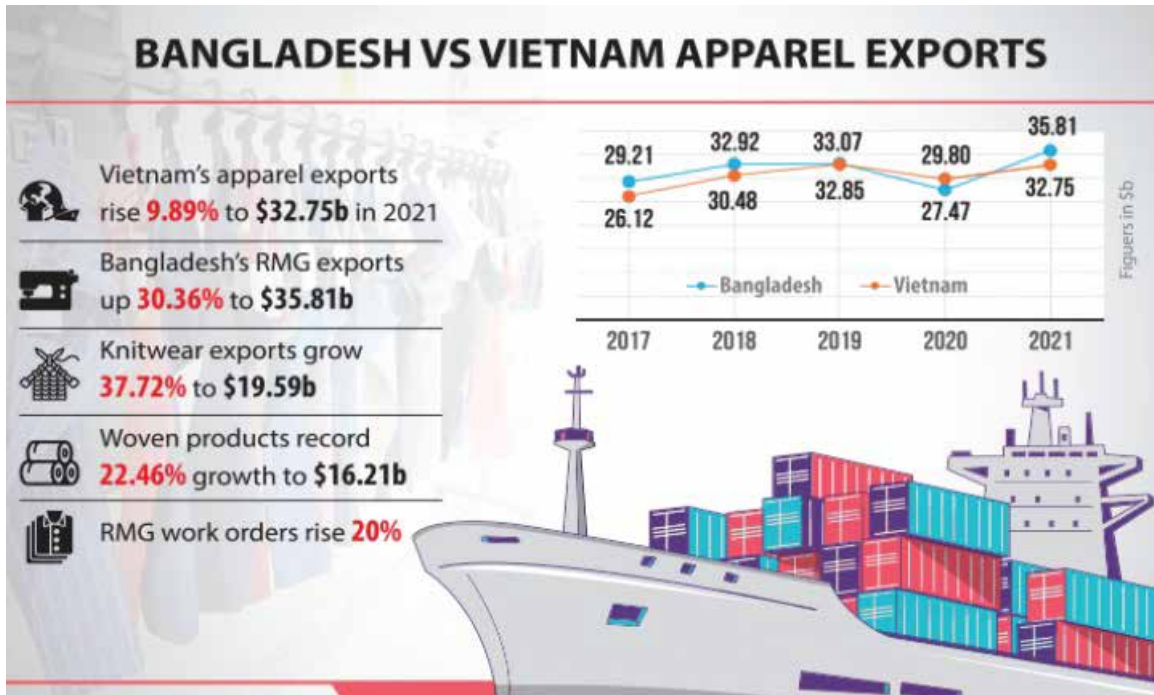
said that this year the Chamber will prioritize the CMSME sector including export diversification, blue economy, economic diplomacy, infrastructure, private investment and FDI, export diversification, skills development, digital engagement, taxation and LDC graduation. He continued, the world is still suffering from Covid outbreak, so strengthening CMSME sector should get priority especially in terms of easy access to finance.

To cope up with the growing demand of future skilled workforce, he urged for investing more in research and development. Terming blue economy as an emerging sector for Bangladesh, he said Bangladesh's ocean economy stands for 3.1 percent of the country's overall GDP. Shipbuilding, tourism, sustainable fishing, gas and mineral explorations are largely unutilized, he added. He urged for creating a national blue economy development and implementation roadmap. To

have a strong position in the economic diplomacy, he suggested to develop negotiation skills on international trade, WTO matters and relevant International laws for win-win FTAs and PTAs. He said, "Our major export destinations are Europe and America covering almost 67% of our total export".

But after the LDC graduation export will face a challenge and for that we have to formulate export diversification strategy engaging all stakeholders,' he told. Tariff rationalization, reduction of non-tariff barriers in cross-border trade and minimizing anti-export bias are also important in this regard, he said. Regarding a question of a journalist about harassment by the tax officials, he said that automation is the solution and also suggested to form an Accountability Commission under PPP model, reports BSS. ■

Apparel Export: Bangladesh Regains 2nd Position



Business Outlook Report

Bangladesh dethroned Vietnam last year to regain its position of second-largest apparel exporter as its local factories operated in full swing to meet increasing work orders during the pandemic. Bangladesh earned \$35.81 billion in 2021, Export Promotion Bureau data show, compared to Vietnam's \$32.75 billion in the same period, according to its General Statistics Office.

In 2020, Bangladesh lost its position to Vietnam, when it earned \$27.47 billion against the latter's \$29.8 billion. Last year, Vietnam's exports rose by 9.89 per cent but Bangladesh recorded a 30.36 per cent rise compared to the year before. "In 2020, Bangladeshi manufacturers had to shut factories as Covid-19 infections soared. In contrast, Vietnam did not close factories as the infection rate was low," SM Khaled, Managing Director of

Snowtex Group, told The Business Post. The temporary closure hampered production and negatively affected export earnings. He said that Vietnam took advantage of the situation and took over the second position. Last year, Bangladesh did well as manufacturers ran factories in full swing with enough work orders as the Covid-19 situation worsened in Vietnam. This translated into better export performance, said manufacturer.

"Knitwear products mainly drove growth. The sector did well due to the supply of raw materials from domestic source," said Khaled. Bangladesh currently supplies over 90 per cent of raw materials for the sector. Knitwear exports rose by 37.72 per cent to \$19.59 billion in 2021 from \$14.22 billion the year before. Woven products fetched \$16.21 billion, up by 22.46 per cent, which was \$13.24 billion in the same period a year ago. In the US market

last year, Bangladesh's apparel exports grew by 36.79 per cent to \$7.14 billion while Vietnam's increased by 14.33 per cent to \$14.37 billion.

What about 2022?

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Vice-President Shahidullah Azim noted that it was difficult to predict future exports direction in 2022 amid the ongoing pandemic but said he was optimistic that the local apparel industry would reach a new height over the next five years.

"There is huge growth opportunity for Bangladesh ... with the current work order flow and buyers' confidence, it won't be tough to retain the second position," he told The Business Post. Apparel makers recorded more than 20 per cent rise in export orders in 2021 year-on-year, indicated by the surging number of Utilisation

Declaration permissions issued by BGMEA. “To retain our position, we have to attract Chinese investment as well as buyers who are relocating their purchase destinations. Normally, Chinese investors prefer Vietnam and Myanmar as there is similarity in culture,” he explained.

How to retain position?

Bangladesh’s gap is too big with China but small with Vietnam, the third-largest exporter. “Bangladesh needs to reduce gap with China and widen with Vietnam for retaining

the second position and making it stronger,” Zahid Hussain, former lead economist of World Bank, Dhaka told The Business Post. Bangladesh has more opportunities to grow and the country should couple diversification with skill development and technology adoption in manufacturing, he said. “Vietnam’s apparel export was performing better in the last couple of years and its growth was showing a steady trend. So, there was a chance to surpass Bangladesh in terms of export earnings. It happened in 2020 and it could

happen again,” Khondaker Golam Moazzem, research director at Centre for Policy Dialogue, told The Business Post.

The up and down in position is a temporary one, which should not be taken lightly. They did well with structural development and products diversification, said the economist. “Bangladesh should think about the post LDC period when there will be tariff on exports but Vietnam will enjoy zero duty benefits,” said Moazzem.■



Experts For Gender-Responsive PPP

Experts at a dialogue underscored the need for gender-responsive Public Procurement Policy (PPP) to encourage the participation of women entrepreneurs in public procurement.

They made the suggestion at the dialogue on public procurement act and rules to ensure 'Gender-Responsive Public Procurement' virtually organized by BUILD in collaboration with Central Procurement Technical Unit (CPTU)

and ITC Geneva SheTrade Initiatives on Feb 1, said a press release. Speaking on the occasion, CPTU Director Md Aziz Taher Khan said the government has taken several initiatives for encouraging the participation of women entrepreneurs in public procurement.

"As a result of reforms undertaken by CPTU, average procurement lead time has decreased from 94 days (2012) to 56 days at present. Introduction of

the e-GP system has accrued savings of about USD 600 million, 1,053 million of papers, and decreased carbon dioxide (CO2) emission of about 153,559 tons," he added.

The discussion rotated around creating legal ground in the Public Procurement Act and Rules so that women entrepreneurs can participate and enforce targeted assistance strategies to implement. The dialogue also tried to understand

whether a separate Public Procurement Policy Document is required for ensuring the participation of minority groups including women entrepreneurs. Another paper was presented by the Public Procurement Research Centre (PPRC) of ITC that reviewed the Public Procurement Act and Regulations (the Rules) and identified some clauses for reform for ensuring better participation of women-owned businesses.

To ensure Gender Responsive Public Procurement Rules, a clear definition for women entrepreneurs is required. Documentation requirements could be relaxed and procedures could be simplified based on a threshold amount. In the beginning, BUILD CEO Ferdaus Ara Begum informed that globally WOB accounts for only 1 per cent of the public procurement while the total procurement globally is about \$9.5 trillion.■



Investment Abroad Govt Gives In To Pressure?

Apu Ahmed

The government has acceded to the demand of the businesses and allowed export-oriented local companies to invest abroad under the newly-adopted guidelines, while the Bangladesh Bank has been dealing with the sensitive issue on a case-to-case basis since 2015.

Legal Overseas Investment

From now on, BB will examine the overseas investment proposals as per the guidelines instead of its previous approach. Dealing with the sensitive issue requires more efficient management in foreign currencies to avert possible stresses on the country's economy against the backdrop of rampant capital flights and poor private sector investment. A report on outward foreign direct investments, the first of its kind by

BB in July 2021, showed that Bangladeshi companies have so far invested \$327.14 million or Tk 2,774.14 crore in 20 countries through the formal channel since

2015.

Capital Flight

But a large amount of money has been laundered from the country by



businesses and other professionals. In November 2020, the US state



*Finance Minister
AHM Mustafa Kamal*

department, in a report, said Bangladeshi nationals' investments across the world exceeded \$3 billion by 2018, nine times or \$2.67 billion higher than the legally invested amount. While commenting on the guidelines on overseas investment, Finance Minister AHM Mustafa Kamal said the government had allowed overseas investment to curb the transfer of money out of the country through illegal channels. "It is not wrong to invest abroad. If you don't allow it, it will go to different countries through hundi. It is better to do it officially," he said.

An Untimely Guideline

The guideline issued last month will permit Bangladeshi entrepreneurs to



*Former World Bank Dhaka Office
Chief Economist Zahid Hussain*

make offshore equity investments to the tune of 25 per cent of their net

asset in a company. The issuance of the guidelines is the culmination of a process that started almost five years ago. In 2017, the cabinet committee on economic affairs asked BB to draft the guidelines amid demand by businesses to open up overseas investment. In September 2020, BB drafted the 'Capital Account Transactions (Overseas Equity Investment) Guidelines 2020' guidelines. However, the timing of issuance of the guidelines has raised eyebrows since it was done one year from the conclusion of the current tenure of the present political regime.

Advantages for Businesses

It seemed that the present political regime had decided to appease the businessmen. According to an assessment of civil society platform, Shushashoner Jonno Nagorik (Shujan), almost 82 per cent of the 11th parliament lawmakers are involved in some kind of business activities and have assets worth more than Tk1 crore. Around 32 per cent have assets worth more than Tk 5 crore. The decision of allowing overseas investment also reminds the opportunities given to the businessmen by the current political regime at fag end of its previous tenure because of pressure from the banks' owners. Bangladesh Association of Banks had been demanding for increasing the number of directors of a bank — up from the previous two — of a family. Its other demand was to enable the directors to hold the post of directors for three consecutive terms or nine years — an increase from two-term or six years. The demands that the private bank owners had pursued since 2016 were entertained in early 2018.

Banks Become Family Affairs

A controversial bill seeking amendments to the Bank Company Act 1991 was passed in parliament in January 2018. The passage was marked by a walkout by Jatiya Party and independent lawmakers. The JP lawmakers and lone independent

MP, Rustam Ali Faraji, raised objections to the controversial bill before



*Former BB Governor
Salehuddin Ahmed*

staging the walkout in protest at not allowing them to speak on the bill soon after a speech by then finance minister AMA Muhith. The former finance minister had tabled the bill amid criticism that increasing family members in the board of directors would shrink opportunities for professionals to be bank directors and turn the banking activities into a family affair. There are lots of signs that many commercial banks serve the interest of families having directorship in those banks while the BB fails to protect the interest of the small depositors accounting for over 80 per cent of a bank's liquidity.

Risk Factors

Following the latest government



*Former Caretaker Government Finance
Adviser Mirza Azizul Islam*

decision on overseas investment, experts have identified risk factors

for the country's economy. They said three things should be examined thoroughly to minimise the risk factors. They are – capacity building on foreign currency management, stopping capital flights and higher flow of foreign currency incomes. Of those, foreign currency management is the most important. Experts suggest that local companies should be given scopes for going overseas only when the country's foreign currency income will be higher than the foreign currency expenditure. Ways to be followed by the BB in allowing the local companies to go abroad would increase risk factors



for the economy, experts noted.

Experts Sound Concern

Former caretaker government finance adviser Mirza Azizul Islam noted that local companies required more time to earn capacity imperative for the overseas investment. The central bank's monitoring system is less than the international level and insufficient to oversee the investment policy, said former BB governor Salehuddin Ahmed. The country's current account balance recorded a deficit of \$6,186 million in July–November 2021 against the surplus of \$3,555.00 million in July–November 2020. Current account balance is in deficit mainly for the larger deficit in the trade balance, according to BB.

Alarming Trend

Historically the country's trade balance is negative as the import payment is always higher than the export earnings, which mean the import is higher than the export. The range was moderate during FY13 to FY16, less than \$1 billion dollars. The deficit in FY12 and FY 17 exceeded over \$9 billion but there is a sharp spike in FY18, the deficit is worth \$18 billion [Annual Report 2017–2018, Bangladesh Bank], was an unusual trade balance that many linked to the capital flight in the guise of over-invoices. There

is a sharp jump in the current account deficit to 4 per cent of GDP from a paltry less than 1 per cent in FY17. The depreciation of currency is accompanied by the current account deficit; the nominal exchange rate at Tk 79 at the end of FY17 is now over Tk 86. The current account deficit declined to \$3.81 billion in the FY21 largely due to the pandemic but it is rising again following containment of the virus outbreak globally.

Currency Management to Face Challenges

Former World Bank Dhaka office chief economist Zahid Hussain said import and export were increasing. However, the import payment

growth is higher. As a result, the deficit is also increasing. A certain portion of the export income which will be allowed to be invested abroad will not be included in the country's foreign currency reserve, said Hussain while giving his reaction on the issue to a vernacular daily. The country's foreign currency income will fall in meeting the growing import payment, he said, adding the currency management would come under stress.

Surplus Balance Gives Advantages

A surplus in current accounts contributes to the economy in many ways. A surplus in the overall balance of payment helps sound macroeconomic management by keeping a healthy exchange rate and growth in the official reserves. The foreign exchange reserves of Bangladesh Bank stood at \$42.35 billion as of January 13, after it reached a record high of \$48 billion in August 2021. Once the economy is derailed from a smooth path, it becomes very difficult to put it back on track, said experts.

Poor Pvt Sector Investment

Former Chittagong University teacher Moniul Hossain noted that the government policy on overseas investment in favour of businessmen may prove costly for the country against the backdrop of its poor track record of attracting foreign direct investment. Besides, the trend of investment by the local private sector is not satisfactory. The ratio of private investment to gross domestic product only rose to 22.06 per cent in 2019–20 from 19.5 per cent in 2010–11, demonstrating an almost static private investment in the country. The government should encourage local companies to make investments in the country by creating an able atmosphere. More investment by local private groups will not only reverse the poor trend of private investment but also help in containing overseas investment. ■



Dhaka WASA Mulls Another Water Tariff Hike

Business Outlook Report

Dhaka Water Supply and Sewerage Authority is planning yet again a hike in water tariff for both household and commercial consumers. The agency – which has raised water prices 14 times in the last 13 years – is going to propose increasing water prices from Tk 15.18 to Tk 21 for domestic consumers and from Tk 42 to Tk 55 for commercial users.

Speaking to the media at the WASA office in the capital's Karwan Bazar, Dhaka WASA Managing Director Taqsem A Khan said, "The WASA board is making this move to cut back on government subsidies. "We will make a proposal for hiking water prices, but the final decision in this regard will come from the government. If the prices do not go up, the subsidies will." Taqsem added that the agency can increase water prices by five per cent every

year to make adjustments with inflation, but it needs the government's approval to increase prices further. "The current cost of per unit water production is Tk 25," he said. According to WASA, a unit means 1,000 litres of water. Dhaka WASA previously increased water tariff from Tk 5.75 in 2009 to Tk 15.18 in 2021. In the past 13 years, this agency increased the water tariffs for residential use by 181 per cent.

In July last year, the Dhaka WASA board hiked tariffs for each unit of water by five per cent. After the hike, water tariff stood at Tk 15.18 for residential use and Tk 42 for commercial use, up from the previous prices of Tk 14.46 and Tk 40 respectively. Many residents in different parts of the city, especially in Mirpur, Jatrabari, Mohammadpur, Badda, Jurain and Old Town of Dhaka complained that they were not getting an adequate supply of

water, while others claimed to be getting dirty water from the supply lines. Taqsem however denied these allegations saying the crisis is not being caused by a shortage of water, but by the inadequate supply chain. "We have some pockets in our supply chain, and residents living near these pockets are getting less water," he said.

Conscious Consumers Society's Founder President Palash Mahmud said the agency is more concerned with price hikes instead of ensuring the proper supply of water. He urged the government to ensure accountability and transparency of Dhaka WASA so that the residents can avail this essential service for a low cost.■

Blackstrap Molasses Country Turns Importer From Exporter

Apu Ahmed

Bangladesh became a net importer of molasses from being an exporting country just a year after the closure of half-a-dozen sugar mills, some of which had been carrying the legacy of sugarcane growing and crushing for nearly half a century.

Blackstrap Molasses or Chitagur

Since last November, Hili Land Customs Station, one of the country's land ports located over 400 kilometres from the capital at Hakimpur upazila of Dinajpur, has been seeing the import of the lighter grades of molasses made from sugarcane. Unlike molasses made of sugarcane juice and available in

jaggery shops, the lighter grades of molasses, also known as blackstrap molasses or black treacle, is a viscous

substance resulting from refining sugarcane or sugar beets into sugar. This type of molasses, also called





‘Chitagur’ locally, is used in baking and candy-making and to make liquor rum. Besides, other low grades of cane molasses are used in mixed animal feeds and the industrial production of vinegar, citric acid, and other products.

Import Starts

Nurul Islam, a customs official of the Hilli land port, said around 1,500 tonnes of molasses were imported through the port during the November-December period of 2021 calendar year. The import of molasses costs around \$1.8 lakh, equivalent to Tk 1.54 crore since one tonne of molasses has been sold at \$120 in the Indian market. The import also generates around Tk 40

lakh duties, said the customs official. But the molasses was used to be exported to India through the same

land port in the past. In 2019, India imported molasses worth \$1.09 million, primarily from Nepal (\$1.07



million) and Bangladesh (\$8,78,000), according to the Observatory of Economic Complexity or OEC, an online data visualisation and distribution platform focused on the geography and dynamics of economic activities.

Molasses Shortage

Local importers said that they had started importing molasses from India due to the shortage of the item in the country in the wake of the closure of six state-owned sugar mills in 2020. The history of the sugar factory in the country can be traced back to the British regime. The North Bengal Sugar Mill was established at Natore in 1930. More sugar mills were established during the last 90 years until the government suspended the production of six state-run sugar mills since 2020. The factories are – Pabna Sugar Mills Ltd, Shyampur Sugar Mills Ltd, Setabganj Sugar Mills Ltd, Kushtia Sugar Mills Ltd, Panchagarh Sugar Mills Ltd and Rangpur Sugar Mills Ltd. Before the closure of the mills run under the state-owned Bangladesh Sugar and Food Industries Corporation, the country produced about 1,50,000 tonnes of sugar, 1,00,000 tonnes of molasses and 8,00,000 tonnes of baggage. But the remaining nine BSFIC-run mills produced 48,055 tonnes of sugar, the lowest in 48 years after 1973 following the closure of six mills. The sugar recovery rate of that season also hit a record low of 5.49 per cent, decreasing the production of molasses too.

Import to Grow

Thus, the import of molasses is not surprising. There is no doubt that the import of the item will grow in the coming days against the higher demand by the poultry and livestock industry. The country's feed market stood at 5.03 million tonnes worth around \$2.5 billion. Poultry feed accounts for 63 per cent of the demand. The remaining 23 per cent is held by fish and 14 cattle feed. Out

of total consumption, about 50-60 per cent of the maize and 40 per cent of soybean are sourced internation-

ally for the feed industry. Molasses produced in the state-owned mills is used widely for cattle feed. But now it will be imported from abroad, mainly from India, to meet the shortfall.



ally for the feed industry. Molasses produced in the state-owned mills is used widely for cattle feed. But now it will be imported from abroad, mainly from India, to meet the shortfall.

Cattle and Fish Feed

The labour-intensive fisheries and livestock sectors contribute 35 to 40 per cent alone to the overall agriculture sector and about 7 to 8 per cent to the country's Gross Domestic Product. More than 90 per cent of animal protein comes from these sectors. But the main constraint in livestock production in the county is the acute shortage of feed and fodder for the animals. Straw is the important crop residue that has been used as a diet for cattle in tropical and subtropical countries. In Bangladesh, rice straw contributes around 81 per cent to the cattle feed and the rest from green grasses. It was found that if urea and molasses mixture is supplied to the animals with straw then feed intake and digestibility of straw increases. The use of molasses as cattle feed is an economical means of providing suitable protein and energy.

Molasses Market

Bangladesh is reported to be India's

imports from India between March and October grew 81 per cent over the same period in the preceding year to \$7.7 billion. This makes it India's fourth-largest export market behind the US, UAE and China. From rice to cotton and oil to fruits and spice, Bangladesh imported around 100 types of products from India. Molasses has become the latest item of export for India to Bangladesh. India is the largest exporter of the item.

India, the Molasses Giant

In 2019, India exported molasses worth \$123 million. In the same year, Molasses was the 324th most exported product in India. The main destinations for Indian molasses are: United Kingdom (\$25.5M), The Netherlands (\$21.7M), South Korea (\$12.5M), Italy (\$10.1M), and Belgium (\$9.69M). According to the Indian Sugar Mills Association, 416 sugar mills produced 47.21 lakh tonnes of sugar in the sugar season 2021-2022 (October to September) compared with 43.02 lakh tonnes produced by 409 sugar mills during the same period last season. India currently produces around 10 million tonnes of molasses per year. ■



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Mutual Trust Bank Ltd (MTB) inaugurated its fifth Air Lounge at the Domestic Terminal of Hazrat Shahjalal International Airport (HSIA), Dhaka. Md. Hedayetullah, Director, Chairman of Executive Committee and former Chairman of the bank, inaugurated the Air Lounge at a simple ceremony held at the lounge premises. ■



United Commercial Bank Limited (UCB) launched UCB Visa Business Card at the corporate office of the bank. Uzma Chowdhury, Director Finance, PRAN-RFL Group, was present at the launching event as the chief guest while Arif Quadri, Managing Director of UCB, was special guest. ■



NCC Bank Ltd inaugurated country's first innovation center for banking services. Md. Abul Bashar, Chairman of the bank, inaugurated the innovation center at bank head office premises while Managing Director & CEO Mohammad Mamdudur Rashid was also present on the occasion. ■



NCC Bank received "Remittance Award-2022" from the Centre for Non- Resident Bangladeshi. Mohammad Mamdudur Rashid, Managing Director & CEO of NCC Bank Ltd, received the award from Dr. A.K. Abdul Momen, M.P, Foreign Minister, at the inaugural ceremony of "World Conference Series-2022" titled "Branding Bangladesh" held at Pan Pacific Sonargaon Dhaka. ■



Pubali Bank Limited was awarded 'Top Ten Remittance Award 2022' by the Centre for Non Resident Bangladeshi (NRB) for outstanding contribution to collect remittance. Saful Alam Khan Chowdhury, Managing Director & CEO of Pubali Bank Limited, received the award from Dr. A. K. Abdul Momen MP, Foreign Minister. ■



Islami Bank Bangladesh Limited (IBBL) has achieved Gold Award in Remittance Award 2021 & 2022 conferred by the Centre for NRB. Foreign Minister Dr. A K Abdul Momen handed over the award to Mohamed Monirul Moula, Managing Director and CEO of IBBL at a program organized by Centre for NRB in Pan Pacific Sonargaon, Dhaka. ■



Janata Bank Limited has been awarded 'Top Ten Remittance Award 2021 & 2022' by the Centre for Non-Resident Bangladeshi (NRB) for its outstanding remittance services. Md Quamrul Ahsan, Deputy Managing Director of Janata Bank Limited, along with Arif Ahmed, DGM, FRD, received the award from Foreign Minister Dr AK Abdul Momen at the inaugural ceremony of World Conference Series 2022 at a city hotel. ■



Think Big Solutions Limited, a recently approved Fintech company, will launch Bangladesh's first integrated digital invoice auction platform, TREDX online that will bring together financiers, corporates, and their suppliers onto a single platform to create a win-win-win value proposition. ■



The 1st meeting of the Board of Directors of Shippers' Council of Bangladesh (SCB) for the term 2022 & 2023 was held under the Chairmanship of Md. Rezaul Karim. ■



Al-Arafah Islami Bank Limited has received the Centre for Non Resident Bangladeshi (NRB) Remittance Award as one of the top 10 banks for collecting the highest remittance in 2021. Md. Shafiqur Rahman, Deputy Managing Director of the Bank, received the award from Foreign Minister Dr. A K Abdul Momen. ■



Bank Asia Ltd has been awarded "Remittance Award 2021 & 2022" by the Center for Non Resident Bangladeshi (NRB) recently at an event titled "World Conference Series 2022 - Branding Bangladesh". Head of Foreign Remittance Department of Bank Asia, Mr. Golam Gaffar Intiaz Chowdhury, received the award on behalf of the bank from Foreign Minister Dr. A. K. Abdul Momen MP. ■



Guests and winners seen in the SAFA (South Asian Federation of Accountants) Best Presented Annual Report Awards, Integrated Reporting Awards & SAARC Anniversary Awards for Corporate Governance Disclosure 2020 competition. ■



PLICL Gives Highest Priority In Meeting Customers' Claim: B M Yousuf Ali

Jonaed Mansur

BM Yousuf Ali, Managing Director (MD) and Chief Executive Officer (CEO) of Popular Life Insurance Company, said that normally when a customer open an account with the Popular life Insurance Company Limited (PLICL) for receiving any of the existing insurance offers, he or she thinks about financial safety and security of his or her future. They deposit their hard earned money. So, the PLICL always gives highest priority in responding to their needs when they make an insurance claim. "Now it gets further priority during the global pandemic Covid-19 situation", he said in a recent interview with the fortnightly magazine BUSINESSOUTLOOK.

The CEO said the entire insurance sector has been suffering from the allegations made against some particular companies with the Insurance Development and Regulatory

Authority (IDRA) for their misdeeds. The customers lodged complaints against those default companies. On the other hand, in contrast, the PLICL is receiving highest appreciation from its customers for the timely payment against the insurance-claims. "We've been doing our best professional practices by making a balance between life and livelihood during the crisis period of the global pandemic", he said.

He said the PLICL had to incur a huge financial loss due to the Covid-19 effect. "But we made hundred percent payments against any insurance claim by our customers only considering our market-reputation, image and the humanitarian grounds. Even, we had to encash our fixed deposit receipts (FDR) to make the payments. Even, in some cases, we made more payments than before so

that nobody can lodge any complain".

He PLICL is moving towards the top position in the insurance sector with the support of the board of directors by evolving new strategies and innovative solutions. "We always consider the growing competition and introduce new policies so that people can get more confidence in receiving our services'.

Meanwhile, the PLICL already created a new position among the top insurance companies by its proven track records of timely payments to the insurance claimers. Officials of the company claimed that there is no record of default against the company in paying the insurance claim. It paid about Tk 4,000 crore to its customers to meet the insurance claims. Recently, the PLICL formed 5 sub-committees to uphold its market reputation and

continue its growing trend of business. The PLICL has been involved with the Election Commission's data-base to increase the confidence of its customers. Former chairman of the IDRA Md Shafiqur Rahman Patwari inaugurated the project on National Identity (NID) Verification Program for the customers of the PLICL

According to the IDRA sources, a

total of 79 insurance companies are currently operating in Bangladesh. Of which 46 are general insurance companies. Of which one is a state-run insurance entity while the remaining others are private sector-owned companies. On the other hand, there are 33 life insurance companies. One of them is state-owned while the rest is privately owned. The Article 72 (1)

of the Insurance Act says that the customer must be repaid the money within 90 days (three months) at the end of the term of the insurance. Life insurance is varied for different terms of 5, 10, 12, 15, 18 and 20 years. ■

Fbcci To Rebuild Trust In E-commerce Sector



The Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) has said it will work on restoring confidence in e-commerce sector that has been tarnished due to some recent incidents. At its first meeting on Feb 3, the FBCCI Standing Committee on E-Commerce made the pledge of overcoming the situation and creating new entrepreneurs.

Director in charge of the committee and president of E-Cab Shomi Kaiser said, "E-commerce businesses have bloomed

during the Covid pandemic and generated thousands of employments, but due to some isolated cases, the image of e-commerce has been tarnished."

"In order to overcome this crisis, the Ministry of Commerce will provide unique identification numbers for e-commerce companies. A Complaints Management Cell will also be formed soon under the supervision of the directorate of national consumer Rights Protection," she added. She mentioned that a roadmap for one year would be

drawn up by the standing committee for the development of the overall e-commerce ecosystem. Speaking as the chief guest, FBCCI President Md. Jashim Uddin said that in order to create sustainable e-commerce, entrepreneurs in this sector must ensure institutional transparency and accountability and compliance.

FBCCI Senior Vice President Mostofa Azad Chowdhury Babu said that in order to restore confidence in e-commerce, it is necessary to formulate specific policies

in this sector. Presiding over the meeting, the Chairman of the Standing Committee TIM Nurul Kabir said that, lack of bank loans, poor penetration of cards, over-reliance on cash on delivery and absence of cross-border e-commerce policies are some of the major challenges facing the business.

In the open discussion, the co-chairmen and members of the committee complained that the Ministry of Commerce has not yet made the digital commerce cell fully functional and also it is yet to fix who will monitor the SOP in E-commerce.

FBCCI Director Amzad Hussain, Secretary General Mohammad Mahfuzul Hoque, Standing Committee Co-Chairmen Mohammad Abdul Haque, Mohammad Sahab Uddin, Mostafizur Rahman Sohel, Zia Ashraf and M Rashidul Hasan, among others, were also present at the meeting, reports BSS. ■

EU, IFC To Accelerate Inclusive Infrastructure Investments In S. Asia



Business Outlook Report

Six South Asian nations, including India and Bangladesh, are set to benefit from a new US\$21.5 million (EUR 18 million) funding from the European Union (EU), which will help to accelerate climate-smart, inclusive infrastructure investments in their regions. IFC, the largest global development institution, focused on the private sector in emerging markets, will implement the project under the programme, Accelerating Climate-Smart and Inclusive Infrastructure in South Asia (ACSIIS).

ACSIIS is a five-year programme (2021–2026) to help spur investments in energy, water, waste management, transport, logistics, and green buildings to benefit people and businesses in Bangladesh, Bhutan, India, Maldives, Nepal, and Sri Lanka. ACSIIS would leverage

USD\$ 850 million of private sector investments in the region, said a press release issued on Feb 10. The impact of Covid-19 on investments in infrastructure has been widespread and severe. Investment commitments in infrastructure with private participation in 2020 dropped by an unprecedented 52 per cent from 2019 levels.

IFC estimates that South Asian countries can unlock more than US\$3 trillion of climate-smart investment opportunities by fully meeting the national targets under the Paris Agreement by 2030. “Attracting private capital for climate-smart infrastructure in a sustainable and inclusive manner will be critical for post-Covid-19 recovery in South Asia,” said Hector Gomez Ang, regional director for South Asia at IFC. “The EU’s support for

the program could not come at a better time as it is vital to act now to unblock obstacles to spurring sustainable infrastructure projects. This programme will leverage IFC’s experience and expertise in supporting climate-smart infrastructure development in the region,” he added.

The programme will also support the development of climate-smart investments in agriculture, manufacturing, tourism, health, and education while focusing on key themes such as cities, gender, and green finance. The latest initiative builds on IFC’s previous partnership with the EU to support the Eco-Cities Programme in India and other programmes in the region. “The ACSIIS project will support a green and inclusive recovery in South Asia. We are happy to see the existing EU cooperation in India

broadening into a regional intervention with multi-sector coverage, in line with the objectives of the EU Green Deal, to promote sustainable development, the fight against climate change and the transition to renewable energy,” said Ugo Astuto, ambassador of the European Union to India and Bhutan.

“This initiative will make a positive contribution to sustainable connectivity, supporting the EU engagement in key sectors to build a greener future,” he added.

Through ACSIIS, IFC will support early-stage market development to address key market-wide constraints, as well as deliver project-level technical advice to structure sustainable infrastructure investments for the target countries.

The programme will also support capacity building of private and government sectors to improve their ability to design, structure, and implement sustainable infrastructure projects.

Several of these components are part of IFC’s upstream strategy, which aims to create markets in the most challenging environments, laying the foundation for future investment projects. ■



BAJUS Seeks Govt To Set Up Gold Bank, Gold Exchange

Business Outlook Report

Gold business owners demanded that the government set up a Gold Bank and Gold Exchange to help monetise the precious metal lying idle with people, said a press release on Feb 10. The district-level leaders of Bangladesh Jewellers Samity made the demand during a two-day views exchange programme with BAJUS president Sayem Sobhan Anvir at Bashundhara Residential Area in the capital.

Echoing the demand raised by the gold business owners, Bashundhara Group managing director and BAJUS president Sayem Sobhan Anvir sought the prime minister's support for fulfilling the demand of the jewellers. He also stressed the need for unity among the jewellers, adding, 'The jewellers must be united. Prime minister Sheikh Hasina has been with us for flourish-

ing the jewellery industry.' The Bashundhara Group managing director also said it is his firm belief that the prime minister would extend utmost policy support to the businessmen regarding exports of jewellery items. 'If we can start exporting jewellery items, BAJUS members, the society and the country will get special honour abroad,' he said. Sayem Sobhan Anvir said that BAJUS considers any problem of any of its members as the problem of the organisation itself.

He emphasised early solutions to the issues related to the Value Added Tax and harassment affecting the jewellers. 'BAJUS must be strengthened to solve all the problems in this sector. All the gold businessmen across the country must be united,' he said, urging all the jewellers to join the BAJUS. He called upon the businessmen for setting up jewellery factories and put focus on exporting gold

products. 'Through exporting jewellery items, Bangladesh will move one step ahead in materialising the dream of Father of the Nation Bangabandhu Sheikh Mujibur Rahman to build a Sonar Bangla,' he said, adding that Bangladesh would keep its head high on the world stage.

BAJUS vice-presidents Gulzar Ahmed and Anwar Hossain, former president and chairman of district monitoring committee Dilip Kumar Roy, assistant secretaries Masudur Rahman and Joynal Abedin Khokon, treasurer Uttam Banik, executive committee members Reponul Hasan, Media Communication Committee's member secretary Mizanur Rahman Manik, District Monitoring Committee members Mrinal Kanti Dhar, Rakibul Islam Chowdhury and Enamul Hoque Sohel were also present on the occasion. ■



Registration System Launched For E-commerce Business

Business Outlook Report

The government has launched the Digital Business Identification (DBID) system for the e-commerce businesses in the country as all kinds of online business entities like websites, Facebook pages and apps from now on would have to take registration in such system. Commerce Minister Tipu Munshi formally inaugurated the DBID system at his Ministry at Bangladesh Secretariat on Feb 6 after chairing an emergency inter-ministerial meeting to review the overall condition of the digital e-commerce business.

Prime Minister's Private Industry and Investment Adviser Salman F Rahman, State Minister for ICT Junaid Ahmed Palak and concerned businessmen attended the meeting. A total of 11 e-commerce firms were given registration at the programme. Speaking on the

occasion, Tipu said although some e-commerce firms were involved in cheating, but there are still thousands of e-commerce firms which are doing good businesses. "DBID system has been introduced so that such good e-commerce firms are recognized and they can do much better," Mentioning that all the e-commerce firms in the country would be brought under the same platform through this DBID system, he said adding that the e-commerce business would be operated in the country in future through this nice system.

Tipu said providing DBID to an e-commerce firm means giving them proper documents while necessary arrangements would be made so that these firms could get TINs and bank loans. He said with the introduction of DBID, irregularities and forgery would be reduced to a great extent in the

e-commerce business, but the concerned consumers would have to be more aware in this regard. The commerce minister said that the amount of the clients stuck with the e-commerce firms, which are involved in cheating, would be repaid to the consumers in consultation with the Law Minister after addressing some legal issues.

Prime Minister's Adviser Salman F Rahman informed that this DBID platform would facilitate the small and women entrepreneurs. He said that an inter-ministerial meeting would be held so that such entrepreneurs do not face any difficulty in getting TINs, trade licenses, opening up bank accounts and getting bank loans. State Minister for ICT Junaid Ahmed Palak said that although misunderstanding was created to some extent in the e-commerce business, but it would be resolved to a large extent with the

launching of the DBID. He also hoped that this DBID system would give the online business a strong and reliable foundation. Palak informed that four important steps are ongoing on behalf of the government to address the anomalies in the digital business while DBID is the effective first step of that. He said a central

complaint management system server would be launched later to address the complaints of this sector. Besides, central liquidity tracking Programme (CLTP) would be launched to ascertain the actual number of transactions and the volume of traded products in the e-commerce sector. The state minis-

ter also said that an inter operator digital platform would be developed which will track a product going to which destination. He hoped that these four effective steps would take the e-commerce sector into a reliable position, reports BSS. ■

NBR To Award VAT Invoice Issuing Entities



National Board of Revenue (NBR) Chairman Abu Hena Md Rahmatul Muneem has said that the board would award the VAT invoice issuing entities while collecting VAT in order to motivate them further.

“We’ll not only award the EFD invoice receivers, but also award those entities which issue EFD invoices. We’ll give them such award to motivate them in collecting revenues,” he said at a function as the chief guest marking the draw of EFD lottery held at the NBR Bhaban in the capital’s

Segunbagicha area on Feb 5. The NBR for the first time honoured an EFD invoice issuing enterprise as Chairman of Venus Jewelers Ganga Charan Malakar received the Honour from the NBR Chairman.

Speaking on the occasion, Muneem said today a VAT invoice issuing enterprise was honoured and VAT invoice issuing entities would be honoured later like the VAT invoice receivers, reports BSS. Turning to the issue of gold smuggling, he said that the government has been

trying to give necessary policy support to the concerned stakeholders over the years so that gold is being imported legally and thus smuggling of gold is stopped. “But, despite this, there is no such response in import of gold,” he observed.

Expressing his slight concern over the big seizures of smuggled gold, the NBR Chairman said that it has become a big challenge for the revenue board to avert gold smuggling. He also opined that there are various reasons for gold smuggling, adding that they are

looking into the matter whether gold smuggling is taking place due to duty burden.

Muneem informed that the government would consider to do something in the next budget for simplifying import of gold.

He said the price of products should have to be fixed in such way so that the amount of VAT is included in the product price so that the consumers need not pay VAT separately. ■

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Patenga Container Terminal To Launch Operation In June

Business Outlook Report

Chattogram Port Authority (CPA) Chairman Rear Admiral M Shahjahan has said that Patenga Container Terminal (PCT) in Chattogram will begin its operational activities in June this year. The CPA Chairman hoped that it will be possible to handle 145 million TEUS containers per year after opening of the terminal.

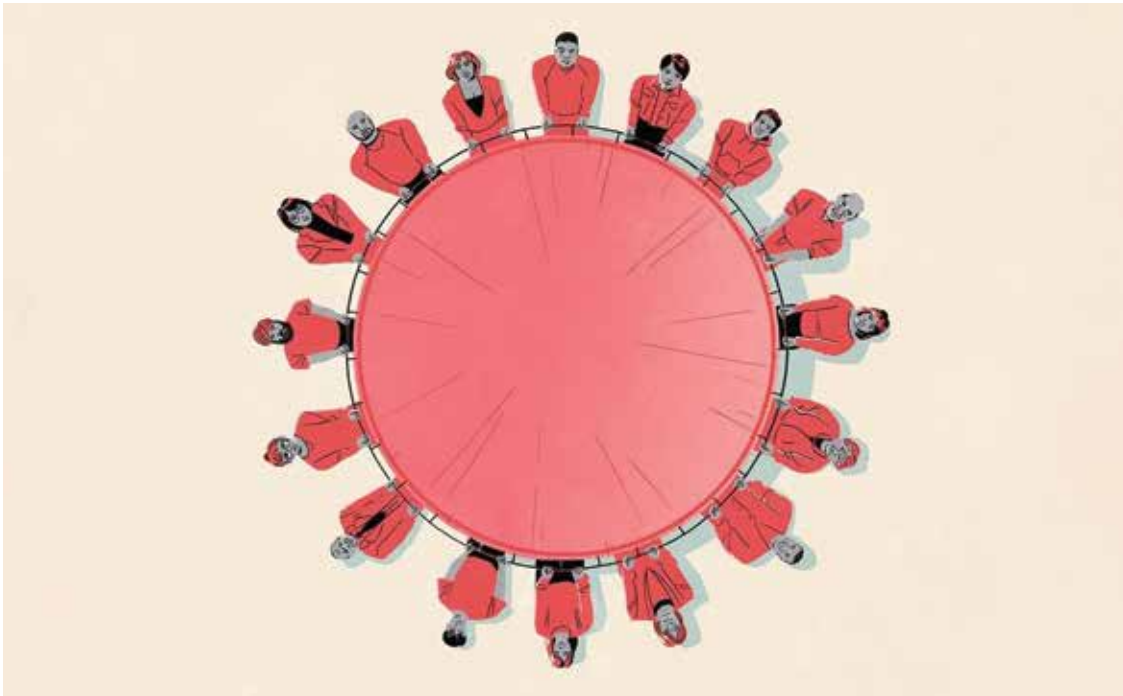
He disclosed this while exchanging views with Charles Steward Whiteley, European Ambassador to Bangladesh, Enrico Nunziata, Italian Ambassador to Bangladesh and BGMEA leaders in the conference room of CPA Building on Feb 6. M Shahjahan said that the CPA authority has continued its development activities even during the critical period of the Coronavirus epidemic. “Many of our officers and employees have died of coronary.

Even then, the port authority is determined to continue its activities in the face of adversity. At present the port has the capacity to hold 50,000 TEUS containers. But now there are 39,000 TEUS containers,” he added. He mentioned that there is no container congregation in the port now. The Port chairman said that the capacity of the port to hold containers as well as the working capacity will be increased more after opening of Bay Terminal and PCT.

Speaking on the occasion Nunziata, Ambassador of Italy said that there is immense potential for trade and commerce in Bangladesh. Saying that Bangladeshi made garments are popular in Europe Nunziata said that it is created a great opportunity for trade expansion between the two countries after launching of the ship on Chattogram-Italy route. “I think trade as well as good relations

between the two countries will be further strengthened,” he added. EU Ambassador Steward Whiteley said that the garments products carrying ship has launched in Chattogram-Italy route, for the first time which I think it will create a conducive business environment between both countries.

“Bangladesh's garment sector is appreciated by everyone. We have all suffered because of Corona, all the importers and exporters in the garment sector have also suffered. Bangladesh government has undertaken many mega projects for the development of its economy. Bangladesh will go further, will be stronger economically. We are delighted and proud to be a commercial partner with the country,” he added, reports BSS. ■



Spending On Social Protection Rose Nearly 270pc With Pandemic

Business Outlook Report

The 60th session of the Commission for Social Development kicked off on Feb 7, in a virtual format, with appeals to make COVID-19 a turning point for humanity, and a focus on making social protection systems universally available. Opening the session, the Under-Secretary-General for Economic and Social Affairs (DESA), Liu Zhenmin, argued that the pandemic had highlighted the critical role of social policies. “The COVID-19 crisis has exacerbated inequalities, and multiple forms of deprivation”, Zhenmin said, remembering that many countries reacted by instituting emergency measures.

“One key lesson is the importance of universal access to social protection, to enhance economic and food security, in times of crisis”, he said, reports UN News. He said that from December 2020 to May 2021, total

spending on social protection rose by almost 270 per cent, to \$2.9 trillion. Now, the Under-Secretary-General believes many of these measures must become permanent to get back on track to deliver the 2030 Agenda. According to the latest UN data, the world is not on course to meet the fundamental Sustainable Development Goal (SDG), of eradicating extreme poverty. Without decisive action, the number of people living in extreme poverty is expected to reach 600 million, or 7 per cent of the world’s population, by 2030.

Four priorities

As societies around the world begin to move towards recovery, Mr. Zhenmin pointed to four priorities.

First, investing in people: with health, education, and affordable housing as important elements for rebuilding livelihoods. Second, address multiple causes of poverty,

hunger, and inequality, by creating decent work and other income generating opportunities, he said. Third, build universal social protection systems, that are adequate, comprehensive, and sustainable. And, lastly, make food systems more efficient, inclusive, resilient, and sustainable.

Future

The President of the General Assembly, Abdulla Shahid, said the meeting should address the end of the pandemic, framed by some key questions.

“What does our world look like in the post-COVID era? What lessons have we learned from our responses?”, he asked. Noting that social protection measures had increased hugely, he reminded the meeting that implementation has been deeply uneven, particularly between developed and developing countries. Despite that inequality, he believes

“the efforts made demonstrate that social safety nets do work and could have huge impacts on the lives and livelihoods of the people we serve.”

Turning point

Shahid also asked Member States to see the pandemic as both crisis and opportunity.

“This requires us to be bold and ambitious in our intentions, and

generous in our actions”, he explained. According to him, there are four important areas of action: invest in and share technologies, resources, and capacities; prioritize universal access to basic services and infrastructure; invest in training and education; and work quickly to close the gaps that have been exposed.

Noting that history is replete with turning points, he asked for efforts

to ensure that history remembers the pandemic, as another time for a big pivot. “As the moment when humanity embraced a better future, pivoted to sustainability, abandoned tired excuses, and pursued a path that empowered all people, that protected our planet, that built prosperity, and that left a new generation with hope”, he concluded. ■



98 More Bangladeshi Workers Leave For S Korea

A total of 339 Bangladeshi workers have left for South Korea since December 2021. On Feb 9, 98 Bangladeshi workers left for South Korea from Hazrat Shahjalal International Airport via chartered flights operated by a Korean air company.

It was the second batch of Bangladeshi expatriate workers going to Korea this year after the 92 workers on 5th January, reports The Business Post. According to the Bangladesh Bank, the remittance inflow from the Bangladesh workers in Korea has been continuously increasing in recent years

from US\$ 80.65 million in FY 2016/17 to US\$ 209.16 million in FY 2020/21. The South Korean Government suspended accepting foreign workers in March 2020 due to the COVID-19 pandemic and resumed receiving the expatriates from December 2021.

After the resumption, so far, a total of 339 Bangladesh expatriate workers have traveled to Korea; 111 in December 2021, 130 in January, 2022 and 98 in February 2022, said the South Korean Embassy in Dhaka on Wednesday. Originally 108 work-

ers were supposed to depart, but 10 workers who were found COVID-19 positive in the PCR test could not join this time. Among the 98 workers, 34 workers were newly employed while the rest of them, 64 were re-entry workers. Another batch of 130 Bangladesh workers will be sent to Korea in mid-February.

South Korea has been admitting medium and low-skilled foreign workers from 16 countries including Bangladesh through the EPS (Employment Permit System) program. Due to

the unprecedented and prolonged COVID-19 pandemic, however, the Korean Government suspended receiving EPS workers. Accommodating continuous requests from the sending countries as well as from the employers, the Korean Government decided to lift the suspension from November last year in a limited scope and phased manner with strict COVID-19 protective measures including quarantines. So far, more than 20,000 Bangladesh workers have been dispatched to Korea through the EPS system. ■

Construction Companies, Raw Material Producers To Meet Regularly



Business Outlook Report

Construction companies and raw material producers will meet every three months to maintain stability in the construction sector. Due to the hike in the prices of scrap and chemicals, the main raw materials of steel, container and ship fares have also risen in the last two years. As a result, the production cost of rod has also gone up, having adverse impact on the country's construction sector. Due to the increase in expenditure, the country's construction companies are struggling to implement development projects within the estimated budget.

In this context, Bangladesh Steel Manufacturers Association (BSMA) and Bangladesh Association of Construction Industry (BACI) held a meeting at the FBCCI office recently, said a press release on Feb 5. BSMA leaders informed that the price of rod produced in the country has logically increased due to increase in the price of raw materials

in the global market. At present, scrap costs 79 per cent additional expense, resulting in overall production costs to increase by 52 per cent. In contrast, the selling price has increased by only 37 per cent.

Currently, the selling price of per metric ton rod is Taka 78,000 while the same in West Bengal, India, costs Taka 86,000, the BSMA leaders added. At the meeting, the steel producers said that if the construction companies were allowed to import rods, the domestic industry would suffer and a large number of people would lose their jobs. In such a situation, BSMA demanded reduction of all existing duties and taxes on scrap and sponge iron imports for local manufacturers. At the meeting, BACI leaders said that the government procurement rules-PPR and circular issued by the CPTU allow price adjustment in government projects. But most of the government-funded projects did not include price adjustment clauses in their contracts. The Bangladesh

Association of Construction Industries (BACI) has called for price escalation of government projects considering the rise in prices of raw materials. Chairing the meeting, The FBCCI President Md. Jashim Uddin called for resolving the problems in the construction sector through mutual cooperation and dialogue. Responding to his call, the meeting decided that the entrepreneurs of the two sectors would sit in discussion every three months.

Mir Nasir Hossain, former president of FBCCI, joined the meeting online. FBCCI Senior Vice President Mostofa Azad Chowdhury Babu, Director Engr. Ghulam Mohammed Alomgir, Secretary General Mohammad Mahfuzul Hoque, BSMA President Manwar Hossain and BACI President Shafiqul Haque Talukder were present among others. ■

DITF Fetches \$16 Million Export Orders



The month-long 26th Dhaka International Trade Fair 2022 concluded at the Bangabandhu Bangladesh-China Friendship Exhibition Centre at Purbachal last month fetching around US\$16 million export orders.

Textiles and Jute Minister Golam Dastagir Gazi (Birpratik) attended the concluding ceremony as the chief guest while Commerce Minister Tipu Munshi attended as the special guest. Senior Secretary of the Commerce

Ministry Tapan Kanti Ghosh presided over the function. President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Md Jashim Uddin was also present on the occasion.

It was disclosed that the fair sold products worth Tk 40 crore. In his speech, Golam Dastagir Gazi said Bangladesh's economy is moving fast under the visionary leadership of Prime Minister Sheikh Hasina. "Ban-

gladesh's business, trade and overall economy are moving fast. Due to the visionary direction of Prime Minister Sheikh Hasina, the trade and economy of the country is stable in the Covid-19 pandemic," he added. Tipu Munshi said the government has taken all possible steps to increase the country's export and it will be possible to achieve the export target \$51 billion in this year.

"This year's trade fair concluded in a very unfavorable environment. We are working setting the \$80 billion export target for 2024. For this, all concerned should work with sincerity," he added. Some 42 best performed participants under 12 categories, 27 associate organizations and 10 officials were awarded. The Value Added Tax (VAT) of around Taka 1.5 crore has been collected from the trade fair, reports BSS. ■

Automobile Sector Seeks Policy Support



Speakers at FBCCI Standing Committee meeting on Automobile Manufacturers and Assembles on Feb 2 said that the Automobile sector needs proper policy support to bloom.

The speakers said Bangladesh has immense potential in Automobile sector. But, due to lack of policy -- motorcycles, car designs and motor parts -- are not being manufactured locally, instead almost 99 percent is produced by foreign vendors, said a

press release. For this, entrepreneurs in this sector urged the government to shield the sector with proper policy.

Speaking as the chief guest, FBCCI president Jashim Uddin said, "Bangladesh is now gradually lessening its dependency on import, while strengthening the local manufacturing capacity, which enables the country to expand its export base in addition to meeting domestic demand". Proper Branding of this capacity would have

increased a lot more investment and employment as well, he added. Director in charge of the Standing Committee Habib Ullah Dawn called for ensuring a competitive market of quality products besides solving the problems related to policies regarding Automobile Industries.

In future, FBCCI would organize seminars inviting the representatives from concerned ministries, he added. Chairing the meeting, the Chairman of the Standing Committee and the Chairman of Runner Group, Hafizur Rahman Khan urged the businessmen to work on sector wise development and to prepare a draft on various issues to be submitted to the government through FBCCI.

The FBCCI already started working with the government regarding Vendor policy, Hafizur informed at the meeting. ■

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- △ 100 MW HFO Fired Power Plant in Khulna

SELECTED ECONOMIC INDICATORS

Governor Secretariat
Policy Support Wing
27 January 2022

	26 January 2021	30 June, 2021	30 December 2021 ^R	26 January 2022
1. Foreign Exchange Reserve (In million US\$)	42700.05	46391.44	46153.93	45137.88
2. Interbank Taka-USD Exchange Rate (Average)	84.8001	84.8146	85.8000	86.0000
3. Call Money Rate	1.64	2.23	3.16	2.35
				Percentage change
				From June, 2021
				From June, 2020
4. Broad/Overall Share Price Index			26 January 2022	
a) Dhaka Stock Exchange (DSE) ^(B)	5695.38	6150.48	7032.44	14.34
b) Chittagong Stock Exchange (CSE)	16578.70	17795.04	20597.68	15.75
				FY2020-21
5. a) Wage Earners' Remittances (In million US\$)	2050.65	12944.75	1629.04	10237.91
b) Annual Percentage Change	21.22	37.59	-20.56	-20.91
				July-Nov' FY22 ^P
				24777.71
				36.10
				FY2020-21
6. a) Import (C&F) (In million US\$)	4818.40	21880.70	7854.60	33685.80
b) Annual Percentage Change	9.70	-8.81	63.01	53.95
				July-Nov' FY22 ^P
				31166.00
				53.97
				19.71
				FY2020-21
7. a) Export (EPB) (In million US\$)*	4457.00	20241.00	7266.00	31166.00
b) Annual Percentage Change	9.67	-8.84	63.02	53.97
				July-Dec FY22 ^P
				24698.55
				38758.31
				15.10
				FY 20-21 ^R
8. Current Account Balance (In million US\$)	3555.0		-6186.0	-4575.0
				July-Nov, FY22 ^P
9. a) Tax Revenue (NBR) (Tk. in crore)	18964.53	87093.64	21104.62	100573.84
b) Annual Percentage Change	1.98	3.19	11.28	15.48
				July-Nov' FY22 ^P
10. Investment in National Savings Certificates (Tk. in crore)				
a) Net sale	3402.57	19044.92	701.09	10025.74
b) Total Outstanding	321230.77	321230.77	354119.65	354119.65
				Percentage change
				Nov'21 over Nov'20
				FY2020-21
				FY2019-20
11. a) Reserve Money (RM) (Tk. in crore)	297095.60	284483.40	332488.80	22.35
b) Broad Money (M2) (Tk. in crore)	1453960.00	1373735.00	1601983.10	13.62
				15.56
				5.32
				9.88

	July-November, FY21						July-November, FY22 ^P						Percentage change					
	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement		
12. Total Domestic Credit (Tk. in crore)	1344688.80		1307633.70		1507410.20		12.10		10.11		14.02		12.26		19.37			
a) Net Credit to the Govt. Sector	193146.00		181150.70		240082.30		24.30		22.01		59.92		19.37		21.64			
b) Credit to the Other Public Sector	30640.80		29215.10		33082.30		7.97		2.75		25.09		21.64		11.32			
c) Credit to the Private Sector	1120902.00		1097267.90		1234245.60		10.11		8.35		8.61		11.32					
13. L/C Opening and Settlement (million US\$)																		
a) Consumer Goods	2697.91	2426.13	4203.58	3603.95	55.81	48.55							18.73					
b) Capital Machinery	1953.04	1273.35	2363.66	1660.21	21.02	30.38							-12.39					
c) Intermediate Goods	2016.02	1609.23	3066.33	2734.32	52.10	69.91							3.91					
d) Petroleum	1556.37	1497.69	3018.61	3016.89	93.95	101.44							-5.14					
e) Industrial Raw Materials	8288.13	7305.06	12834.24	10826.13	54.85	48.20							11.01					
f) Others	6610.58	5610.58	9942.80	8479.73	50.41	51.14							9.64					
Total	23122.05	19722.04	35429.22	30321.23	53.23	53.74							7.52					
14. Rate of Inflation on the basis of Consumer Price Index for National (Base:2005-06=100)																		
a) Twelve Month Average Basis	5.55	5.48	5.59	5.65	5.69	5.56			5.50		5.48		5.55					
b) Point to Point Basis	5.35	5.52	5.75	6.02	5.29	5.64			5.59		5.98		6.05					
Corresponding Period																		
a) Twelve Month Average Basis	5.70	5.78	5.55	5.48	5.59	5.65			5.69		5.73		5.69					
b) Point to Point Basis	5.83	5.54	5.35	5.52	5.75	6.02			5.97		5.52		5.29					
15. Classified Loan																		
a) Percentage Share of Classified Loan to Total Outstanding	10.41	10.30	11.69	9.32	9.16	8.88			7.66		8.18		8.12					
b) Percentage Share of Net Classified Loan to Total Outstanding	2.66	2.18	2.53	1.02	0.15	-0.22			-1.18		-0.47		-0.55					
16. Agricultural and Non-farm Rural Credit (Tk. in crore)																		
a) Disbursement **	2306.04	3142.09	12077.98	2868.43	3723.49	14497.04			25511.35		22749.03		23616.25					
b) Recovery	2269.08	3364.73	14091.07	2741.69	3254.78	13593.80			27123.90		21245.24		23734.32					
c) Outstanding	43971.93	44089.09	44089.09	46523.25	47659.51	47659.51			45939.80		45592.86		42974.29					
17. SME Loan (Tk. in crore)																		
a) Disbursement	43154.88	48649.61	28063.70	38689.44	48980.98	41788.73			42075.49		153496.15		167970.67					
c) Outstanding	208150.75	219293.97	221695.35	223257.69	237653.44	243074.82			245325.67		237653.44		219293.97					
18. Industrial Term Loan (Tk. in crore)																		
a) Disbursement	15156.28	24207.24	12132.03	15456.28	16499.23	19430.74			14834.23		68765.25		74257.02					
b) Recovery	20785.68	22148.24	10187.76	11322.37	15538.37	14734.86			12979.47		58488.71		69723.89					
c) Outstanding	247338.00	259314.87	277351.09	274284.17	275311.09	315294.16			303329.12		1163938.15		277351.09					
19. GDP Growth Rate (in percent, Base: 2005-06=100)																		
	6.01	6.06	6.55	7.11	6.59	7.32			7.88		3.45		5.43					





জ্বালানী খাতে
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Omera
LPG

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বিশ্ব সেরা প্রযুক্তির

নিরাপদ সিলিন্ডার

