

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
Week on week		As of Friday		Friday Closings				As on Thursday				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
5.87%	5.76%	\$1,558.80	\$64.98	41,599.72	23,850.57	3,255.95	3,092.29	83.95	92.51	109.42	0.75	
4,197.39	7,735.12	(per ounce)	(per barrel)					BUY TK	84.95	96.31	113.22	0.79
								SELL TK				

# Star BUSINESS

DHAKA SUNDAY JANUARY 12, 2020, POU5H 28, 1426 BS • starbusiness@thedailystar.net

## DSE MD's recruitment gamed, allege directors

STAR BUSINESS REPORT

Kazi Sanaul Hoq's appointment as the managing director of the Dhaka Stock Exchange has run into a spot of controversy after a group of directors alleged that a director tried to game the process to get him elected.

The episode comes at a time when stock investors' confidence on the bourse is heading towards rock bottom.

The DSE board comprises 13 members: one MD, seven independent directors and five shareholder-directors.

A good number of directors shared with The Daily Star the behind-the-scenes manoeuvring to get Hoq, former MD of Investment Corporation of Bangladesh, to the top post of the premier bourse.

The DSE has been on the lookout for an MD for the last six months after the Bangladesh Securities and Exchange Commission (BSEC) did not extend the tenure of KAM Majedur Rahman despite several requests from the premier bourse.

"One director attempted to rig the selection process to get his beloved person to the position," said a director requesting



anonymity to speak candidly on the matter.

Normally, the nomination committee of the DSE makes a short list and sends the candidates' curricula vitae (CVs) to the board members for evaluation.

The selected candidates are then called for a panel interview with the board and best individual is chosen, he said.

This time, the short listed persons' CVs were not sent to the board, so they were not called for interview.

"This is a violation of the convention of MD selection process," said another director preferring anonymity.

The accused board member, rather the kingmaker, managed the situation by saying that "the upper level" wanted Hoq, former MD of the state-run Investment Corporation of Bangladesh, as the MD, so the board must go for him.

READ MORE ON B3

## 45 differently abled get ICT jobs

Another 445 shortlisted in fair

STAR BUSINESS REPORT

Some 45 differently abled persons got recruited on the spot yesterday following interviews at the sixth edition of a unique annual fair that aims to give such people a shot at financial independence by showcasing their ICT talent.

Another 445 were shortlisted, a good number of whom will gradually get employed, said Bangladesh Computer Council (BCC), the fair's organiser.

Around 500 registered to attend the event at NGO Affairs Bureau but some 600 turned up, they added.

There were some 37 stalls of ICT companies and non-government organisations, many exhibiting software and hardware differently abled people had developed.

Among the entities were the Bangladesh Association of Call Centre and Outsourcing, the Bangladesh Knitwear Manufacturers and Exporters Association, the Federation of Bangladesh Chambers of Commerce and Industry, and the Cyber Cafe Owners Association of Bangladesh.

About 120 curricula vitae (CVs) were collected by the business process outsourcing company Genex Infosys, which will start interviewing the candidates from today.

Its co-founder and chief executive officer, Prince Mojumder, said they would hire a good number of people.

"As we are running call centres, differently abled people can do that job. That's why we have been giving priority to such people since 2013," he said.

The many skills that people with disabilities can have took Mike Kazi, founder and CEO of Kazi IT and a first-time attendee, by surprise.

Kazi IT got a huge number of CVs and already shortlisted some of them and took their

interviews.

"We found qualities that can add value to our company," he said, adding that their participation at the fair and the employment offers were a part of their corporate social responsibility.

The fair generated jobs for 32 people in its first year, then 60, 115, 176 and 56 in the following years. Inaugurating the daylong event in the morning, Zunaid Ahmed Palak, state minister for ICT, said ICT could be the main tool in removing disparity from society.

"2020 will be a great year for the differently abled people from our side as we are organising skill development trainings for them and will develop different products for them like specialised job portal."

The ICT division is trying to bring differently abled people into the mainstream workforce, he added.

NM Zeaul Alam, secretary to ICT Division; KM Abdus Salam, NGO Affairs Bureau director general; and Parthapratim Deb, BCC executive director, also spoke.



COLLECTED

Zunaid Ahmed Palak, state minister for ICT, meets differently abled persons at a daylong dedicated ICT job fair for them at NGO Affairs Bureau in the capital yesterday.

## Solar panel installation rising sans proper disposal policy

SOHEL PARVEZ

Bangladesh is set to see a rising volume of waste from solar photo-voltaic panels in the coming years, which in the absence of proper disposal and management pose risks to the environment and humans.

By 2041, the country will produce more than 0.748 million tonnes of solar e-waste and by 2061 0.797 million tonnes, according to a paper of the electrical and electronic engineering department of the Bangladesh University of Engineering and Technology (BUET).

"Thus, it is critical to handle the disposal of PV waste that is generated at the end of life of PV solar modules," it said.

The challenge becomes apparent as the lifetime of a portion of solar panels will end within the next couple of years, and the government is yet to frame any policy or rule to ensure proper management and disposal of the panels.

"It is a matter of concern and we should take steps in advance to ensure proper management of solar panels before they become obsolete," said Md Ziaur Rahman Khan, a professor of EEE at the BUET and co-author of the paper.

Bangladesh started installing Solar Home Systems (SHS) two decades ago with the objective of lightening homes in off-grid areas by harnessing renewable sources for electricity. Since then, the coverage of SHS has expanded.

SHSs are now providing lights to about 60 lakh homes and until now



STAR

There is no government guideline on disposing solar photo-voltaic panels.

panels with capacity to produce 370 megawatt of electricity have been installed, according to the Sustainable & Renewable Energy Development Authority (Sreda).

Solar panels are used to run irrigation pumps, establish mini-electricity grid and solar power plants.

They are also installed on rooftops of building and factories and the government is exploring the scope to establish floating solar power plants on water bodies.

Since power generation by using solar panels is increasing, so will the

volume of obsolete PV panels, said a paper titled "End-of-Life Management of Photovoltaic Modules in Bangladesh."

"Growing PV panel waste presents a new environmental challenge but also unprecedented opportunities to pursue new economic avenues," said the paper, which was authored by a group of students and faculties of the EEE department at the BUET.

The paper, co-authored by Khan, Kimia Tasnia, Shajinaj Begum and Zarin Tasnim, was published last year.

READ MORE ON B3

## Bangladesh must comply with ILO standards for GSP Plus

EU ambassador says

STAR BUSINESS REPORT

The European Union wants a guarantee from Bangladesh that its factories would ensure fair practice and comply with the International Labour Organisation standards if the country wants to enjoy continued trade privilege from the bloc following graduation to the developing country bracket.

"We have to make sure that all these [goods] are ILO-compliant and of course, compliant with our own standards," said Rensje Teerink, the EU ambassador to Bangladesh, at a discussion on "EU and the contemporary global scenario: a reflection for the future" at the Six Seasons Hotel in Dhaka.

Bangladesh is set to lose its current trade privilege of zero-duty export benefit under the EU's Everything but Arms (EBA) scheme when the country makes the transition in 2024.

As the EU will give three years to Bangladesh as a grace period to ensure a smooth transition, the country will finally lose the Generalised Scheme of Preferences (GSP) in 2027.

Once the country loses the preferential treatment, Bangladesh will have to face nearly 12.50 percent duty on exports to the EU as a developing country.

But Bangladesh can continue to export duty-free if it can manage EU's GSP Plus status by meeting some conditions such as core conventions of the United Nations, including practising good governance, following international standards on labour

rights and human rights and ensuring protection of environment.

"The goods need to be produced following the sustainability of environment, labour rights and human rights," Teerink said.

The EU is evaluating the practices

are Armenia, Bolivia, Cape Verde, Kyrgyzstan, Mongolia, Pakistan, the Philippines and Sri Lanka, according to the EU website. The Rana Plaza tragedy back in 2013 opened the eyes of the European consumers and called for some correction plans, which must be done, Teerink said.

"This is why the Accord, the Alliance and the Sustainability Compact were created."

So far, Bangladesh has put in place a number of commendable changes on workplace safety in the garment sector.

"Despite the commendable changes, more progress is needed in the sector," Teerink added.

The EU is working on the EBA scheme, which offers duty-free trade privilege to 45 least-developed countries, including Bangladesh.

"The EBA has really helped Bangladesh from the very beginning of the scheme. It is a major instrument that really helped Bangladesh more than the bilateral aid."

Among the LDCs, Bangladesh is the highest beneficiary of the EU's trade privilege, particularly because of higher garment export to the bloc.

In 2018, Bangladesh exported \$19.32 billion worth of garment items to the EU, up 11.17 percent year-on-year, making it the second largest apparel exporter to the bloc.

"There is no other organisation like the EU that can help Bangladesh in such a big way," she said, adding that that does not come without strings attached.

Currently, eight countries enjoy the GSP Plus benefit. The countries

READ MORE ON B3

**Mission: EU's GSP+**

- Bangladesh will graduate from LDC in 2024
- EU to give 3 years' grace period for preparation
- Bangladesh utilises EBA facility the most out of 45 LDCs
- Bangladesh's GSP+ status being evaluated
- If GSP+ not given exports will face 12.50pc duty
- \$19.32 billion of garment shipments to EU in 2018
- Second biggest apparel supplier to EU

## SMALL VENDORS MAKING THE BEST OF WINTER



STAR

The cold surely gives a boost in sales at corner tea stalls providing Bangladeshis a bonus excuse at having steaming cups of their caffeine fix. And no winter apparently feels complete without a quick bite of pithas or cakes, a cultural delicacy made of newly harvested rice, flour, coconut etc, offered by roadside vendors. The photos were taken in Farmgate yesterday.



SM Rezaul Karim, housing and public works minister; Mohibul Hassan Chowdhury, state minister for education; Shahriar Jahan, deputy managing director of KSRM; Sarwar Jahan, a director; and Jalal Ahmed, president of the Institute of Architects Bangladesh, pose with winners of "KSRM awards for future architects: Best undergraduate thesis" at InterContinental Dhaka recently. Md Arman Alam of Stamford University Bangladesh secured first position while Bristi Sarkar of the Ahsanullah University of Science and Technology and Rahman Golam Mahmudur of American International University-Bangladesh second and third respectively.

## Canada unemployment falls to 5.6pc in December

AFP, Ottawa

Canada's economy rebounded in December as the national unemployment rate fell to 5.6 percent of the workforce, down 0.3 points from November, the country's statistics institute said Friday.

After losing 71,000 jobs in November, the economy created a better-than-expected 35,000 jobs in December. The data exceeded analyst predictions of 32,000 new jobs and an unemployment rate decrease of 0.1 percentage points to 5.8 percent.

The rise in employment is mainly due to an increase in the private sector, where the number of employees rose by 57,000, "offsetting a decline of similar size in November" (50,000 workers), Statistics Canada said in a statement.

"Employment increased in accommodation and food services and in construction,

while it was little changed in the other industries," it said. The increase in employment was mainly led by Ontario and Quebec, due to more people working in construction, public administration and the service sector.

Unemployment rates fell for almost all categories, with the exception of men aged 55 and over, where it rose from 4.9 percent to five. Among people aged 15 to 24, the unemployment rate saw the largest decline to 11.1 percent, down from 11.6 percent in November.

Unemployment returned to the relative stability of previous months after increasing 0.4 percent in November to 5.9 percent, its highest level since the summer of 2018.

Over the course of 2019, the Canadian economy created 320,000 jobs, an increase of 1.7 percent, at "a faster pace than that observed over the same period in 2018," Statistics Canada said.

## Indian govt to seek RBI dividend boost as revenue drops

REUTERS, New Delhi

India's government plans to push the central bank for a fiscal lifeline in the form of another interim dividend, as it struggles to meet its expenditure commitments amid a steep revenue shortfall, three sources directly aware of the matter said.

The fresh call comes just months after the Reserve Bank of India (RBI) approved a 1.76 trillion rupees (\$24.8 billion) dividend payment to the federal government, including 1.48 trillion rupees for the current fiscal year.

The RBI largely earns profits through its trading of currencies and government bonds. Part of these earnings are set aside by the RBI for its operational and contingency needs while the rest is transferred to the government in the form of dividend.

It earned a surplus of 1.23 trillion rupees in its last financial year, which was substantially higher than previous years.

One of the officials said the government wants the RBI to consider its demand for an interim dividend given this financial year has been an "exceptional year," with economic growth projected to fall to an 11-year low of 5 percent. The current fiscal year runs to March 31.

"We do not want to make an RBI interim dividend a regular thing, but this year can be treated as extraordinary," said the source, adding the government is likely to push for a payout of between 350 billion and 450 billion rupees (\$4.9 to \$6.3 billion).

If agreed, it would mark the third straight year in which the RBI has agreed to give the government an interim dividend.

Spokesmen for the finance ministry and RBI

both declined to comment on the matter.

Finance Minister Nirmala Sitharaman is expected to present the annual budget for the next fiscal year on Feb. 1, and is widely expected to announce a fiscal stimulus including more spending on infrastructure and tax incentives to boost consumer demand and investments.

Shaktikanta Das, who was appointed RBI governor by Prime Minister Narendra Modi in late 2018 after the resignation of Urjit Patel, has cut the policy repo rate five times by a total of 135 basis points and eased liquidity restrictions to support falling economic growth.

Some RBI officials are still reluctant to pay more funds as it could impact provisions to cover sovereign risks, sources said, but the government is hopeful that the RBI board, which include its nominees, will approve the dividend.

A panel headed by former RBI governor Bimal Jalan was set up by the RBI in 2018 to recommend a formula for the sharing of its profits with government.

The panel, whose suggestions were accepted, approved a record dividend and has said an interim dividend could be paid only "under exceptional circumstances."

New Delhi wants the central bank to extend a helping hand as it faces a shortfall of more than one-third in its revenue target of 19.6 trillion rupees (\$276.2 billion) following a severe economic slowdown and cut in corporate tax rates last year.

Modi met officials and economists on Thursday, and sought suggestions for the budget and to make India a \$5 trillion economy.

The government is worried about an economic slowdown as the manufacturing sector is projected to grow just 2 percent compared to 6.9 percent a year ago, hitting tax collections.

RBI officials have been told the revenue shortfall was currently estimated at between 34-37 percent of the budgeted target, but using all efforts may be brought down to nearly 25 percent, the first official told Reuters.

"India is facing a serious crisis. We need all steps even to achieve 5.5 percent to 6 percent growth next fiscal year."



MIDAS

Benoit Préfontaine, high commissioner of Canada to Bangladesh, and ASM Mashi-ur-Rahman, managing director of Micro Industries Development Assistance and Services (MIDAS), sign the documents of an agreement on the latter's premises in Dhaka on January 7. The MIDAS will implement a project titled "Creating sustainable livelihood through entrepreneurship development and skill development training and SME trade fairs for women entrepreneurs" funded by the Canada Fund for Local Initiative.



HORTEX FOUNDATION

Md Nasiruzzaman, secretary to the agriculture ministry and chairman of the Horticulture Export Development Foundation (Hortex Foundation), presides over the foundation's 13th annual general meeting at Sech Bhaban in Dhaka on Wednesday.

## Apple pushes recycling with robot, but mined metals still needed

REUTERS, Austin, Texas

Apple Inc is trying to change the way electronics are recycled with a robot that disassembles its iconic iPhone so that minerals can be recovered and reused, but rising global demand for electronics means new mines will still be needed by manufacturers.

The Cupertino, California-based company says the robot is part of its plan to become a "closed-loop" manufacturer that does not rely on the mining industry, an aggressive goal that some industry analysts have said is impossible.

Inside a nondescript warehouse on the outskirts of Austin, Texas, Apple's Daisy robot has been designed to break apart iPhones so that 14 minerals, including lithium, can be extracted and recycled.

Apple is already using recycled aluminum, tin, cobalt and rare earths in some of its products, with plans to add to that list in coming years.

Daisy, less than 20 yards in length, uses a four-step process to remove an iPhone's battery with a blast of -80 Celsius (-176 Fahrenheit) degree air, and then pop out screws and modules, including the haptic monitor that makes a phone vibrate.

The components are then sent off to recyclers for the minerals to be extracted and refined. Daisy can tear apart 200 iPhones per hour. In 2017, the robot in Austin processed 1 million iPhones, Apple said.

Apple chose the iPhone to be the first of its products that Daisy would disassemble because of its mass popularity, said Lisa Jackson,

the company's head of environment, policy and social initiatives.

Apple is considering sharing the Daisy technology with others, including electric automakers. Daisy does have its skeptics, including many in the tech world who see it primarily as a public relations stunt.

"There's this ego that believes they can get all their minerals back, and it's not possible," said Kyle Wiens, chief executive of iFixit, a firm dedicated to repairing rather than discarding iPhones and other electronics.

That may partially explain why the mining industry isn't worried.

"Apple is in an enviable position, because they can do this," said Tom Butler, president of the International Council on Mining and Metals, an industry trade group. "Not everyone else will be able to follow suit."

## US job creation in 2019 slowest in 8yrs

AFP, Washington

America's solid job creation continued in December but gains in for 2019 were the lowest in eight years, according to the closely-watched government report released Friday.

After a decade of rising employment, hiring last year slowed notably from the brisk pace seen in 2018: With 2.1 million jobs created, that made 2019 the weakest year since 2011, according to the Labor Department data.

The economy added an average of 175,000 new positions a month last year, a sharp drop from the 225,000 monthly average in the prior year.

The decline -- which is not unusual after such a long stretch of brisk hiring -- still could tarnish President Donald Trump's economic record as he battles to win re-election in November.

In the final month of the year, the US jobs engine added another 145,000 new positions, the slowest pace in seven months and a bit short of economists' expectations.

The unemployment rate held steady at 3.5 percent, remaining at a 50-year low, according to the report.

The ailing manufacturing sector, driven into recession by Trump's multi-front trade wars and a sluggish global economy, shed workers for third time in 2019.

But retailers, hotels, bars, restaurants, education, construction and health care led hiring last month, showing the resilience of America's dominant service sector.

Worker pay was a disappointment, rising only 2.9 percent compared to December 2018 -- the first time that measure has fallen below three percent since July 2018.

That still put wage gains well above consumer inflation for the period, leaving workers with more cash to spend. As US growth slowed in 2019, persistent consumer spending has been a mainstay of the world's largest

economy, but economists say it could weaken if the labor market begins to falter.

The total labor force -- the sum of those people working or actively looking for work -- grew a touch more quickly than job creation in December, something that could cause unemployment to begin to rise if it becomes a trend.

"The labor market performance continues to provide a solid foundation for the main pillar of growth: consumer spending," Oxford Economics' analysts said in a commentary.

"However, as we look into 2020, lingering global headwinds, policy uncertainty and cautious businesses are likely to restrain labor demand amid an increasingly tight labor market." The solid hiring seems unlikely to change the Federal Reserve's assessment that the economy does not need additional stimulus for now.

Fed policymakers have repeatedly

said interest rates at the moment are in a "good place" after three cuts in a row during the latter half of 2019, and they would only reconsider if something materially changes the economic outlook.

However, economist Ian Shepherdson of Pantheon Macroeconomics sees the potential for interest rate increases by the Fed, since businesses "appear to have overestimated the real impact of the trade war" on hiring.

"If we're right, the unemployment rate will keep falling, heading towards 3 percent by the end of the year," he said, adding that "we'd expect to see the Fed talking about higher rates, not easing." Several sectors had an obvious slowdown in 2019: after adding 216,000 workers in 2018, the transportation and warehousing industry took in just 57,000 during all of last year.

Hiring in professional and business services and manufacturing also tumbled last year.



Md Nazmul Hassan, chairman of Islami Bank Bangladesh, speaks at the inauguration of the bank's three-day Business Development Conference 2020 at Royal Tulip Sea Pearl Beach Resort in Cox's Bazar on January 10. Md Mahubul Alam, CEO, was present.



AFP/FILE

Construction workers put up support scaffolding on the side of a building in Washington.

# US central bank ready to respond to changing economy



The US Federal Reserve building is seen in Washington.

AFP, New York

US interest rates are in a good place for now but policymakers are ready to change direction if the economy needs it, the second in command at the Federal Reserve said Thursday.

Fed Vice Chairman Richard Clarida said he expected the strong American consumer to continue to drive the current economic expansion, now in a record 11th year. Monetary policy is in a "good place" -- after three rate cuts last year -- and will continue to support growth, Clarida said in a speech.

But if the economic outlook changes "we will respond accordingly," Clarida's

comments before the Council on Foreign Relations echo the statements from Fed chief Jerome Powell in December following the final policy meeting of 2018.

The central bank was forced to change direction, restoring some stimulus to the economy by lowering the benchmark interest rate, after the series of nine increases begun in 2015 as the US recovered from the 2008 global financial crisis. "The shift in the stance of monetary policy that we undertook in 2019 was, I believe, well timed and has been providing support to the economy and helping to keep the US outlook on track," Clarida said in his

prepared remarks.

But he stressed that policy "is not on a preset course." "Of course, if developments emerge that, in the future, trigger a material reassessment of our outlook, we will respond accordingly." - Consumers are strong - The Fed continues to expect the economy to grow at a modest pace, with inflation below but approaching the two percent goal, even as labor markets remain strong with unemployment at a 50-year low. Fed policymakers now say the chances of recession have fallen in recent months after a summer scare but that risks remain, according to a readout from the December meeting.

President Donald Trump has since announced a partial trade agreement with China, marking an end to escalation between the world's two largest economies and easing anxieties on markets. Clarida also said growing wages, low unemployment, stable household finances and steady job creation should continue to drive consumer spending, a mainstay of the US economy. "In my professional career, the consumer has never been in better shape," he said during a subsequent Q&A.

"Broadly speaking, I would reject the suggestion that just because this expansion is in year 11, it's about to end." Central bankers in recent years have also been surprised by the persistent weakness of inflation, which has spent much of the past decade below the Fed's two percent target.



BANK ASIA

**Mid Arfan Ali, president and managing director of Bank Asia, attends a rally on "March Towards Reaching The Unreached" organised by the bank as part of its month-long 20th anniversary celebration at Hatirjheel in Dhaka on January 10. Each employee of the bank donated a day's salary, totalling Tk 33 lakh, under a corporate social responsibility project of the bank titled "Manobotar Bondhon" to support survivors of cyclone "Bulbul".**

## Bangladesh must comply with ILO standards for GSP Plus

FROM PAGE B1

This becomes even more important for Bangladesh as the country is under the scrutiny of the EU, the diplomat said.

So far, Bangladesh has responded very well to the EU's call on compliance, she said.

A high-powered delegation from the EU will visit Bangladesh in March. Bangladesh will have to change its business model with the EU because of the change of consumer behaviour in Europe, according to the EU diplomat.

While delivering the keynote

speech, Danilo Turk, a former president of Slovenia, suggested Bangladesh establish a warm relationship with the UK apart from the EU, so that the privileges are retained even after changes like Brexit and the LDC graduation.

Usually, the UK plays a vital role in mending the EU-Bangladesh relations in case of any problem because of their historic ties.

However, after Brexit the UK might not play the same role in the EU for Bangladesh.

So, Bangladesh needs to strengthen the relationship with the EU

Commission, Turk said.

"Textile and garment industries are not any permanent industries for any country. So, Bangladesh needs to diversify its export products," he added.

The Cosmos Foundation organised the symposium where diplomats from home and abroad, government high-ups, researchers and international relations experts also spoke.

Iftikhar Ahmed Chowdhury, principal research fellow at the Institute of South Asian Studies at the National University of Singapore, moderated the event.

## Strengthen institutions for sustainable growth

FROM PAGE B4

University Press Limited organised the event at the office of Unnayan Shamannay in Dhaka.

At first, it would seem that the book is a criticism of the economy, but the author has mainly shed light on the optimistic side of Bangladesh, Mahmud said.

In his book, Paul showed how the market economy along with the spirit of liberalisation have energised Bangladesh.

The writer also showed how reforms and apt investment strategies can make the country's development sustainable in the 21st century, he said.

Policies and institutions must be reformed to help the economy continue to grow, Paul said at the programme.

The central bank should be allowed to play its role properly and independently as well as introducing long-term and result-oriented policies.

Corrections should be brought on the fundamental areas to bring other institutions to the right path, he said.

Paul believes the Bangladesh Bureau of Statistics (BBS) is not allowed to work independently, because of which its data is not of international standard and does not match with the ones of different global organisations, like the World Bank and the International Monetary Fund.

Subsequently, he stressed the need for improving the quality of data of the state-owned statistics agency.

The finance ministry can at best give directions to the banking watchdog instead of monitoring its activities, as at the end of the day the central bank is an independent institution responsible for taking decisions on monetary issues, he said.

The single-digit bank interest rate that the government plans to introduce will not have any impact on the capital market as the stock investors are still suffering from confidence crisis, the author said.

However, Paul was optimistic about Bangladesh turning out to be a high-income country by 2041, if necessary reforms are brought to the institutions.

The government has started working on the areas where reforms are needed, said MA Mannan, planning minister. The minister also said the government has never intervened in the activities of BBS.

Sometimes low economic growth can also ensure sustainable growth if there is low inequality, said Mustafizur Rahman, distinguished fellow of the Centre for Policy Dialogue. Overseas investment will not come if the institutions do not work properly, he said.

Shawkat Hossain Masum, special news editor of Prothom Alo, a Bangla daily, and Mahrukh Mohiuddin, managing director of UPL, also discussed different topics of the book.



MERCANTILE BANK

**Morshed Alam, a lawmaker and chairman of Mercantile Bank, and Quamrul Islam Chowdhury, CEO, attend the bank's Strategic Business Conference-2020 at Radisson Blu Dhaka Water Garden yesterday.**

## Solar panel installation rising sans proper disposal policy

FROM PAGE B1

Although currently produced PV panels will have a useful lifetime of almost 20 years, inevitable waste is created when the panels become obsolete, the paper said. Solar panels installed in Bangladesh have a maximum 25-year lifetime.

"As Bangladesh is a densely populated country, there won't be space for enough landfills for proper disposition of this huge amount of PV waste, and with the passage of the time these wastes may produce harmful effects on human and environment," the paper said.

PV cells contain certain amount of toxic substances that would truly become a problem for environmental safety. Besides, some solar panels contain rare earth materials such as gallium and indium.

Their loss through careless solar panel disposal could result in permanent deficiency of these substances in the future. Recycling help conserve the supplies of the finite resources, the paper said.

Growing PV panel waste presents a new environmental challenge, but also unprecedented opportunities to create value and pursue new economic avenues, the International Renewable Energy Agency (IRENA) and the International Energy Agency (IEA-PPVPS)

said in a publication in 2016.

These include recovery of raw material and the emergence of new solar PV end of life industries.

Sectors like PV recycling will be essential in the world's transition to a sustainable, economically viable and increasingly renewables-based energy future, it said. By 2050, the recoverable value could cumulatively exceed \$15 billion, the publication said.

From the available data, it is found that proper PV-waste management can unlock a large stock of raw materials and other valuable components.

"Proper management and recycling can at a time protect our environment from being polluted by PV waste. It will also support considerable economic value creation by adding financial support to our economy," the BUET paper said.

The US, the EU, Germany and the UK have policies on recycling of PVs.

In Bangladesh, the Department of Environment (DoE) has finalised a draft rule for proper management of electronic waste (e-waste). The rules are expected to be published soon.

The rules have not included the disposal issue of solar PV wastes, Mirza Shawkat Ali, director for climate change & international convention at the DoE, told The Daily Star earlier.

"We have this in our mind, but we

have not taken any step on recycling of solar panels," said Mahmood Malik, executive director and CEO of Infrastructure Development Company Ltd (IDCOL).

The state-run financial institution started providing support for SHS in 2003 and the programme reached its peak after 2010.

"As far I as know, we have discussed the issue on several occasions. But we have not found a solution to implement. We will examine what advanced countries have done and maybe we will follow that," Malik said.

"We have time in hand but we should take steps beforehand instead of at the last moment."

IDCOL, which has started recycling battery, is investing for recycling plant and is giving incentive to users so that they sell batteries to proper channel instead of selling them to stores, he added. The Sreda has prepared a draft guideline for disposal of solar panels, said Md Helal Uddin, chairman of the agency.

A number of items, including aluminium of obsolete solar panels could be reused and recycled, said Dipal Barua, president of the Bangladesh Solar and Renewable Energy Association.

The Sreda can frame a policy for disposal by involving all stakeholders, including the private sector, he added.

## DSE MD's recruitment gamed, allege directors

FROM PAGE B1

The other person in the running for the post was Shafiqul Alam, former managing director of Jamuna Bank.

If Hoq was not chosen, there would be problems for the DSE, said the director quoting the kingmaker.

This compelled six of the seven independent directors and one of the local shareholder-directors to go for Hoq at the board meeting on Thursday.

The Daily Star contacted the accused board member, who evaded from giving a comment. After hearing out the correspondent he pretended that his phone was acting up and he hung up. He did not answer his calls after this.

The correspondent texted him for comment and the message was read by him but he chose not to reply.

Since the post of MD has been vacant for six months, there were 12 votes to be had at the meeting. Besides, the MD has no voting right.

The Chinese strategic partner is a shareholder-director and he joined in via video call. The consortium's stance is to go for the majority and seeing that Hoq got seven in his favour, the Chinese representative chose to go with the former ICB MD too.

Three of the four local shareholder-directors of the DSE voted against Hoq as well as one of the independent directors.

In the end, Hoq's nomination prevailed and his name was forwarded to the stock market regulator for approval.

"This is not a case of majority because most of the shareholder-directors are not supporting the approval and they are the ones who are better informed of the dynamics of the market," said one of the aggrieved directors.

Besides, most of the independent directors are set to leave the DSE next month, he added.

The Daily Star contacted Abul Hashem, chairman of the DSE and an independent director, but he did not answer his phone.

Hoq was the MD of the ICB from 2017 to 2019. During his tenure, the company's profits plunged to a 12-year-low.

ICB incurred losses of Tk 134.30 crore in the first quarter of fiscal 2019-20, when it had not seen losses for at least the last 12 years.

"How can we expect steady leadership from an individual who turned ICB into a loss-making concern?" asked an independent director.

So, his recruitment in the DSE will dampen stock investors' confidence, he added.

Besides, an allegation was also submitted to the Anti-Corruption Commission against some of the officers of the ICB, including Hoq, for providing loans amounting to more than Tk 100 crore by breaching laws.

Hoq, who was previously the MD of Rajshahi Krishi Unnayan Bank and deputy MD of Agrani Bank, did not respond to calls and texts from The Daily Star yesterday.



PREMIER BANK

**HBM Iqbal, chairman of Premier Bank, and M Reazul Karim, managing director, attend the bank's Annual Business Conference-2020 at Renaissance Dhaka Gulshan Hotel yesterday.**

## Pabna sugar mill saw no profit since inception

FROM PAGE B4

He cultivated sugarcane on just five bighas or two acres of land this year and used the rest of his land to produce cauliflower. "We often did not get paid on time. If we faced any trouble in production such as a crisis of seed and fertiliser, the mill authority provided no support. So we incurred a huge amount of losses every year," he said.

Farmer Md Rafikul Islam of Dashuria pointed out that sugarcane cultivation occupied the lands for up to 12 to 16 months, whereas three harvests can be made if any other crop was farmed.

He also alleged that payments were delayed by as much as a year while the mill authorities accepted bribes to give priority when dues were cleared.

Md Sajahan Ali Badsha, secretary to Bangladesh Akh-Chashi Federation, a platform of sugarcane farmers, said

at least 1.5 lakh to 2 lakh tonnes of sugarcane used to be available in the areas surrounding the mill a decade ago.

Now it is no more 80,000 to 1 lakh tonne, he said, adding that farmers mostly opted for cultivating vegetables and other crops.

Acknowledging that payments had to be delayed as yearly government allocations did not reach them on time, the managing director said this time around they were trying to clear dues as soon as possible. "We are buying each maund (around 37 kilogrammes) of sugarcane for Tk 75 this year," he said.

On support, he claimed to have provided it to the best of his abilities. On the bribe allegation, he said there might have been some scattered incidents.

"Unfortunately sugarcane has not been sufficiently available in the last couple of years. Farmers went for

cultivating other crops to increase their profits," he added.

On calculating costs pertaining to infrastructure maintenance, workers' salaries etc, production cost of one kilogramme of sugar comes to stand at Tk 149 but it is being sold at Tk 50, he said explaining the piling up of losses.

Basically, the rule of thumb is that the production amount is inversely proportional to production cost.

He suggested product diversification for alternative sources of income, such as producing liquor and using bagasse or the fibre remaining after juice extraction from sugarcane as animal feed, to generate electricity and produce cardboard, acoustic tile, paper etc.

"The government has long kept on hold for many years a project on increasing production using by-products in five mills."

# Le Méridien leveraging Bangladesh's growth momentum

*The hotel hoping to see spike in occupancy for infrastructure boom*

JAGARAN CHAKMA

Le Méridien Dhaka began its journey a little over four years ago but the upscale hotel has already been able to win the hearts of both travellers and locals alike.

"It has been a very, very successful four years -- the hotel has gone from strength to strength," said Constantinos S Gavriel, general manager of the upscale hotel, in an interview with The Daily Star recently.

And one of the reasons being its location, which, at Nikunja 2, is a stone's throw away from the Hazrat Shahjalal International Airport and the diplomatic enclave, where most of the foreign companies are based at.

It is also a safe distance from Ashulia, Savar and Gazipur, where Bangladesh's famed garment industry is based.

So, it was no surprise to learn that the property's occupancy rate in 2019 was more than 75 percent.

Owned by Dhaka-based Best Holdings, Le Méridien Dhaka has 304 rooms, including 25 suites; six restaurants catering Turkish, Iranian, Italian, subcontinental, English and global cuisines; lobby lounge; spa; banquet halls and an infinity pool overlooking Dhaka city.

In short, it is ideal for both business and leisure, but corporate guests are its core patrons.

"We have a lot of corporate accounts. Obviously, the government sector is a big sector here, but we have people from fast-moving consumer goods, IT and banking sectors," said Gavriel, who has 24 years of experience in the hospitality industry.

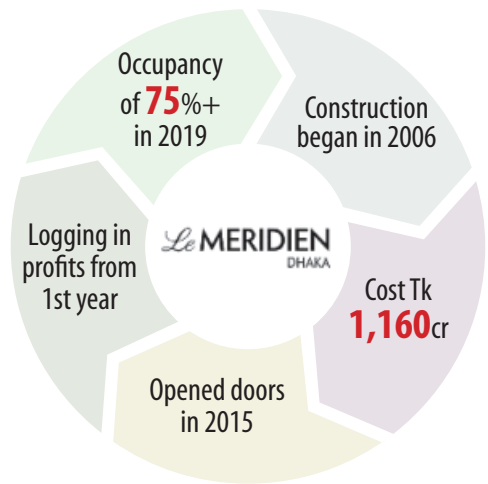
The hotel -- which is part of Marriott International, the third largest hotel chain in the world -- also gets steady business from a host of major airlines, whose crew are put up at the property whenever they fly into Dhaka.

Foreigners, particularly Indian nationals, have been the hotel's main guests in the last

four years.

"But we are seeing an increase of Chinese travellers along with British, German and American ones," said Gavriel, who started his career at the Kensington Hilton in London.

Pure tourists account for less than one percent of the guests at the hotel, but the British national thinks Bangladesh's tourism sector would take off in the next five to 10 years.



"This is an untapped market and very few people have been to Bangladesh," he said, adding that Bangladesh is now at the stage of where Vietnam and Thailand were 30 years ago.

Gavriel, who was the general manager of The Renaissance Aktau Hotel in Kazakhstan before moving to Dhaka in 2017, believes that Bangladesh will be a beneficiary of the growing interest in South Asia for tourism purpose.

"People are always looking for new experiences and new destinations and obviously the market is in South Asia. Bangladesh will be one of the upcoming destinations."



Constantinos S Gavriel

But for the development of the tourism sector, infrastructure focusing on tourism is needed, said Gavriel, who was previously posted in Riyadh, Abu Dhabi and Russia.

Best Holdings though is definitively sanguine about the outlook of Bangladesh's hospitality sector. So much that it has signed two new contracts with Marriott International to set up a business hotel and resort in Bangladesh.

The resort, which will be under The Luxury Collection brand, would be named The Muslim. It would be situated in Bhaluka, an upazila in Mymensingh.

The Luxury Collection is a collection of hotels and resorts that are unique and

cherished expressions of their locations and portals to the destination's indigenous charms and treasures, according to Marriott.

The hotel would be a Courtyard by Marriott, which is a mid-priced brand in the American hospitality company's expansive portfolio designed for business travellers, in Mawna.

Mawna is in the Sreepur upazila of Gazipur, where a cluster of garment factories can be found.

Both the properties would have more than 200 rooms and are expected to open their doors to guests within the next two years.

As for Le Méridien, it is looking to build on the success of the last four years.

"We are anticipating some growth as there is a lot of infrastructure projects going on and the airport extension project will start next year, which will be a good advantage for us."

Billions of dollars are being spent for the expansion of the airport and setting up the Elevated Expressway and the Metro Rail, all with the view to upgrading the city's transport network.

"For us, it would be beneficial because people will be coming to the city whether as project managers or teams of engineers or architects working on the new projects."

Gavriel, who has held various positions within Marriott since 2011, feels the supply side for food and beverage makes running a world-class luxury hotel in Bangladesh quite the trial.

Getting quality produce and seafood and drinks is always a challenge in Bangladesh.

Gavriel, who holds a bachelor's degree in international hotel management from the University of North London, suggested young professionals in the hospitality sector to work hard, keep learning, be prepared always and dream big.

"Without a big dream, the hotel industry will not thrive and it is a global industry," he said, adding that someone working at the hotel can easily go outside of the country and work in India, Thailand, Sydney or any city in the world.

But the hotel industry in Bangladesh is still in its infancy. More hotels need to be built and the country needs more luxury hotels.

The increase in flights by airlines in recent times points to the rise of business travel to Bangladesh, he said.

Businesses and the growth of the country will support the industry and open new avenues for growth.

"We have a lot of faith and trust and we believe that there are huge opportunities for hotel investors in Bangladesh."

## Pabna sugar mill saw no profit since inception

*Authorities suggest product diversification*

AHMED HUMAYUN KABIR TOPLU, Pabna

STATE-OWNED Pabna Sugar Mill, which has yet to see profits since its establishment in the mid-90s, started this season's production last month with a debt of Tk 575 crore.

Sugarcane cultivation centring the mill in Dashuria in Pabna's Ishwardi upazila alongside the mill's production decreased at least 50

percent in the past decade, say sources.

Farmers say they cut back for alleged inadequate support from the mill, delays in payment and corruption. The mill authorities refute these, instead saying that curbing losses required product diversification.

This year the management plans to process 82,000 tonnes of sugarcane. They expect the recovery rate to be no more than 8 percent, meaning 6,560 tonnes of sugar

will be produced.

"We targeted running the mill for 60 to 65 days if sugarcane is available," the mill's managing director, Md Abdus Selim, told The Daily Star.

The mill's daily crushing capacity is some 1,500 tonnes, meaning in 100 days about 15,000 tonnes of sugar can be produced, he said.

The Bangladesh Sugar and Food Industries Corporation's annual report for fiscal 2017-18, which was published in the mid-October last year, states that the country's 15 state-run sugar mills crushed 11,88,573 tonnes of sugarcane.

This generated 68,562.50 tonnes of sugar, which meant that the recovery rate was 5.77 percent. However, their production capacity is 210,440 tonnes.

In May last year, the US Department of Agriculture estimated Bangladesh's sugar consumption at 26.95 lakh tonnes in fiscal 2017-18.

This means the deficit was met through imports. According to the Bangladesh Bureau of Statistics, the import of raw sugar rose 20 percent year-on-year to 26.15 lakh tonnes in fiscal 2017-18.

On the lack of support and delayed payments, one farmer spoke of being forced to opt for cultivating other crops.

"A few years ago I used to cultivate sugarcane on 30 to 32 bighas (around 12 acres) of land every year for supplying to Pabna Sugar Mill," said Md Azmal Hossain of Varuimari village.

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The country is nearly completely dependent on sugar imports. Its 15 state-run sugar mills produced 68,562.50 tonnes of sugar in 2017-2018 whereas 26.95 lakh tonnes were consumed.

## Strengthen institutions for sustainable growth

*Former BB chief economist Biru Paksha Paul suggests in his book*

STAR BUSINESS REPORT

Economic growth based only on mega projects will never be sustainable; rather, a conducive environment should be created for investment to flow in, economists said yesterday.

Moreover, the present growth momentum will not carry on if the institutions are not strengthened, they said.

If institutions remain weak despite continuous growth of the economy, then questions will be raised on whether the development will sustain or not, said eminent economist Wahiduddin Mahmud.

Institutional accountability is a must and they should also enjoy the right to take decisions independently for the sake of the economy's sustainable growth.

The efficiency of the institutions will increase if accountability is ensured, he added.

Mahmud's comments came at the launch of a book titled "Empowering economic growth for Bangladesh: Institutions, macro policies, and investment strategies", authored by Biru Paksha Paul, former chief economist of the Bangladesh Bank.

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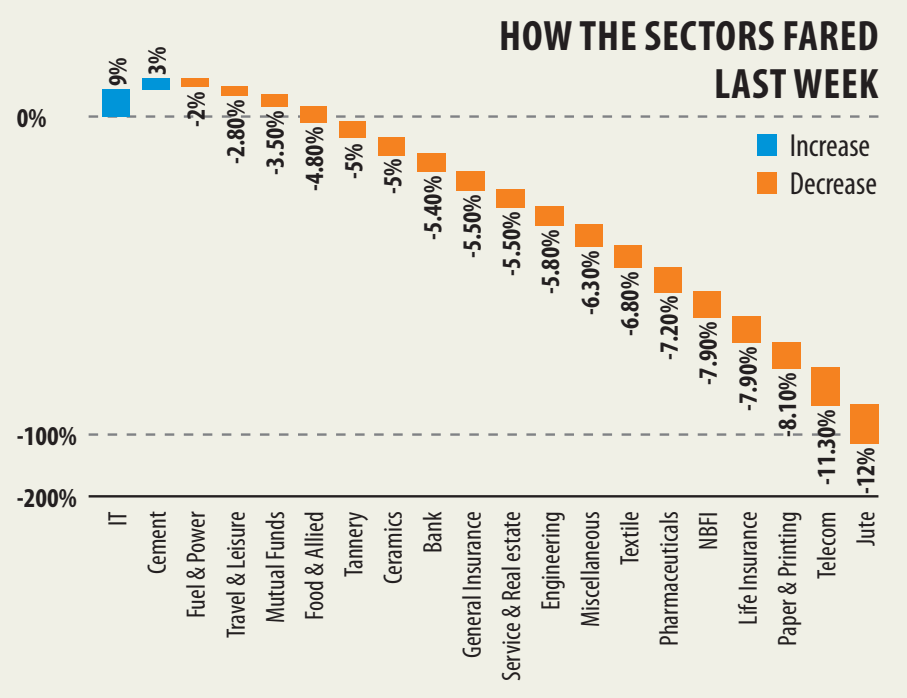
Planning Minister MA Mannan, third from left; eminent economist Wahiduddin Mahmud, third from right; and former Bangladesh Bank chief economist Biru Paksha Paul, second from left, launch a book titled "Empowering economic growth for Bangladesh: Institutions, macro policies, and investment strategies" written by Paul, at Unnayan Shamannay in Dhaka yesterday.

## GP DRAGS DOWN DSEX

DSEX slid in every trading session last week, dragging stocks down to 4,197.39 points, its lowest level since May 2, 2016. The latest run-in of Grameenphone with telecom watchdog had a substantial role to play in the slide.



SOURCE: AMARSTOCK.COM



## Boeing's ousted CEO departs with \$62m

REUTERS

BOEING Co's ousted chief executive officer, Dennis Muilenburg, is leaving the company with \$62 million in compensation and pension benefits but will receive no severance pay in the wake of the 737 MAX crisis.

Muilenburg was fired from the job in December as Boeing failed to contain the fallout from a pair of fatal crashes that halted output of the company's bestselling 737 MAX jetliner and tarnished its reputation with airlines and regulators.

The compensation figures were disclosed in a regulatory filing late on Friday during a difficult week for Boeing when it also released hundreds of internal messages -- two major issues hanging over the company before new CEO David Calhoun starts on Monday.

The messages contained harshly critical comments about the development of the 737 MAX, including one that said the plane was "designed by clowns who in turn are supervised by monkeys." The 737 MAX has been grounded since March

following the second of two crashes that together killed 346 people within a span of five months. Lawmakers blasted Boeing on Friday. "346 people died. And yet, Dennis Muilenburg pressured regulators and put profits ahead of the safety of passengers, pilots, and flight attendants. He'll walk away with an additional \$62.2 million. This is corruption, plain and simple," U.S. Senator Elizabeth Warren said on Twitter.

US Representative Peter DeFazio, who chairs the House Transportation Committee, said minutes of a June 2013 meeting showed that Boeing sought to avoid expensive training and simulator requirements by misleading regulators about an anti-stall system called MCAS that was later tied to the two crashes that killed 346 people. The MAX has been grounded since the second crash in March.

Speculation that Muilenburg would be fired had been circulating in the industry for months, intensifying in October when the board stripped him of his chairman's title - although he had also twice won expressions of confidence from Calhoun, Boeing's board chairman.