



Md Arfan Ali, chairperson of the Swift Member & User Group of Bangladesh and president and managing director of Bank Asia, and Kazi Towhidul Alam, secretary general of the platform and additional managing director of Social Islami Bank, attend the group's 8th technical committee and 11th executive committee meetings in Dhaka on Wednesday.

Indonesia to raise banks' core capital requirement

REUTERS, Jakarta
Indonesia's financial services authority (OJK) plans to gradually increase core capital requirement for banks to 3 trillion rupiah (\$220 million) from this year to improve competitiveness, a senior official said on Thursday.
The requirement would be part of the authority's wider plan to streamline Indonesia's 112 commercial lenders via capital injection, merger, or acquisition.
Banks' current lowest core capital category is up to 1 trillion rupiah in

a scale going to at least 30 trillion. But new banks are already required by law to have at least 3 trillion rupiah.
Heru Kristiyana, a commissioner at OJK overseeing banks, told a news conference existing banks would have to comply with that minimum. "OJK wants for our lenders to follow suit, to have 3 trillion rupiah core capital gradually," he said.
OJK is finalizing the regulation in discussion with the banking industry, Kristiyana added. Around half of Indonesia's banks are under the limit

and would be affected.
"The regulation will expedite the process to strengthen banks' capital so that our banks can have competitiveness and better contribution (to the economy)," Kristiyana said.
Irfanto Oeij, president director of medium-sized Bank Mayora, welcomed the requirement but was anxious about the time scale. "Banks are only given time until 2022 to increase core capital to 3 trillion rupiah, I think the time is too short," he told Reuters by text.

Germany agrees 40b euro coal exit deal for states, companies

REUTERS, Berlin
Germany has agreed to compensation of about 40 billion euros (\$45 billion) for affected regions, workers and companies as part of plans to end its use of brown coal in power plants by 2038, Economy Minister Peter Altmaier said on Thursday.
The plans are part of measures aimed at cutting greenhouse gas emissions in Europe's largest economy by 2030 to 55 percent of their 1990 levels. Brown coal, or lignite, is considered the most polluting type of coal, partly because its low heat content means more must be burned.
In a deal reached in overnight talks which stretched into the early morning hours, the government agreed to pay up to 14 billion euros in aid to the affected states of Brandenburg, North-Rhine Westphalia, Saxony and Saxony-Anhalt until 2038, government spokesman Steffen Seibert said in a statement.
The federal government would take further measures worth up to 26 billion euros to help brown coal regions up to 2038.
Energy-intensive companies which compete internationally will

be eligible for annual subsidies from 2023 to compensate for higher electricity costs caused by the coal exit, Seibert added, without giving details.
Finance Minister Olaf Scholz said during a news conference that utilities shutting down coal-fired plants in the 2020s, in accordance with an agreed coal phase-out plan, would be compensated with a combined sum of 4.35 billion euros.
Two government sources told Reuters that Berlin plans to pay utility RWE around 2.6 billion euros in compensation for shutting down coal-fired plants.
Mining company Mibrag, owned by Czech energy group EPH, is likely to get 1.75 billion euros in compensation, two people familiar with the matter said.
The BDI industry association criticised the agreement, saying companies had hoped for more help to cope with increased energy costs.
Altmaier said the law on exiting coal power would likely be brought before parliament on January 29. It specifies that the last coal-fired plant must be shut by 2038.
"What we have here is a good agreement for climate protection because it makes it clear that we are

taking it seriously," he told reporters.
Armin Laschet, premier of the state of North Rhine-Westphalia, attended the negotiations and told ZDF broadcaster that utility Uniper's new Datteln 4 coal-fired power plant would be connected to the grid.
Seibert said that Berlin would also pay compensation to employees affected by the coal exit law up to 2043. The exact sum for each worker remains unclear.
The loss of energy caused by the coal exit should be offset by adding natural gas-powered capacity at existing plants, for example at Jaenschwalde in Brandenburg, the spokesman said.
Details about the timetable for decommissioning coal-fired plants and compensation are expected to be made public after talks with utilities.
Germany is the world's largest producer of brown coal, or lignite, and it fuels about 19 percent of the country's electricity capacity.
Late last year, the government agreed not to force hard coal power plants to close over the next seven years. The government plans to use a mixture of subsidies and tenders to encourage operators to close the plants beginning this year.

China, US sign initial trade pact but doubts and tariffs linger

REUTERS, Beijing/Washington
China will boost purchases of US goods and services by \$200 billion over two years in exchange for the rolling back of some tariffs under an initial trade deal signed by the world's two largest economies, defusing an 18-month row that has hit global growth.
Key world stock market indexes climbed to record highs after the deal was signed on Wednesday in Washington, but later stalled on concerns it may not ease trade tensions for long, with numerous thorny issues still unresolved.



Chinese Vice Premier Liu He and US President Donald Trump sign "phase one" of the US-China trade agreement during a ceremony in the East Room of the White House in Washington, US on January 15.

While acknowledging the need for further negotiations with China to solve a host of other problems, President Donald Trump hailed the agreement as a win for the US economy and his administration's trade policies.
"Together, we are righting the wrongs of the past and delivering a future of economic justice and security for American workers, farmers and families," Trump said in rambling remarks at the White House alongside US and Chinese officials on Wednesday.
Chinese Vice Premier Liu He read a letter from President Xi Jinping in which the Chinese leader praised the deal as a sign the two countries could resolve their differences with dialogue.
"While markets seemed to take this deal as a risk-on signal, we should all be aware that headlines about trade, particularly US China trade, are going to be a constant feature of 2020," said Hannah Anderson, Global Markets

Strategist, J.P. Morgan Asset Management in Hong Kong.
The centerpiece of the deal is a pledge by China to purchase at least an additional \$200 billion worth of US farm products and other goods and services over two years, above a baseline of \$186 billion in purchases in 2017, the White House said.
Commitments include \$54 billion in additional energy purchases, \$78 billion in additional manufacturing purchases, \$32 billion more in farm products, and \$38 billion in services, according to deal documents released by the White House and China's Finance Ministry.
Liu said Chinese companies would buy \$40 billion in US agricultural products annually over the next two years "based on market conditions" which may dictate timing of purchases in any

given year.
Beijing had balked at committing to buy set amounts of US farm goods earlier, and has inked new soybean contracts with Brazil since the trade war started.
Liu later said the deal would not affect "third parties' interests", apparently in reference to deals made with other suppliers of farm goods.
Chinese companies will import US agricultural goods according to consumers' need, and demand and supply in the market, Liu told reporters, according to CCTV.
Although the deal could be a boost to US farmers, automakers and heavy equipment manufacturers, some analysts question China's ability to replace imports from other trading partners with more shipments from the United States.

The deal does not end retaliatory tariffs on American farm exports, makes farmers "increasingly reliant" on Chinese state-controlled purchases, and does not address "big structural changes," Michelle Erickson-Jones, a wheat farmer and spokeswoman for Farmers for Free Trade, said in a statement.
Oil prices rose, helped by expectations of more Chinese purchases of US oil and gas.
Trump, who has embraced an "America First" policy aimed at rebalancing global trade in favor of US companies and workers, said China had pledged action to confront the problem of pirated or counterfeit goods and said the deal included strong protection of intellectual property rights.
Washington's insistence on enforcement mechanisms "with real teeth" could tear the deal apart if any tariffs are re-imposed for non-compliance.
US Speaker of the House of Representative Nancy Pelosi said Trump's China strategy had "inflicted deep, long-term damage to American agriculture and rattled our economy in exchange for more of the promises that Beijing has been breaking for years," in a statement.
Earlier, top White House economic adviser Larry Kudlow told Fox News the agreement would add 0.5 percentage point to US gross domestic product growth in both 2020 and 2021.
Aviation industry sources said Boeing Co was expected to win a major order for wide-body jets from China, including its 787 or 777-9 models, or a mixture of both.

Nestle to invest 2b Swiss francs in recycled plastics

AFP, Geneva
Swiss food giant Nestle said Thursday it would invest 2.0 billion Swiss francs (1.8 billion euros, \$2.1 billion) over five years to cut its use of virgin plastics in favour of food-grade recycled plastics.
The company, whose brands include Nespresso coffee, Vittel water and Smarties chocolates, also plans to invest in new types of sustainable packaging to meet its target of making all its packaging recyclable or reusable by 2025.
Nestle also said in a statement it would reduce its use of virgin plastics by one third over the next five years and would set up a venture fund with

250 million Swiss francs to invest in start-up companies working in the recycling sector.
To create a market for recycled plastics, it said it would source up to 2 million metric tons of food-grade recycled plastics and allocated more than 1.5 billion Swiss francs to pay a premium for the material between now and 2025.
"No plastic should end up in landfill or as litter," Nestle chief executive Mark Schneider said in the statement.
Major corporations, often criticised by campaigners for putting profit before the environment, are trying to respond to growing pressure from consumers for more responsible

practices.
Food and cosmetics giant Unilever announced last September that it will cut its use of new plastic in packaging by half by 2025, acknowledging that the move was partly aimed at young, more environmentally conscious customers.
Fast food giant McDonald's pledged in October to speed up moves to minimise the use of plastic in its restaurants in Europe.
"Making recycled plastics safe for food is an enormous challenge for our industry. That is why in addition to minimising plastics use and collecting waste, we want to close the loop and make more plastics infinitely recyclable," said Nestle's Schneider.

UK banks see higher demand for credit card borrowing: BoE

REUTERS, London
Lenders in Britain are expecting increased appetite for credit card borrowing in the coming months after a weak end to 2019, the Bank of England said on Thursday.
The BoE's gauge of demand for credit card borrowing by households over the next three months rose to 14.3, nearly hitting its level of the second quarter, after falling to 1.8 in the third quarter.
Britain's consumers have helped drive the country's economy since the Brexit referendum in 2016 which caused companies to cut their investment.
The BoE survey showed demand for borrowing by companies fell in the fourth quarter. It was expected to rise slightly for small firms but fall among larger companies in the first quarter of 2020.
The survey also showed banks reported demand for mortgages fell in the fourth quarter and was expected to fall again in the first quarter of this year.



Md Zahid Hossain, head of corporate banking division of Midland Bank, and Md Ridwanul Haque, head of retail distributions, open the bank's relocated branch at Ayesha Tower in Savar's Hemayetpur yesterday.

Rajdhani Unnayan Kartripakkha (RAJUK)
Department of Audit & Budget
RAJUK Bhaban, Dhaka
www.rajuk.gov.bd

Invitation for Expression of Interest (EOI)

For
Providing auditing services through checking all relevant books of accounts and financial statements of RAJUK for the year 2019-20, 2020-21 & 2021-22.

1	Ministry	: Ministry of Housing and Public Works.
2	Agency	: Rajdhani Unnayan Kartripakkha (RAJUK).
3	Name of the procuring entity	: Chairman (RAJUK).
4	Procuring entity district	: Dhaka
5	Expression of interest for selection	: Chartered Accountant Firm.
6	EOI file No.	: EOI-25.39.0000.019.11.030.19
7	Date (dd/mm/yyyy)	: 19/01/2020
8	Procurement method	: Selection under Fixed Budget (SFB) Method.
9	Budget and source of funds	: RAJUK's own fund.
10	Project name	: Financial Audit of RAJUK (2019-20, 2020-21 & 2021-22).
11	EOI closing date and time	: 02/02/2020, 12:30pm.
12	Brief description of the assignment	: The scope of the works in brief are following but not limited: 1) Audit of Annual Accounts of Rajdhani Unnayan Kartripakkha for the year 2019-20, 2020-21 & 2021-22 with relevant books of accounts & financial statements. 2) Preparation of management report.
13	Experience resource & delivery capacity required	: Intending well established and well experience (ICBA) Registration Holder & Enlisted local Chartered Accountant firm should be submit the following documents along with EOI. Brochure summarizing their facilities, areas of the expertise, general information including legal document. - Description of experiences for similar completed assignment. - Description of similar type of assignment in hand/in progress. - Availability of appropriate experience and professional qualifications of principal/Managing partner manager, article students & relevant staff to carryout the assignment (List of own of hire resources). - Administrative strength, logistics and financial capability.
14	Association with foreign firms	: N/A
15	Name of the official inviting EOI	: Md. Sayeed Noor Alam.
16	Designation of the official inviting EOI	: Chairman (RAJUK).
17	Place of the official inviting EOI	: RAJUK Annex Building (2 nd Floor), RAJUK, Dhaka
18	Contact details of the official inviting EOI	: Director (Audit & Budget), RAJUK Annex Building (2 nd Floor), Dhaka-1000. Phone: 01730013914, Tel: 02-9570458, Email: dalowarrajuk@gmail.com
19	Other details	: 1. The consultant (Chartered Accountant Firm) will be selected in accordance with the Public Procurement Regulations-2008. 2. Consultants may associate to other consultants to enhance their qualifications. 3. Envelop containing application/Proposal (EOI) along with relevant supporting documents to be marked with expressions of interest (EOI) providing auditing services stated above. The above assignments are to be submitted to the Director (Audit & Budget), RAJUK Annex Building (2 nd floor), Dhaka-1000. 4. No application will be accepted after the EOI closing date & time.

The RAUK authority reserves the right to accept or reject all EOI either partly or in full without assigning any reason thereof.

S.M. Dalowar Hossain
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