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BUSINESS

DHAKA THURSDAY FEBRUARY 13, 2020, MAGH 30, 1426 BS

STAR BUSINESS REPORT

Bangladesh's mega projects involving Chinese nationals will not face any setback as less than 10 per cent of them had recently gone home and they will be quarantined and checked before being allowed back, said China's envoy to Bangladesh yesterday.

"Less than 10 per cent of Chinese engineers, technicians and workers went to China for the spring festival or the New Year. We recommended that they do not come back," said the ambassador, Li Jiming, at a press conference.

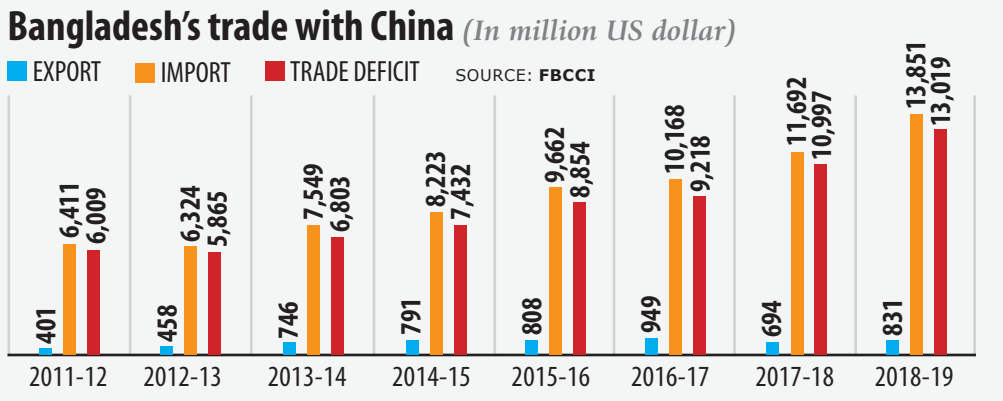
He also dispelled rumours of Bangladeshi students in China running out of food and water. The Bangladesh China Chamber of Commerce and Industry (BCCCI) organised the event at the National Press Club to provide an overall insight into the coronavirus outbreak in China.

"There is bad news that some Chinese nationals who went to the vacation are key figures of the project, few of them are leaders," he said.

However, Jiming hoped that there would be no significant interruption to the work as the Chinese nationals would come back only after undergoing quarantine and checks.

He said China was a bit apprehensive that the Bangladesh government might impose restrictions on the import of Chinese goods as well as limits to trips.

"I recently heard that the Bangladeshi government might impose some restrictions on Chinese imports through its land ports via Myanmar. If it happens, the situation could get serious," he said.



Li Jiming, ambassador of China to Bangladesh, speaks at a press conference on the Coronavirus at the National Press Club in Dhaka yesterday.

Jiming believes that the virus cannot be carried by goods and materials, rather it can only be carried by humans. He also urged Bangladesh to take measures based on rationale and science, not spurred by panic.

He praised the Bangladesh government for not imposing any trade barrier on China.

"As of today, no trade restrictions and overreacting measures have been

taken by the government (of Bangladesh)," he added.

He touched upon the Bangladeshi business community's concerns over whether they would have to shift their supply chain elsewhere from China.

"China has full confidence, determination and capability to win the battle soon. So, for only a little delay, shift of supply chain will be a stupid thing to do," said Jiming.

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DSE TURNOVER HITS 11-MONTH HIGH

The benchmark index of the Dhaka bourse kept rising in the last two days after the announcement of a bailout package by Bangladesh Bank. A number of institutional investors sold their shares yesterday which is why the index remained almost flat but turnover was the highest since March 13 of 2019.

DSEX rose to **4,480.83** points (up **9.31** points, or **0.20%**)

Turnover increased to Tk **657.19** crore (up Tk **151.34** crore, or **29.96%**)

TOP FIVE GAINERS

Company	Gain (in %)
Orion Pharmaceuticals	10
ICB Employees Provident Fund	10
Saiham Textile	9.96
ICB	9.90
Hakkani Pulp	9.89

TOP FIVE LOSERS

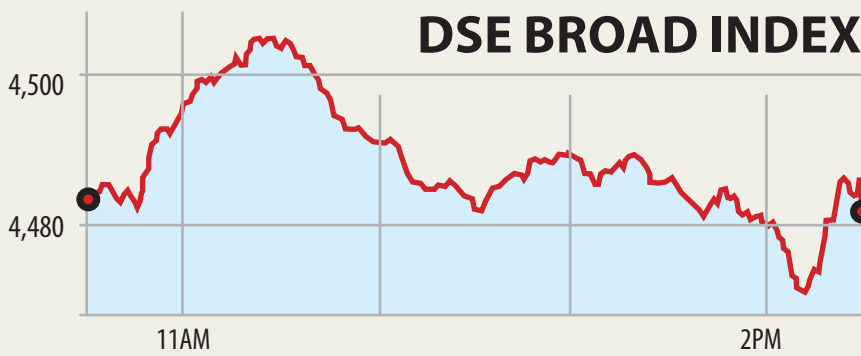
Company	Loss (in %)
Shyampur Sugar	7.78
United Airways	6.25
Union Capital	5.35
Coppertech	4.59
Metro Spinning	3.89

TOP SECTORAL FALL

Sector	Tk (in crore)
Textile	111.74
Pharmaceuticals	99.94
Engineering	81.21
Fuel & Power	45.87
Insurance	40.71

TOP TURNOVER

Company	Average daily turnover (in crore Tk)
Shepherd Industries	30.79
LafargeHolcim	30
Orion Infusion	18.48
Khulna Power	15.63
Indo-Bangla Pharmaceuticals	15.13



# Saudi Arabia to help build skilled workforce

Wants to establish a training institute; Aramco may invest in energy sector

STAR BUSINESS REPORT

The Kingdom of Saudi Arabia is interested in establishing a training institute in Bangladesh to help create more skilled workforce for recruitment to the Middle Eastern nation.

Saudi Aramco, a national petroleum and natural gas company based in Dhahran, is also considering investing in Bangladesh's energy sector, said officials of the Economic Relations Division (ERD) at a joint economic commission meeting that began yesterday.

"Saudi Arabia wants to set up a training institute in Bangladesh so that they can hire more skilled manpower. They also want to recruit highly skilled nurses," an ERD official told The Daily Star.

After meeting with Finance Minister AHM Mustafa Kamal at his office in the planning ministry, Mahir Abdul Rahman Gassim, the deputy minister for labour and social development of Saudi Arabia, told reporters that a variety of issues are being discussed.

"Aramco is focusing on the energy sector and we [Saudi Arabia] are eager to make more investments in Bangladesh," said Gassim.

Gassim is leading the 40-member Saudi

AT A GLANCE

Saudi Arabia wants to recruit skilled nurses

Aramco is interested to invest in power sector

The kingdom is also keen on infrastructure, communication, high-tech parks, IT, textiles

Bangladeshi workers in Saudi Arabia sent home \$3.65b in 2019

Remittance from S Arabia accounts for 20% of Bangladesh's total remittances

delegation for the two-day joint commission meeting. ERD Secretary Monowar Ahmed is head of the Bangladesh delegation.

Representatives from other Saudi Arabian companies, such as ACWA Power and Al Bawani, are also featuring in the Saudi delegation.



Finance Minister AHM Mustafa Kamal talks to reporters at his office at the planning ministry in Dhaka yesterday.

The Bangladesh team is comprised of officials from the ministries of finance, foreign affairs, commerce, expatriates' welfare, home affairs, agriculture, energy, education, ICT and fisheries.

The concerned officials said that Riyadh is keen on investing more in various sectors, including energy, infrastructure, communication networks, high-tech parks, IT, textiles and agro-based industries.

During her visit to the Middle East in October 2018, Prime Minister Sheikh Hasina urged Saudi Arabian entrepreneurs and businessmen to invest in the special economic zones of Bangladesh.

A joint commission meeting is held every two years. However, to update and move forward with their plans for investment, a meeting between the two countries will be held every quarter, said Gassim, adding that his delegation was pleased by Bangladesh's hospitality.

Bangladesh looks forward to working with Saudi Aramco, which is a trillion-dollar company eager to invest in Bangladesh's energy sector, said Finance Minister AHM Mustafa Kamal.

Bangladesh is setting up 100 special economic zones which will require a tremendous electricity supply. There are also other projects that Saudi companies are interested in and those will be discussed at the meeting.

"We already signed an agreement with Saudi Arabia and will streamline that to start the process," Kamal said.

Bangladesh is focused on creating a skilled workforce for new areas such as technology and management. To that end, the government has prioritised education and skills development.

"If we do not augment our skills keeping the needs of tomorrow in mind, then our development will not be meaningful," he added.

Officials of the expatriates' welfare ministry said that they would request Saudi Arabia to ensure better protection for Bangladeshi workers.

In 2019, Bangladeshi expats in Saudi Arabia sent home \$3.65 billion in remittance, almost 20 per cent of the country's total remittance of \$18.35 billion that year.

However, there have been allegations of abuse, including that of female domestic workers. Also, there are some anomalies in labour recruitment.

"We requested the Saudi delegation to help address these anomalies and better protect Bangladeshi migrants," an expatriates' welfare ministry official said.

PHARMA RAW MATERIALS

## Import exempt from advance income tax

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has declared that imports of raw materials used to make active pharmaceutical ingredients (API) will be exempt from advance income tax until June 2024.

"We have exempted the tax to encourage the domestic production of APIs," said an NBR official.

The tax authority offered the discounts through a notification issued earlier this week.

The recent tax benefit comes a month after the NBR relaxed the rules regarding VAT exemption on manufacturers' imports of pharmaceutical raw materials.

Last June, the NBR exempted VAT

on the import of API raw materials on certain conditions. One of which was to manufacture at least five new molecules in a calendar year, which would add 60 per cent value to the domestic industry.

A molecule is an organic compound used to regulate a biological process.

The two conditions have since been eased, requiring that only two new molecules are produced each year, adding 20 per cent value, according to another NBR notification.

Four or five firms are currently engaged in API production and the recent tax exemption might lead to a reduction in the cost of raw materials. This would enable the pharmaceutical sector to further develop, the NBR said.

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