

StanChart onto \$75b project financing for SDGs

STAR BUSINESS DESK

Standard Chartered yesterday committed project financing worth \$75 billion by 2024 for Sustainable Development Goals.

Of it, \$40 billion will go towards infrastructure projects promoting sustainable development.

The remaining is for merger and acquisition advisory and debt structuring services for renewables and clean tech projects such as those centring solar and wind.

In a statement yesterday the bank also committed to “net zero” carbon emissions from its operations by 2030 by only sourcing energy from renewable sources and continuing to pursue energy efficiency measures.

The bank has offices in “60 countries, including many large emerging markets”.

Tracey McDermott, group head of corporate affairs, brand and marketing,

said, “Over the past 18 months, we have made a series of commitments which are all geared towards supporting the Paris agreement on climate change and the transition to a cleaner, greener, fairer economy.”

“We know that the investment required cannot be provided by governments and NGOs alone, so it is critical that investors embrace the Sustainable Development Goals at pace and scale,” he added.

Judy Hsu, regional CEO for Standard Chartered Bank in Asean and South Asia, said “The United Nations estimates that emerging markets face a \$2.5 trillion annual investment gap in meeting the SDGs.”

“This is a big challenge and a significant opportunity for banks and the private sector to step up.”

“By tapping on our global network and local capabilities, we hope to catalyse SDG financing and provide sustainable finance to areas where it matters the most.”

Weeklong SME fair begins in Pirojpur

OUR CORRESPONDENT, Pirojpur

A weeklong regional fair began in Pirojpur yesterday to promote the products of local small and medium enterprises.

Abu Ali M Sazzad Hossain, deputy commissioner of the district, opened the fair on the premises of Pirojpur Government High School.

Over 50 stalls of different companies are showcasing their products such as jute goods, handicrafts, electrical and electronics, light engineering and IT.

The fair will remain open for visitors from 10am to 8pm every day.



DBL CERAMICS

Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association, opens the third line of DBL Ceramics' factory during the company's annual business conference at Radisson Blu Dhaka Water Garden on Saturday. ASM Aminur Rahman, chief architect of housing and public works ministry, and Abdul Wahed, chairman of DBL Group, were present. The new line increased production capacity of the company's factory in Gazipur to 35,000 square metre tiles per day.

UK digital bank serves clients shunned by big lenders

AFP, London

Among Britain's digital app-based banks that are attracting moneyed urban millennials is Monese, which also courts customers neglected by the country's established lenders.

In early 2000, Estonia-born entrepreneur Norris Koppel arrived in Britain and spotted a major gap in UK banking for newly-arrived foreigners who had trouble opening traditional accounts.

Koppel was snubbed by banks owing to a lack of address documents and no credit history -- and vowed to help those in a similar predicament.

In the nation's booming financial technology or fintech sector, mobile phone app-based “neo-banks” such as Revolut, Monzo and Starling

have established themselves as plucky upstarts.

Koppel's lender Monese joined them, expanding to 31 nations in Europe with two million customers in only five years of operation.

“Investor trust in Fintechs and the amount of investment being poured into neo-banks is actually very significant; it hasn't really slowed down. 2019 was definitely a peak point so let's see how 2020 goes,” Koppel told AFP.

“It's very clear that banking is going through fundamental changes .. and there are a group of neo-banks including Monese who are on top of that wave.” The company describes itself as an electronic money institution that provides banking facilities -- but it does not currently offer credit.

“Monese was born from my own very personal frustration,” Koppel explained.

“When I moved to the country I couldn't open a simple account and I thought maybe that is something that can be done.

“Monese is built for people who are moving to a different country, starting a new life, finding a better job, retiring, going for studies, or getting married somewhere else,” he added.

In Britain, around 80 per cent of Monese customers are foreigners whose salary goes directly into their account.

Groups like Monese that only operate online carry out checks to verify the identity of new applicants to help fight money laundering.

The app aims to compete with Revolut and Monzo, which have eight million and three million customers respectively in a fiercely competitive market.

The ECB wants to talk to you about inflation. But will it listen?

REUTERS, Frankfurt/Riyadh

For many people, the language of European Central Bank policymakers is so impenetrable, it could be beamed from another planet.

Now, however, the ECB experts are in for a dose of real life as they meet audiences ranging from students to clergy this year to get their views on inflation and feedback on the central bank's work, six officials told Reuters.



Christine Lagarde

The series of events, called “ECB Listens” after a similar initiative by the Federal Reserve, illustrates a marked change in style under new President Christine Lagarde, a former politician with a penchant for public relations. Just last October her predecessor, then President Mario Draghi, had expressed his reservations about communicating with the public at large rather than finance aficionados.

“One has to be cautious about that because as soon as you change your audience, you change your language and you naturally step into a different realm: the realm of politics,” he said.

The change of tack could also be an indication of the quandary the euro zone's central bank finds itself over the adequacy

of the inflation data used to justify trillions of euros worth of monetary stimulus to support Europe's economy.

Surveys show households in the euro zone perceive inflation to be far higher than official data. Some ECB policymakers suspect this is because the data does not factor in changes in the price of homes occupied by their owners - a key measure of financial health for millions of people.

An ECB spokesman declined to comment.

The ECB will kick off proceedings, part of a year-long strategic review, with an event in Brussels on March 26, according to the sources who are on or close to the ECB's Governing Council. Each of the euro zone's 19 national central banks has been asked to hold at least one such meeting by the summer, they said.

The ECB is unlikely to make any communication about the outcome of its review, which could see it redefine its inflation target, until well after the end of the public consultations, the officials added.

This would dash the hopes of some policymakers, including Slovak central bank governor Peter Kazimir, who have said they would like to see the ECB's revised inflation target published early, in time for its annual forum in Sintra, Portugal starting on June 29.

“It would look pretty awful if we put out substantial communication on the review in June because that would mean we are not taking the feedback seriously,” said one of the sources, who all spoke on condition of anonymity because the ECB's deliberations are private.

The public meetings will see small entrepreneurs, academics, students, pensioners and even priests invited to give ECB policymakers a piece of their mind on inflation as well as other topics ranging from climate change to digital currencies.

Relief for GP at last after it pays Tk 1,000cr

FROM PAGE B1

“Grameenphone looks forward to resuming normal business operations, so that we are allowed to best serve our customers again,” said Sadat, who handed over a pay order of Tk 1,000 crore to Md. Jahirul Haque, chairman of the BTRC, at the latter's office.

With this, the BTRC at last realised some money from the operator against its audit claims. The audit looked into Grameenphone's books from its inception until 2014.

Grameenphone followed the lead of Robi, the country's second largest mobile operator, which was also locked in a similar tussle with the telecom watchdog over unpaid dues amounting to Tk 867.23 crore after audit. The matter was taken to court as well.

The High Court on January 5 ordered Robi to pay Tk 138 crore in five instalments against the BTRC's claim. The operator has already paid the first of the five instalments of Tk 27.60 crore on January 10, after which the restrictions on it were lifted by the telecom regulator.

The Norwegian Telenor Group's subsidiary's move to pay comes after it was raked over the

coal on Thursday by the Appellate Division of the Supreme Court.

“First pay Tk 1,000 crore to the Bangladesh Telecommunication Regulatory Commission and then come on February 24 for further orders,” said Chief Justice Syed Mahmud Hossain, who led the seven-member of the SC's Appellate Division, while passing the order.

The order came in response to a review petition filed by Grameenphone earlier on January 26 to allow it to pay Tk 575 crore in twelve equal instalments.

The review petition was filed after the apex court had directed Grameenphone on November 24 last year to pay Tk 2,000 crore to the BTRC within three months (by February 23) against the claim of Tk 12,579.96 crore.

Legal counsellors of the both the parties said the court will hear the petition today and will give its final order.

The BTRC chairman thanked the operator for complying with the court's order.

Grameenphone is the largest listed company in the country's capital market and its regulatory tussle over the best part of the last 12 months

dented investor confidence.

The news of the operator putting to bed its regulatory problems has led to its stock soaring 7.58 per cent yesterday to Tk 318.

International Leasing Securities said in its daily market analysis that the bourse witnessed massive buying pressure in the telecom sector from the opening of the session that continued until the closure -- riding on Grameenphone's good news.

Robi's announcement of its possible initial public offering also fuelled stock investors to buy Grameenphone's stocks, said a top official of a leading merchant bank.

However, Robi gave two conditions for listing and the operator is lobbying with the government for them: lowering of corporate tax by at least percentage points and a minimum income tax of 0.75 per cent as opposed to 2 per cent for listed telecom companies.

If the government agrees with the conditions then Grameenphone also will benefit and hence the clamour for its stock yesterday, he said.

Grameenphone topped the turnover list yesterday with its transactions of Tk 47.02 crore.



PUBALI BANK

Md Abdul Halim Chowdhury, managing director of Pubali Bank, opens the bank's renovated branch in the capital's Shantinagar recently.

‘Bangladesh is currently where Indonesia and the Philippines were four years ago’

FROM PAGE B4

In the US, students start learning about entrepreneurship in school. As a result, they become creative and the number of innovators is much higher than in any other countries, he said. “This is not only the responsibility of the ICT sector. The education ministry also has a huge responsibility.”

Anis also praised the government for formulating standard rules and regulations for the venture capital industry. But it needs

to take steps to brand Bangladesh to global venture capital companies.

“The government can sell that to US venture capital firms such as Pegasus that are already in Bangladesh. The message will give confidence to other investors,” added Anis, who co-authored a book, Startup Kingdom, with Shameem Ahsan, an ICT entrepreneur and a former president of the Bangladesh Association of Software and Information Services.

A congested Dhaka driving cycle sales

FROM PAGE B1

“This could be an alternative solution to traffic jam and saving the environment from pollution and reducing the use of fossil fuel,” said Bari, while calling for a separate lane on roads for bicycles.

The government should also reduce the corporate tax to make the prices of domestically manufactured cycles more competitive against the imported ones and in the export market, said Bari, also the director of operations of Meghna Group, another local manufacturer and exporter of bicycle.

Competitiveness of locally made bicycles is eroding in terms of prices against the imported ones as a section of the traders are bringing the two-wheeler in the completely knocked down (CKD) format and assembling them here, said Abedin of RFL.

Subsequently, he urged the revenue authority to discriminate between complete and painted and raw finished or unpainted components of bicycles to encourage domestic manufacturing.

But what will truly ramp up bicycle sales would be a good traffic management system to enable cyclists to move about safely.

“Once people deems it safe enough, they will jump in and get one themselves,” added the plucky cyclist Haque.

Northern Jute halts production after account freeze

FROM PAGE B4

A year later, the EPS jumped to Tk 23.29, which sent Northern Jute back to the A category.

In the second quarter of this fiscal year, the company's EPS dropped to Tk 2.94, down from Tk 9.06 a year earlier.

Stock market analysts say PLFS's liquidation has had a huge toll on depositors, stock investors and many listed companies, all of whom parked their money in the non-banking financial institution.

“The sponsors and directors of PLFS should be punished,” said an analyst.

The NBFI's problems came to the surface in 2013-14, when some of its directors made off with Tk 570 crore by way of submitting fake documents, according to a central bank inspection report.

On June 27 last year, the finance ministry instructed the central bank to shutter the NBFI for its failure to improve its conditions, in a first for Bangladesh's financial sector.

The High Court also ordered freezing the bank accounts of nine former directors and two top officials over their alleged involvement in driving the NBFI into the ground.



JAMUNA BANK

Jamuna Bank Foundation Chairman Nur Mohammed, Directors Kanutosh Majumder and Md Belal Hossain and CEO Mirza Elias Uddin Ahmed open the bank's sub-branch at Haragram in Rajshahi.

STOCKS SEE RED

The benchmark index of the DSE witnessed a correction in the last two consecutive days though Grameenphone jumped yesterday. Turnover, another important indicators of the DSE, fell too as investors want to see whether banks took the liquidity support from the Bangladesh Bank in order to invest in the stock market.

DSEX dropped to 4,698.89 points (fell 34.24 points, or 0.72%)	Daily turnover down to Tk 668.45cr (fell Tk 102.15cr , or 13.26%)
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TOP FIVE GAINERS	
Company	Gain (in %)
Orion Infusion	10
Sea Pearl	9.89
Usmania Glass	9.79
Grameenphone	7.57
United Airways	6.67

TOP FIVE LOSERS	
Company	Loss (in %)
Prime Insurance	22
Meghna Pet	9.90
ICB 3rd NRB	9.09
Northern Jute	8.74
Prime Finance First Mutual Fund	7.87

TOP SECTORAL CONTRIBUTION	
Sector	Change in Market cap (in % cr)
Mutual Funds	-3
Engineering	-2.7
Textiles	-1.6
General Insurance	-1.5
Fuel & Power	-1

TOP TURNOVER	
Company	Average daily turnover (in crore Tk)
Grameenphone	47.02
Orion Pharmaceuticals	21.42
SK Trims	19.11
Summit Power	17.59
Orion Infusion	16.96

