

Puma reopens Banani outlet

STAR BUSINESS DESK

Puma reopened its Banani 11 outlet on June 1 after a break of two months by taking all the necessary measures that are practised worldwide to contain the COVID-19 pandemic.

During the pandemic, the store will remain open from 10am to 4pm every day, Puma said in a statement.

The global sportswear brand has cleaned the outlet extensively following global standards, according to the statement.

“Temperature is being checked and masks are being given in the entry into the store. Hand sanitisation has been made mandatory while entering the store, before the trial of any item and before leaving the cash desk,” it said.

Puma outlet’s trial rooms are also being disinfected after each use and the outfits are being kept separately and steam ironed in order to save the consumers from any kind of infection, it added.

Puma franchise was brought to Bangladesh in April 2019 by DBL Group.

Dubai charts a path to luxury industry’s new normal

AFP, Dubai

The waiter at a chic Dubai restaurant wears a face mask and gloves, pours the wine into plastic cups and serves the steaks on paper plates with disposable cutlery.

As the pandemic lockdown eases in Dubai, its world-class tourism industry is charting a gradual comeback -- but the new normal has taken a toll on the city’s “wow” factor.

Tables at the usually buzzing Bistro and bar, set among gleaming skyscrapers and long popular for its food and daily happy hours, are now set two metres (six feet) apart.

“For next time, you can choose to bring your own knife and fork if you wish,” the waiter tells the customers -- a far cry from the typical fine dining experience in a city known for its over-the-top services. Hospitality experts now warn that extravagant luxuries, from sweeping breakfast buffets to frolics in swimming pools may have to be reconsidered.

Dubai, one of the seven sheikdoms that make

up the United Arab Emirates, has been charting its tourism sector’s “gradual return to normalcy”. Pre-pandemic luxuries such as normal cutlery and glassware are making a return in some restaurants.

But with many restrictions and precautionary measures still in place, it just doesn’t feel quite like it used to, said one 31-year-old Swedish expatriate. “Luxury experiences are not particularly luxurious anymore,” she said.

“I don’t think things will return to normal for a long time.” - Crowds are out - With scant oil resources compared to its neighbours, Dubai -- which boasts the most diversified economy in the Gulf -- has built a reputation as a financial, commercial and tourism hub despite an economic downturn in recent years.

The gleaming city is known for its mega malls, high-end restaurants and five-star hotels and resorts, all of which have taken a severe hit during the coronavirus outbreak.

Karen Young, a scholar at the American Enterprise Institute, said that global norms

surrounding travel, luxury and entertainment will have to shift. People will want more privacy and individual experiences in retail and hospitality.

“It’s a good time to explore new customer experiences. Crowded restaurants and clubs are out, exclusive at-home chefs and shopping concierge will be in,” she said.

“But we cannot expect a return to normal anytime soon, and recovery will have to include some reinvention.” Although Dubai is steadily easing restrictions, masks remain compulsory outside the home, and an 11pm city-wide curfew is in operation. Children under the age of 12 and adults over 60 are prohibited from entering malls, entertainment centres and gyms.

Many residents hit the beaches, dined at restaurants, and visited shopping centres over the weekend after Dubai announced malls were allowed to open at full capacity.

And the dancing waters of the Dubai Fountain -- one of the city’s most popular attractions -- began to sway to music again, in the shadow of the world’s tallest tower, Burj Khalifa.

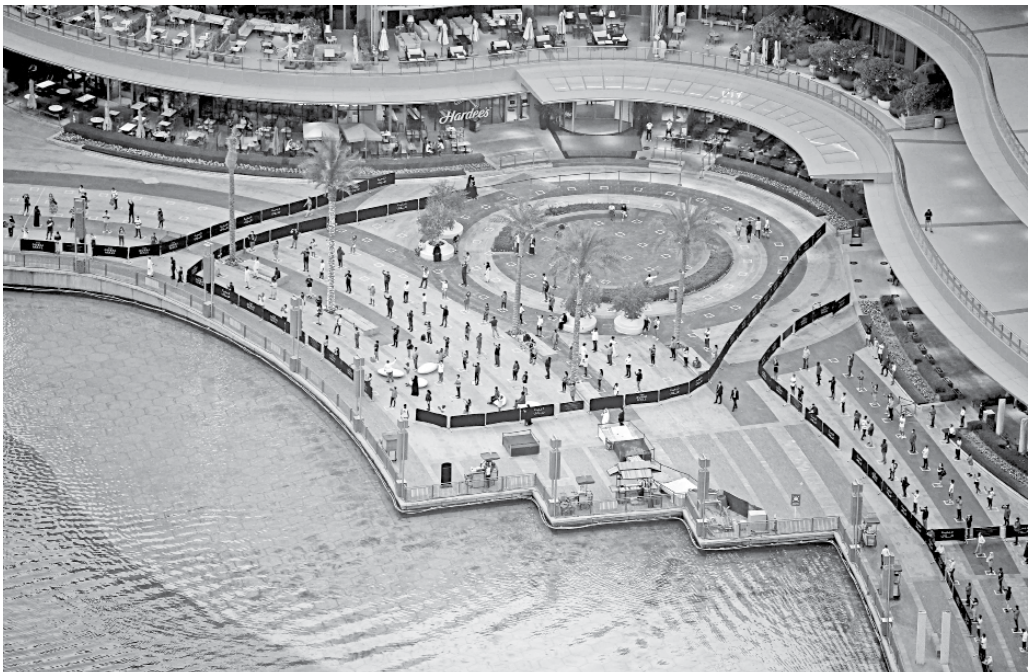
No firm date has been set for allowing tourists back in, but in a slickly produced video released by the tourism authority on Monday, the emirate indicated it could be soon.

“We said we needed a moment, and it will only be a moment more,” it said over footage of fireworks, desert scenes and pristine beaches spliced with images of workers in full protective gear sanitising the city.

In late April, Dubai Tourism director-general Helal Saeed Al-Marri said in an interview that tourists could be welcomed by July, but that the reopening could be delayed until September depending on global progress to curb the pandemic. Tourism has long been the lifeline of the emirate, which welcomed more than 16 million visitors last year. Before the pandemic crippled global travel, the aim was to reach 20 million this year.

According to research firm STR Global, 30 percent of jobs in Dubai’s hotel industry will likely be lost in the coming months until demand recovers. “There’s going to be a lot less group travel,” Al-Marri told Bloomberg in late April.

“This definitely affects the hotel industry and affects the tourism industry and the yield, so there are going to be challenges.” In malls, the retail industry is moving towards a “no touch” model which means hands-off consultations at beauty counters, and no product testers for buyers to peruse.



AFP/FILE

People observe social distancing while gathering to watch the Dubai fountain show which resumes as the Gulf emirate emerges from a lockdown imposed due to the COVID-19 pandemic.

Pompeo criticises HSBC for backing Hong Kong law

AFP, Washington

US Secretary of State Mike Pompeo on Tuesday took to task HSBC for backing Beijing’s controversial security law proposal in Hong Kong, warning of businesses’ overreliance on China.



US Secretary of State Mike Pompeo

The Asia-focused British banking giant last week posted its support for the law on Chinese social media platform WeChat with a picture of HSBC’s top Asia executive, Peter Wong, signing a petition backing the measure.

“That show of fealty seems to have earned HSBC little respect in Beijing, which continues to use the bank’s business in China as political leverage against London,” Pompeo said in a statement, calling HSBC’s experience “a cautionary tale.” “Beijing’s

aggressive behavior shows why countries should avoid economic overreliance on China and should guard their critical infrastructure from CCP influence,” he said, referring to the Chinese Communist Party.

Pompeo renewed his call on all countries to shun Chinese telecom giant Huawei, which Washington says will jeopardize personal security if it is allowed to dominate construction of the fifth-generation internet.

China’s rubber-stamp parliament last month moved ahead with a law that will punish subversion and other perceived offenses in Hong Kong, a move some activists say will kill the former British colony’s promised freedoms.

Pompeo responded by declaring that Hong Kong will no longer be considered autonomous from mainland China in the eyes of US law. HSBC offered support for the law after public pressure from a pro-Beijing figure in Hong Kong who pointed to the bank’s reliance on business in China.

HSBC executive Wong, speaking to Chinese state media agency Xinhua, voiced hope that the law would bring “long-term stability and prosperity” to Hong Kong.

Other British companies that have backed the law, bucking London’s official position, include bank Standard Chartered.

SIBL urges use of SIBL NOW app

STAR BUSINESS DESK

Social Islami Bank is urging customers to use its mobile app “SIBL NOW” from anywhere round-the-clock to avoid frequent visits to branches in order to contain the spread of Covid-19.

Using this app, customers can enjoy facilities of intra-bank and interbank fund transfers, utility bill and credit card payments, mobile top ups and money transfer to bKash account, according to a statement.

Moreover customers can get details of deposit and investment accounts, mini statement, balance inquiry and cheque books.

Customers need to visit www.siblbdd.com to get an application form where they need to register before submitting the form to the nearest bank branch to verify signature for security purposes.

Allow black money in housing: REHAB

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The demand for apartments fell this year despite showing some improvement last year.

“This is because of client psychology, no one wants to spend money on property during a difficult time,” Alamain said.

There are about 6,000 projects of the REHAB members that are currently lost in limbo following the prolonged nationwide lockdown that began on March 26 as the employees are unable to return to work due to the social distancing and other health guidelines in place.

Both banks and non-banking financial institutions are being directly affected by the ongoing crisis as people continue to either cancel or hold their loan applications, which is a potentially devastating change in consumer behaviour, said Alamain.

Allied sectors of the industry, of which there are 230, are also suffering because of the two-month shutdown, added Liakat Ali.

Staying afloat amid pandemic is equal to making profit

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He acknowledged that the banking sector is in trouble for high non-performing loans and for the new responsibility of channelling a majority of the funds under the Tk 101,117 crore stimulus packages.

“But a higher interest rate will not ensure profits for banks. Moreover, a lower interest rate may encourage the private sector to take loans and repay them on time.”

The sales of ACI were affected during the shutdown and the production of some products was disrupted due to a lack of raw materials, he said.

For instance, the supply of Savlon liquid, a household name, has failed to keep pace with the sharp rise in demand as people rushed to the item

to stay hygiene as part of the efforts to keep the virus at bay.

“There was a dearth of the raw materials needed for the product as sourcing countries also faced lockdowns and they needed more sanitary products as well to meet the demand in their respective domestic markets.”

Demand for sanitary products in Bangladesh surged suddenly and it was not easy to scale up production abruptly, he said.

Now some sourcing destinations are reopening their business, allowing ACI to import raw materials in large volumes.

The company is hopeful that it would be able to ramp up the supply of the product within a short period

of time.

Savlon and Aerosol are the top two brands of the company where Savlon occupies 83 per cent share in the antiseptic category and Aerosol 94.6 per cent in the insect killer category.

Alamgir sees a silver lining in the pandemic.

“The pandemic has spread all over the world and prompted all countries to get to work to find a remedy to treat the disease.”

This has not been the case in case of dengue fever although the mosquito-borne disease kills many people in Bangladesh, he said.

According to the Directorate General of Health Services, 101,354 dengue cases were reported in 2019 and the number of deaths was 156.

Finance minister draws a bead on economic recovery

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Kamal is considering to offer tax holiday benefit to seven new sectors, including transformer and nanotechnology-based manufacturing in order to stimulate private investment, which has stagnated around 23 per cent of the GDP for the last four years.

The tax-free income limit would be increased to Tk 300,000 after keeping it unchanged at Tk 250,000 for the last five years, in a bid to give some breathing space to taxpayers in the lower income bracket.

A new tax slab of 5 per cent for the taxpayers in the lower income bracket is likely to be introduced for the first time after the government maintained 10 per cent as the lowest tax rate for more than two decades.

The government is also pondering

easing tax burden on high income individuals, again after six years. The highest tax rate is going to be slashed to 25 per cent from 30 per cent at present.

However, the owners of cars and jeeps would face higher advance tax during registration and fitness renewals as the government aims to collect 58 per cent of the Tk 568,000 crore budget from taxes.

As the economy is reeling under the coronavirus-induced slowdown and tax collection plunged, the target for the NBR has been fixed at Tk 330,000 crore, just 1 per cent higher from the actual target of Tk 325,600 crore in the outgoing fiscal year.

The NBR would rely on the collection of the value-added tax (VAT) and supplementary duty once again.

The indirect tax paid by consumers is the biggest source of revenue for the state-coffer and the NBR has been tasked to collect Tk 182,000 crore in FY21.

Among other measures, the government is likely to increase the tax on mobile SIM cards and import duty on mobile handsets.

It looks to collect an increased amount of tax in the form of excise duty on bank balances and air travel. In FY21, the high-ticket account-holders are going to face higher excise duty, according to a finance ministry official.

However, as imports dropped and income shrank, the government has slashed the collection targets from income tax to Tk 103,000 crore. It marginally hiked import tariff target to Tk 37,800 crore.

France pledges 15b euros for stricken aviation firms

AFP, Paris

The French government on Tuesday pledged 15 billion euros (\$16.9 billion) for the country’s aviation industry, where thousands of jobs are on the line as the coronavirus crisis hammers the travel industry.

“We are declaring a state of emergency to save our aeronautics industry so that it can be more competitive,” Finance Minister Bruno Le Maire told a press conference in Paris.

“If we hadn’t intervened right away, a third of the jobs in the sector would have disappeared... that’s around 100,000 of the 300,000 direct and indirect jobs,” he added.

The southwestern French city of Toulouse hosts the headquarters of pan-European aircraft maker Airbus, which for decades has supported hundreds of suppliers and service providers in the region.

But orders are being cancelled or put on hold indefinitely as airlines worldwide ground planes amid the travel restrictions, with many fearing it could take years to recover in case of strict new hygiene rules -- such as requiring middle seats to remain empty.

Airlines have parked up to 90 percent of their aircraft, some 4.5 million flights have been cancelled so far, and an estimated \$314 billion in revenues will be lost this year, according to the International Air Transport Association (IATA).

International airlines are in line to make a combined net loss of more than \$84 billion this year, it added Tuesday.

The International Civil Aviation Organization, a UN specialised agency, estimates the pandemic will reduce the number of airline passengers by 1.5 billion by the end of the year.

The French government has already

announced that Air France-KLM, which posted a 1.8-billion-euro loss in the first quarter, will get seven billion euros in loans either directly from the state, or backed by it.

That money will allow it to go through with a purchase of 60 Airbus A220 airliners and 38 long-haul A350 jets. Both planes offer fuel efficiencies and fewer carbon emissions, a growing concern among environmentally-conscious flyers.

But Greenpeace France reacted coolly, saying the government will still be turning a blind eye to the priority of reducing air traffic to bring down carbon emissions.

“The aircraft that pollutes the least is the one that does not fly,” said Sarah Fayolle of Greenpeace France.

The French state and Airbus, as well as Dassault Aviation, Thales and Safran, will contribute 200 million euros each to a fund for small and midsize firms, in particular to help them invest in carbon-reduction technologies.

The plan also includes 1.5 billion euros to spur research on a future “carbon neutral plane” over the next three years, with a goal of having the plane in operation by 2035, Le Maire said.

Defence Minister Florence Parly said 600 million euros of planned military orders would be accelerated, including the purchase of three Airbus A330s that will be converted to refuelling planes, and eight Caracal troop transport helicopters.

Le Maire brushed off concerns that the United States or other countries would protest the state aid as unfair help, amid a long-running feud at the World Trade Organization over subsidies to Airbus and its American rival Boeing.

“We’re not going to be the village idiots who let hundreds of thousands of jobs be destroyed, and the skills they represent... by saying ‘sorry, those are the rules, we have no choice,’” he said.

Exports to Canada grew 15pc in 2019

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The Canadian markets will rebound earlier than other North American countries because it has been able to control the pandemic successfully, Rubel said. “Retailers have started reopening outlets and so, exports to Canada will start to grow now.”

SM Khaled, managing director of Snowtex Group, another leading garment exporter, said of his exports of more than \$200 million, \$13 million goes to Canada. He mainly sends outerwear like jackets, work-wears and rainwear to Canada.

“The share of Canadian work orders in my factory is increasing every year. I am getting a lot of work orders from Canadian buyers this year as well,” he said.

Canada has turned into a good export destination as Bangladesh has been enjoying duty-free access to the market for garment products, leather, textiles, seafood and pharmaceuticals since 2004.

The cornerstone of the commercial relationship between the two countries is agriculture, the lifeblood of both countries, the CanCham said.

“Not only has Bangladesh relied for decades on Canadian suppliers for high quality Canadian grains, seeds and pulses, but more recently nutritional technology and potash fertilizer have been contributing to Bangladesh’s food security and to the health of its citizens.”

A ray of hope for the jobless

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safely conduct interviews online.

“Last two months it has been a bit different. People are now desperately seeking jobs and companies are eager to fill their vacancies,” said an official of Google’s Kormo.

The official said people were getting jobs using the Kormo app quicker than ever.

“When the situation was normal there were things like training. But now there are no such things,” said the official.

According to a recent survey of Brac, around 62 per cent of low-income earners lost work opportunities during the shutdown. The pandemic also left 28 per cent of the respondents economically inactive, it mentions.

In April alone, Meena Bazar hired more than 400 staff during the lockdown using the Kormo app, their sole recruitment channel.

Meena Bazar’s move also comes

from the recent unprecedented demand for delivery services with consumers staying back inside their homes.

This has increased their need to hire more workers and conduct interviews remotely to cope with the requirements of consumers during the pandemic.

Launched in 2002, Meena Bazar now has 16 outlets and directly employs over 1,000 people.

“These days, our expert HR team is working with Kormo and conducting remote interviews to recruit people. This has made the process safer for our team and candidates,” said Ahmed Shoyeb, general manager at Meena Bazar.

“It’s our responsibility as a critical business to step up at this time. We’re confident our partnership with Kormo will enable us to keep up with hiring demands and scale our remote workforce quickly.”

Since September 2018, when

Google launched Kormo, which maintains digital CVs, thousands of people found jobs using the app.

The app was launched with a view to helping people in the informal sector, either unemployed or employed at low pay, find jobs. It eyes the 86 per cent of the country’s labour force who are employed in the informal sector.

The application has been developed under the Google’s Area 120 programme, an incubator for new innovative ideas inside the company.

With free access to the web portal, Kormo helps its early employers’ shortlisted candidates by using AI, tracks the candidates’ end to end application status and overall, acts as an integrated Applicant Tracking System.

The Kormo app’s feature to send consistent reminders (app notifications and messages) to job applicants about the interview schedule has eased HR team’s daily operations significantly.

ADB finances landmark private sector solar plant

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The financing comprises a loan from ADB and a loan from the ADB-administered Canadian Climate Fund for the Private Sector in Asia II (CFPS II).

The Canadian Climate Fund for the Private Sector in Asia (CFPS) also provided a technical assistance grant to support project preparation and to catalyse the loans.

CFPS and CFPS II were established by the government of Canada to encourage private investment in climate change mitigation and adaptation projects in Asia and the Pacific.