

98.6pc poor severely affected by Covid-19

Finds a study by Right to Food Bangladesh

JAGARAN CHAKMA

The Covid-19 pandemic has severely affected 98.6 per cent of the poor, who have seen a decline in income, loss of jobs, the closing of shops and business activities and even a complete halt of income, a study finds.

Although the country is facing economic hardship, only a few respondents of the survey have changed their occupations, which implies that it is not easy to get new jobs.

The study on the 'Impacts of Covid-19 on food-intake and nutrition of poor people: a rapid appraisal' was conducted by the Right to Food Bangladesh, a platform of food security campaigners. Poor people have also been suffering from insufficient food supply, according to the study.

Nearly 87 per cent of the poor have been facing hardship to arrange adequate food and nutritious food supplies. Even 5 per cent of the poor lived on one meal a day during the countrywide shutdown in April and May.

The shortage of food is relatively high in Mymensingh and Sylhet compared to other divisions. The nutritional status of the poor, especially children, pregnant women and lactating mothers, is at stake now.

Half of the poor received some forms of assistance -- dry food, cash, or cooked food -- from the government or private sector.

"The government should expand support to the poor, encourage the private sector to come forward with more related programmes," said Prof Dr Qazi Kholiqzaman Ahmad, chairman of the platform.

"During the pandemic, we have noted

PEOPLE SURVEYED: Rickshaw-pullers, van drivers, scooter and taxi drivers, transport workers, small shopkeepers, roadside vendors, barbers, beauty parlour workers and garbage collectors

FINDINGS OF THE SURVEY

- 98.6% of the poor severely affected by pandemic
- They witness income decline, job loss, closure of shops and businesses
- Only a few respondents changed occupations, meaning it's not easy to get new work
- 87% of the poor facing problems in managing adequate food
- 5% poor live on one meal a day
- Shortage of food is higher in Mymensingh and Sylhet divisions
- Children, pregnant women and lactating mothers facing nutrition shortage



how important it is to have a law for ensuring the right to food," said Ahmad, also chairman of the Palli Karma-Sahayak Foundation (PKSF).

The principal aim of this quick appraisal was to understand the situation of livelihoods, food consumption and the nutritional status of the poor people living in different parts of Bangladesh as a result of the Covid-19 pandemic, he said.

The study also wanted to explore the awareness status of poor people amid the health risks of coronavirus. With these objectives, a short survey was conducted among 834 poor people from 37 districts, covering all divisions.

Rickshaw and van drivers, scooter and taxi drivers, transport workers, small shopkeepers, road or pavement vendors, barbers, beauty parlour workers, garbage collectors, part-time

housemaids, workers in small workshops, street vendors, individual or commercial drivers, freight workers, carpenters, e-commerce delivery workers and agricultural workers were included in the study.

Many of these workers mostly get paid daily, so they survive one day at a time. The survey also included some respondents from jobless people like beggars, street children and physically challenged people.

To control the spread of coronavirus, the government announced a general holiday of all economic and social activities in late March and it continued for more than a month.

Although businesses opened on a limited scale in early May, the economic activities have remained at a sub-optimal level, according to the study.

Those who changed the occupation have mostly become day labourers and agricultural labourers as it is relatively easy to start working with. About 70 per cent took these new occupations for survival.

However, the agriculture workers were able to manage works during the pandemic as the period of general holiday was the harvesting time of boro, the major rice crop of Bangladesh.

The coronavirus-induced livelihood losses have caused damage to the income of poor people, said Nazneen Ahmed, senior research fellow of Bangladesh Institute of Development Studies, who led the study.

"As these people have minimal savings or no savings at all, a downturn in their income is bound to have extended negative impacts on their food intake and nutritional status."

READ MORE ON B2

DSE board spots irregularities in bourse's HR operations

AHSAN HABIB

The board of directors of the Dhaka Stock Exchange (DSE) has reported irregularities in posting and paying employees at the bourse that have ultimately increased costs amid decreased output.

It has also been reported that a canteen, with the only beneficiaries being stock brokers, is operational at the Motijheel office with subsidies even though the bourse's office has been shifted to Nikunja.

On June 2, the DSE board formed a five-member committee responsible for submitting a human resource assessment of the bourse to realise redundancy costs.

A report was submitted to the board during a meeting held on Monday.

"The DSE is wasting money by carrying a huge number of employees even though there is no need. However, there is a lack of manpower in some important departments," said a member of the committee, preferring

anonymity.

And so, the bourse has seen lower output though it depends on FDR interest to run operations, he added.

The main tasks for many staff members are identical and some workers have become redundant as there are 35 personnel under an electrical engineer, said the report.

The team found that 142 staff members in HR were more than necessary and deserve a thorough evaluation to justify the workforce.

On the contrary, there were huge tasks in the over-the-counter department.

Besides, the main task of product and market development of the DSE got negligible attention.

"Some C-suite executives [chief financial officer, chief technical officer, etc] were appointed contractually and they turned into permanent positions later even though their benefits remained higher," said the committee member, who is also a DSE director, adding that this issue arose due to nepotism.



PROBE BODY'S RECOMMENDATIONS

- Review the procedure of making officials permanent
- Verify the appointment procedure of all employees
- Assess job description of each employee
- Close the DSE's Motijheel office soon
- Rent out the Motijheel office
- Form an audit committee to identify value addition of existing workforce

Normally, these posts are filled on a contractual basis in financial institutions, he added.

C-level positions are given on a contractual basis at the DSE. The board decided in 2014 to convert those contractual positions to permanent ones without a proper agenda or analysis and feasibility study, the report said.

Accordingly, the same board recruited the CFO and CTO as regular employees with a new pay scale which was even higher than that of previous contractual positions.

The report also added that the DSE's interests were not protected in the process of turning the positions in question into

permanent ones, which is also tantamount to discrimination for other employees of the exchange.

"It also violated the service rules, though it was modified to facilitate the decision," he said.

According to the DSE report, the bourse has its own security department, where permanent security guards are available, yet same care services are contracted and outsourced, which indicates redundancy and needs proper justification.

To analyse the redundancy and irregularity issues, the committee said each division of the DSE needs to be audited thoroughly, properly and separately through special audits with specific charters to identify value addition in terms of the respective roles of the existing workforce.

It recommend the verification of the appointment procedures of all employees to see if there are any abnormal practices of nepotism within the DSE.

The committee was formed with five board members, including the DSE's managing director.

Now City Bank into export factoring

STAR BUSINESS REPORT

City Bank has recently launched a fintech-based export factoring solution that helps exporters get paid as soon as the goods are shipped.

The new method is a form of payment guarantee for exporters. It is expected to reduce the woes of local producers during this time of the coronavirus pandemic when they are increasingly facing deferred payments from importers.

The country's exporters currently have to undertake sales contracts without payment guarantees from foreign importers. As a result, exporters face the risk of payment defaults by importers.

The export factoring solution, a novel concept in Bangladesh, will help exporters avail payments from 20 days to a few months faster than what current practices allow.

After Bangladesh Bank issued guidelines on export factoring, Eastern Bank was the first lender in Bangladesh to introduce it. However, City Bank claimed to be the first bank which has a fintech-based solution.

The costs by exporters against payment undertaking or payment risk coverage and interest with relevant charges for early payment shall not exceed a six-month London Interbank Offer Rate (LIBOR) plus 3.50 per cent annually, according to the central bank notice.

City Bank has recently signed a memorandum of understanding with PrimaDollar to facilitate customers of the bank who are involved in foreign trade on deferred sales contract terms.

READ MORE ON B3



Benapole customs suspend three officials for tax evasion links

OUR CORRESPONDENT, Benapole

Benapole Custom House has suspended three customs officials and cancelled licences of two clearing and forwarding agents for their alleged involvement in tax evasion worth Tk 30 lakh.

The customs officials are Nashedul Islam, revenue officer; Shahidullah Ibn Noman and Asaduzzaman Asad, assistant revenue officers, and the C&F agents are Medina Enterprise and Mahibi Enterprise, said Benapole Customs Commissioner Belal Hossain Chowdhury.

The C&F agents released the goods of Alhamdulillah Enterprise, although Chowdhury and Additional Commissioner Neyamul Islam ordered to stop the import, as they got a tip-off that the Dhaka-based importer is trying to evade tax through misinvoicing.

The four trucks of Alhamdulillah Enterprise were supposed to carry 665 packages of motor parts and other products from India.

The C&F agents secretly delivered the consignment with the connivance of the revenue officers, said Chowdhury.

Beza's one-stop service defies pandemic jitters

OSS Centre continues to provide 19 services the whole time

JAGARAN CHAKMA

Although the coronavirus pandemic is a major obstacle for carrying out regular activities in both the public and private sectors, Beza's One-Stop Service (OSS) Centre alleviated the situation by providing easy access to information, application processing and other services to investors at home and abroad.

The Bangladesh Economic Zones Authority, or Beza, also considers this facility as a means to improve the ease of doing business in the country.

The OSS Centre offers 125 services, of which 37 will be delivered by Beza within the yearend while the remaining 88 will be provided by other departments concerned through the OSS.

Out of the 37 services designated to Beza, the organisation is providing 19 through an online platform. However, the 106 other OSS services are delivered manually.

Ever since the OSS was first launched in October last year with an aim to improve the ease of doing business in Bangladesh, the centre has helped its clients secure a total of 49 project clearances, 6,219 import permits, 1,184 export permits, 386 visa recommendations, 136 work permits, and 11 trade licences, according to a senior official of the OSS Centre.

MAJOR SERVICES GIVEN BY BEZA ONLINE PLATFORM (Oct 2019 to June 2020)

Project clearances: 49
Import permits: 6,219
Export permits: 1,184
Visa recommendations: 386
Work permits: 136
Trade licences: 11

"With just a few clicks, investors can now get as many as 19 major approvals from the OSS online platform, which is a good example of how to ensure public safety amid the pandemic," he said.

However, the remaining 18 services to be

delivered by Beza will be added to the digital platform by the end of the year. The services in question were set to be added by September but the process has been delayed by the Covid-19 outbreak.

Previously, for a potential entrepreneur to carry out the formalities needed to start a business had to pinball from one desk to the other at numerous government offices.

This meant that starting a business in Bangladesh was a painstakingly time-consuming and expensive task, requiring the approval of 16 applications at most.

But in a bid to streamline the process, Beza plans to provide all 125 of these services under 27 categories by September 30 on the OSS portal launched in October last year.

The initiative is a part of the government's target to pull in \$20 billion in foreign direct investment at Bangladesh's economic zones by 2030.

By ensuring the quick delivery of its services without having to jump through all the bureaucratic hoops, the centre has made the use of speed money redundant, the OSS official said.

For example, the issuance of visas for business purposes typically necessitates communication between the foreign and domestic embassies, ministries and a tremendous amount of

paperwork.

Now, foreign investors can use the OSS platform to inform Beza beforehand and secure visas upon arrival.

Meanwhile, getting work permits usually requires the applicant to physically deal with a number of government offices. But now, interested individuals can avail the permit from Beza through the OSS.

Accessing bonded warehouse facilities, such as duty-free imports of raw materials needed for future export-oriented production, previously took up to a whole year but thanks to the OSS platform, it now takes around a month.

Earlier, Beza Executive Chairman Paban Chowdhury said the OSS will create a welcoming environment for investors so that their first impressions about Bangladesh will be positive.

He also said that the OSS Centre is a great benefit for investors as the services it provides will only increase from here on and will remove any potential hassles an investor could face when completing certain formalities.

However, some departments of the OSS Centre are yet to introduce an online platform for their respective services and so, it will take Beza some more time to process those applications, Chowdhury added.