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DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 0.07%	▲ 0.04%	\$1,806.10	\$42.96	▲ 0.05%	▲ 1.59%	▲ 1.1%	▼ 1.56%	BUY TK 83.95	94.48	104.44	11.76
4,079.07	7,034.24	(per ounce)	(per barrel)	36,051.81	22,945.50	2,648.90	3,361.30	SELL TK 84.95	98.28	108.24	12.37

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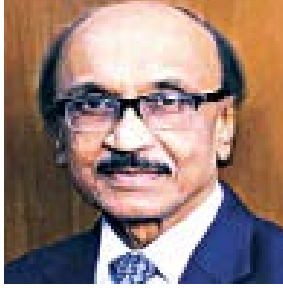
Star BUSINESS

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Kabir reappointed BB governor after much ado

STAR BUSINESS REPORT

The government yesterday finally reappointed Fazle Kabir as the governor of the central bank for two more years as it looks for an old hand to steer the financial sector during its most challenging period yet.



Fazle Kabir

Kabir, who originally took charge on March 19, 2016, saw his tenure end on July 3, a day before he turned 65 years of age. As per the Bangladesh Bank Order, 1972 an cannot hold the post beyond that age.

Given the economic challenges thrown up by the global coronavirus pandemic, the government was not keen on bringing in a fresh face.

So, it proceeded to amend the laws to make way for the former finance secretary to stay on beyond the 65-year age limit, in what was an unprecedented move.

Although the cabinet approved the amendment to the Bangladesh Bank Order on time, the bill was not placed in parliament during the budget session. The parliament passed the amended bill on July 9.

He would now be able to helm the position until July 3, 2022, when he would be past 67 years of age, the financial institutions division said in a notice.

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Tk 40,000cr low-priority projects to be pushed back

REJAUUL KARIM BYRON

The government has decided to put a hold on the implementation of low-priority development projects involving Tk 40,000 crore to free up funds for the productive sectors amid widening revenue shortfall.

The amount accounts for about 20 per cent of the Tk 205,145 crore annual development programme (ADP) for the current fiscal year.

Fund disbursement for the low-priority projects would be postponed for now, said the finance division in a circular last week.

The government is being forced to delay the execution of the low-priority projects amid the drastic fall in revenue collection caused by the coronavirus pandemic and as part of its belt-tightening measures.

The finance division has formulated

criteria for the ministries to identify the low-priority projects.

The criteria would render a project low-priority if it is slow-moving, has completion deadline for six to seven years and is construction-related. If these projects are pushed back by six months or a year, it would not cause much problem for the country, said an official of the finance ministry.

The projects under the ADP have been categorised as high, medium and low-priority to ensure the best use of limited resources, the finance division circular said.

The implementation of the high-priority projects would continue as usual.

If the use of funds for a medium-priority project is deemed very necessary, the ministries and division would spend money under their consideration.

65,040 crore that can be categorised as low-priority ones.

But there are some projects in the low-priority category that would be completed by the current fiscal year or are foreign-funded. This sub-group of projects would not be put on hold.

So, low-priority projects involving at least Tk 40,000 crore would be halted for the time being.

The projects under the health and agriculture sectors, the two most priority areas for the government in its fight against the pandemic, would be out of the purview of the latest move.

The revenue target for the National Board of Revenue was Tk 300,500 crore in the revised budget of last fiscal year. The final figure is not available yet but officials hinted that they might be able to earn Tk 220,000 crore to Tk 222,000 crore at the end.

Because of the lower-than-expected revenue growth, the government has set a higher bank borrowing target of Tk 84,980 crore for the new fiscal year.

In the revised budget for FY20, the bank borrowing goal was Tk 82,000 crore. However, the government took Tk 72,246 crore from the banking sector at the end, still 109 per cent higher than the original budget target of Tk 47,364 crore.

However, avoidable expenses must be ensured, it said.

The finance division has been working on the issue for long and has now identified projects involving Tk

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Acquire skills while at home during pandemic

HR personnel tell Youth Skills Summit 2020

STAR BUSINESS REPORT

Technological adaptability, skills on new technologies and a positive attitude should be the key focus areas for preparation for the job market in the post-pandemic era, said several human resource management officials yesterday.

The recruiting process will change for the pandemic because employers in many cases will carry it out online, said Fahim Mashroor, co-founder and chief executive officer of bdjobs.com.

But the employers will have to ensure that productivity does not fall, neither for online recruitment nor for working from home.

"It is challenging, so re-orientation is needed," he said in a session of the Youth Skills Summit 2020, jointly organised by The Daily Star in association with SBK Tech Ventures marking World Youth Skills Day.

Thanks to the adoption of digitalisation in business processes, employees should have the skills and adaptability to advanced technology, so training is necessary, Mashroor added.

During the session, titled "Preparing for a post-pandemic job market", Zulfiqar Hussain, CEO of Grow and Excel, said several formal sector employers announced layoffs during the pandemic.

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Preparing for a Post-Pandemic Job Market

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GP profit slips amid Covid-19 fallout

STAR BUSINESS REPORT

Grameenphone's net profit tumbled 23.87 per cent year-on-year in the second quarter of 2020 because of the ongoing Covid-19 crisis.

The largest mobile phone operator of Bangladesh took home Tk 726.55 crore in profit after taxes in April-June, down from Tk 955.28 crore in the same period a year ago.

This had been the lowest single-quarter net profit for GP in recent times. It witnessed 8.2 per cent year-on-year revenue decline in the second quarter to Tk 3,306.9 crore.

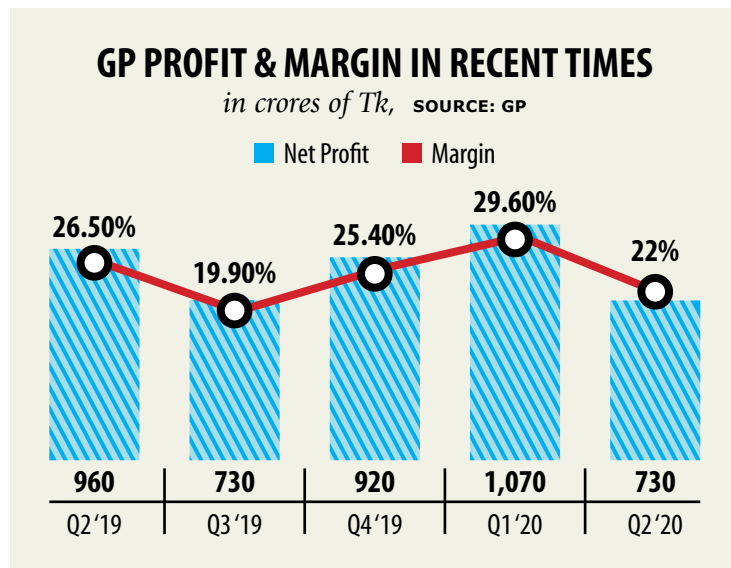
"The second quarter of 2020 had been challenging for Grameenphone as we experienced an overall slowdown of the economy due to the general holidays," said Jens Becker, chief financial officer of the operator, in a press release.

For the past four months, the operator has been experiencing the impact of an unprecedented global pandemic, which has compelled it to drastically change the way it worked and served customers.

"In addition to Covid-19, we have experienced impact from challenging weather and regulatory scenario, all of which combined has driven us to degrowth in our performance compared to last year," said Yasir Azman, chief executive officer of GP.

"While we have had our fair share of struggles, as an essential service, we prioritised in ensuring uninterrupted services for our customers across the country."

The fall in earnings impacted the earnings per share: it stood at Tk 5.38 in the quarter, down from Tk 7.07 in the same period last year.



GP recommended 130 per cent interim cash dividend for 2020 and the shareholders as of the record date of August 5 will be entitled to it.

The stocks of the largest-listed company in the country traded 0.92 per cent higher at Tk 241.30 on the Dhaka Stock Exchange yesterday.

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Clear salary, Eid bonus by July 25

State minister urges employers of 42 sectors

STAR BUSINESS REPORT

The government yesterday asked the employers of 42 different industrial, production, manufacturing, trade and services sectors to clear the payment of salaries and Eid festival bonus by July 25.

Begum Monnujan Sufian, state minister for labour and employment, yesterday made the call as the Eid-ul-Azha is scheduled to be held July 31 or August 1.

Sufian said this after a meeting with the leaders of Sramik Karmachari Oikyo Parishad (SKOP), the highest body of

labour unions, at Srama Bhaban in Dhaka. The workers mostly go to their village homes to celebrate the Eid-ul-Azha. But many factory owners either do not want to pay the salary and bonus or delay in clearing the payments.

The union leaders asked the owners to pay salary and bonuses well ahead of Eid so that they can go home safely.

Both Sufian and union leaders also asked the factory owners not to terminate the workers from their jobs and to pay the arrears. Currently, the country's workforce is employed under 42 different sectors,

for which the government-appointed minimum wage board fixes wages and allowances after a legal periodical review.

The SKOP leaders also urged the factory owners to reopen the shut units so that the workers can get back their jobs.

On reviewing the decision on jute mills' closure, Sufian said the government has no plan to review the decision, said Md Akterul Islam, information and public relations officer of the labour and employment ministry, after the meeting.

The deadline of July 25 has been set for all formal and informal sectors like hotels,

textile, transport, garment and so on, said Fazlul Hoque Montu, SKOP president.

"We demanded the salary for July also as Eid is going to be held at the end of this month," he told The Daily Star over the phone after the meeting.

SKOP also demanded no termination of workers from their jobs and no shut down of factories.

During the last Eid-ul-Fitr, most of the employers paid the workers 50 per cent of their basic salary as Eid bonus before the festival and another 50 per cent after the festival.

Shops now pinning all hopes on Eid-ul-Azha

SOHEL PARVEZ

It has been two months since shops have been keeping their doors open to greet shoppers and register some sales.

But the revenue stream was insignificant in the first month as two-thirds of the month fell in the government-declared shutdown, which aimed at reining in the spread of the rogue coronavirus.

The government lifted the restriction on mass movement at the beginning of June to bring the economy back from the verge of collapse, protect incomes and curb job losses. Subsequently, people's mobility increased.

Dhaka now sees a return of traffic jam or long queue of vehicles at signal points. People are trying to adapt to the new normal in these abnormal days amid the rising number of infections and a higher death toll.

Shops also see an improvement in

customer turnout.

Even after that, sales have been below the pre-pandemic level as consumer spending has still been mostly limited to essentials.

A section of people does not have enough money to spend because of job and income loss, said Delowar Hossain Babu, general secretary of the Eastern Plaza Shop Owners Association, one of the oldest shopping centres in the capital city.

"We see some sales of mobile handsets and cosmetics. Clothes and footwear sales have been dull. As weddings and other social festivals have almost been put on hold, the sales of saris and other items have been very weak," he added.

Bangladesh has more than two million wholesale and retail shops and Dhaka city is home to 2.4 lakh of them, according to the National Association of Shop Owners of Bangladesh (NASOB) and the



Though Dhaka city now sees a return of traffic jam, sales in shops like this have been below the pre-pandemic level.

Dhaka Metropolitan Shop Owners Association.

Retail and wholesale trades are an important pillar of Bangladesh's \$300-billion economy. It accounted for 13.92 per cent of the GDP at 2005-06 prices, Bangladesh Bureau of Statistics data showed.

"We were the second customer at a footwear store we went to this afternoon," said Apurba Saha, who accompanied his friend yesterday to buy footwear and clothes.

Saha, who also has a stake in a fabric store in Gausia market, said the presence of customers increased but that sales are not enough for many shops even to clear monthly rent, staff salary and other bills.

"It can't be said that a lot has changed. Improvement has been very slow," said Azharul Hoque Azad, managing director of traditional clothing brand Sadakalo, adding that sales in some of the stores are too

meagre to even realise electricity bills.

To withstand the crisis, many operators are offering discounts and giving increased thrust on boosting sales online -- an area entrepreneurs have not explored much before the outbreak of the coronavirus.

The majority of consumers are still fond of shopping in a brick-and-mortar store and not too tech-savvy.

"The extent of the crisis is such that it will not be possible to get rid of it. We are increasing our adaptability to make a turnaround," said Khalid Mahmood Khan, a director of Kay Kraft.

Owing to the slump in turnout of shoppers, the local fashion house improved its Facebook page to assist customers and took initiatives to revamp its web portal to equip itself to face the new reality and recover the sales lost from the brick-and-mortar stores.

READ MORE ON B3

Amusement parks desperate to welcome visitors again

Complexes continue to haemorrhage money during indefinite closure

MAHMUDUL HASAN

With amusement parks across the world slowly starting to reopen while keeping social distancing guidelines and other restriction in place to prevent mass coronavirus infections, it remains unknown when similar establishments in Bangladesh will resume operations.

The owners of amusement parks in the country have struggled for the last three-and-a-half-months to bear the exorbitant maintenance expenses, pay salaries and instalments on bank loans as income dropped to zero when the government recently enforced nationwide shutdown in March in a bid to curb the spread of coronavirus.

While the authorities have allowed small-scale stores and shopping centres to reopen in May and transport services to ply from June 1, the amusement parks have yet to receive the greenlight.

Hotels, restaurants, shopping malls, transport and airlines have been reopened, said Anup Kumar Sarkar, executive director of the Concord Group of Companies, whose concern Concord Entertainment, operates Fantasy Kingdom and Foy's Lake.

Concord owns Fantasy while Foy's lake, which is owned by Bangladesh Railway, was leased on a 50-year contract.

"Why do we have to still keep the amusement parks out of operation? Although the tourism industry and amusement parks have suffered irreparable damage, so far, no specific direction has been found when it comes to opening the parks," he said.

Established in 2001, Fantasy Kingdom, located in Ashulia, provides a range of fun activities, including a separate water park named Water Kingdom and private retreats at Motel Atlantis.

More than 300 people are employed by the park.

"We haven't laid off any workers so far. But if we cannot reopen, we will have no other option," Sarkar said.

The park, which hosted more than 2,000 visitors daily on average in the past, has been losing an estimated Tk 10 lakh each day from the lack of ticket and food sales since the



Fantasy Kingdom in Ashulia looks eerily quiet and deserted amid the coronavirus pandemic as amusement parks in Bangladesh haven't been allowed to reopen yet. The photos were taken last week.



COLLECTED

shutdown began on March 26. Located at the heart of Chattogram, the Foy's Lake complex in Pahartoli has an area of 336 acres, complete with an amusement park and water park with a picturesque view surrounded by hills, a lake and forests. It also has a resort of 38 rooms and 11 bungalows.

About 1,000 people visit the famous lake each day.

"If you do not switch on these machines and rides, these get damaged," Sarkar said, adding that they still have to pay the electric bills and other overheads.

Tourism and amusement destinations under the Bangladesh Association of Amusement Parks and Attractions (BAAPA) have already developed Standard Operating Procedure (SOP) to reopen the parks.

Under the guidelines, authorities will allow only healthy people to enter their facilities and encourage the use of masks or face coverings for guests and staff, provide a means to wash or sanitise hands frequently and manage crowd density to keep people 3 feet apart from each other.

The parks are also planning to reduce touch

areas where possible and frequently sanitise high-touch surfaces like railings, protect employees with various approaches, including barriers, protective coverings and distancing and proper treatment facilities on site.

"We are ready with all safety measures. If the authorities advise us against particular rides for risk of infection, we will not open those rides," said Tushar Bin Yousuf, chief executive officer of Nandan Park.

Launched in 2013, the popular park has been closed since March 20 and currently employs about 250 people.

On a normal day before the coronavirus outbreak, the park hosts upwards of 2,000 visitors with an average invoice value of more than Tk 500 per person.

The main income of the amusement parks comes from visitors during the two Eid festivities, according to Yousuf.

"We have already lost one Eid. If we cannot host visitors for the upcoming Eid, we will be devastated," he added.

For five days around Eid, about 25,000 people visit the park.

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Govt to establish technical education institute in Ctg

JAGARAN CHAKMA

As part of the government's initiative to expand Bangladesh's technical education sector, a general engineering technology centre will be set up at the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Chattogram.

Once complete, the institute is expected to produce skilled manpower for industrial units located at the economic zone and subsequently save billions of dollars lost through outward remittance each year, said Paban Chowdhury, executive chairman of Bangladesh Economic Zones Authority (Beza).

Beza in cooperation with the commerce ministry will build the institute on a 10-acre plot under the Export Competitiveness for Jobs Project financed by the World Bank.

The institute is expected to produce skilled manpower for industrial units at the economic zone and save outward remittances spent as wages for foreign professionals each year

Students enrolled at the institute will have access to sophisticated technology, be taught with up-to-date curriculums and have skills and management training courses.

"After graduation, they will be absorbed by different industries," he added.

Bangladeshi entrepreneurs spend around \$6 billion annually to hire foreign experts, particularly from India, Pakistan and Sri Lanka, to help operate their businesses, according to various sources.

However, if skilled manpower was readily available, local entrepreneurs would not need to hire workers from abroad, said Chowdhury.

According to the Beza official, the development of similar educational facilities could attract investment since there is always demand for skilled workers.

If the institute produces efficient technicians, companies might also be able to manufacture high quality products for export.

Therefore, the general engineering technology centre will be a model for other technical education institutes in the country, he said.

The project has an estimated cost of \$119.12 million, of which the World Bank will fund up to \$100 million while the government the rest, according to Beza.

Although the project is being conducted under the commerce ministry, Beza is taking all kinds of initiatives to set up the institute, Chowdhury added.

Beza expects construction to be complete within the next two years.

READ MORE ON B2

Pandemic leaves plastic goods exporters in a bind

JAGARAN CHAKMA

Shipments of plastic products from Bangladesh fell 16 per cent year-on-year to \$101 million in fiscal year 2019-20 following the outbreak of coronavirus all over the world.

Over 142 plastic items are currently manufactured in Bangladesh and the country mainly exports intermediate products like film plastic, household items and garment accessories to the US, Canada, the EU, China, India and Nepal.

Manufacturers achieved 22 per cent year-on-year growth in exports to hit \$120 million in fiscal 2018-19. They even set a target to send goods worth about \$150 million abroad in the next year.

But exports fell when buyers, especially from Germany and Italy, drastically reduced their orders in the last quarter of previous fiscal year due to the ongoing pandemic, said Md Jashim Uddin, president of the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA).

Germany and Italy are still two of the hardest hit European countries by Covid-19. As of July 14, Germany has 198,963 confirmed coronavirus cases and the number is even higher for Italy -- 243,230.

German buyers used to place orders with Chinese manufacturers, but they started



sourcing from Bangladesh to avail cheaper, quality products, he said earlier.

New buyers started to come from Europe, particularly Germany-based supermarkets, which source household plastic products from Bangladesh, aiding in the rise of exports in fiscal 2018-19.

The orders fell as European countries went for the wholesale

closure of shops and supermarkets to stop the spread of the deadly pathogen, he added.

In fiscal 2017-18, exports had seen a 16 per cent year-on-year drop when China stopped importing PET (polyethylene terephthalate) bottle scraps, according to the Export Promotion Bureau.

Bangladesh has only a 0.6 per cent share of the global plastic

market worth \$546 billion and the BPGMEA aims to occupy 3 per cent of the global market by 2030.

The south Asian nation produces several types of extrusion material, moulding, thermosetting conversion like manufacturing of PVC pipes, shopping bags, injection moulding products, garment bags, woven bags, PET/PE bottle, laminated packages, making of

profile, rigid sheets, garment accessories, household products, cosmetics, medicine packs etc.

The government is providing 10 per cent cash incentive to exporters. As of now, total investment in Bangladesh's 12th highest export earning sector is around Tk 21,000 crore.

The plastic makers have created at least 12 lakh jobs in a total of 5,030 small, medium and big factories across the country.

Some 175,500 people are doing job in small units, 444,000 in 1,480 medium units and 10,000 in big units.

Currently, there are around 100 plastic product manufacturers, who also aid export earnings of almost \$800 million per year through direct and indirect backward linkage supplies to different sectors, especially the apparel sector, Jashim Uddin noted.

The plastic sector was quite dependent on raw material imports, for which global competitiveness had an influence on their business, he said.

The main raw material for producing plastic goods is polyolefin, which is derived during the refining of crude oil and cracking or distillation of natural gas liquids.

Despite having no polyolefin manufacturing facility, Bangladeshi businesses expected the plastic sector to post 25 per cent growth every year.

READ MORE ON B3

Social Islami Bank launches 'dual prepaid' card

STAR BUSINESS DESK

Social Islami Bank has launched a "dual prepaid" card with a number of features which would make daily activities of its users "more comfortable than ever".

The card can be used both at home and abroad for multiple purposes, including transactions at automatic teller machines, point of sale terminals and e-commerce, said the bank in a press release yesterday.

Students can use this card to pay tuition

fees across the world including registration fees of the International English Language Testing System (IELTS), Graduate Record Examinations (GRE) and Test of English as a Foreign Language (TOEFL).

Freelancers can make payments for license or registration fees of different online platforms like Google, Windows and Blackberry.

Payments can also be made for online training, vendor certification programmes, website domain registration and hosting and cloud solution.

