DHAKA TUESDAY SEPTEMBER 8, 2020, BHADRA 24, 1427 BS 🌖 starbusiness@thedailystar.net 🛘 🛮

SIX MONTHS WITH CORONAVIRUS



WHERE THE ECONOMY STANDS NOW

Holding on to hope amid drawn-out adversity

SOHEL PARVEZ

Wheels have started moving on the streets of Bangladesh. Dhaka, which wore a deserted look just after the lockdown was enforced at the end of March to fight the coronavirus disease, has returned to its usual state, marked by chaotic traffic, horns and tailbacks.

Residences are more open to allow their domestic workers in and rickshaw-puller Akram Hossain can now pedal on the streets of the capital to earn a living for his family.

Roadside tea-sellers are popping up. Restaurants and offices are open as well. In the outskirts of the capital, workers are busy making goods to ship abroad. The economy is recovering from the rubble left behind

once the Covid-19 pandemic emerged just six months ago, on the back of rebounding exports, astonishing record flows of remittances, uptick in private credit and peoples'

However, the journey has been very costly. Just like the virus has tilted this world off its axis, Bangladesh paid a heavy price.

Before the onslaught of the respiratory disease began on March 8, Bangladesh had been on an upward growth trajectory and economic wellbeing. The pace has lost its

The disease took away so many lives, snatched the nation's gains in poverty and inequality reduction in the recent decades, wiped out millions of jobs and income and put a large number of people in the struggle of managing

Human development has suffered a major setback.

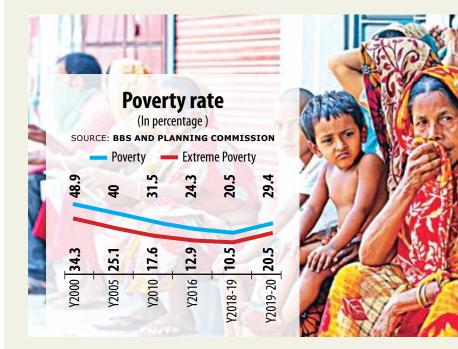
"The economy lost a large number of jobs in the formal and informal sector rather quickly. Some of these losses may never be recovered," said Zahid Hussain, a former lead economist at World Bank Bangladesh.

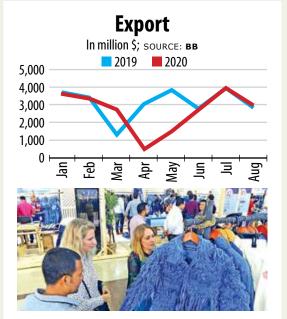
Several private research organisations estimate that the shutdown for two-and-a-half months to battle the virus increased the poverty level by as much as 20 percentage

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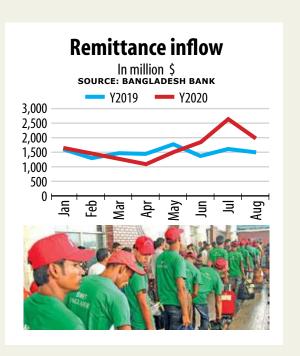


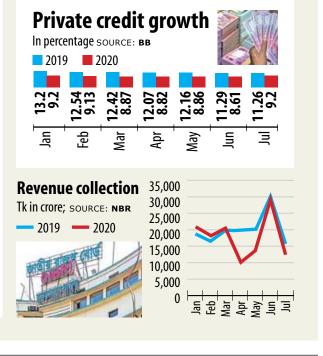
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Stimulus loans elude many

Hard-hit SMEs, exporters, farmers still find it difficult to receive funds from the packages

AKM ZAMIR UDDIN

Small and medium enterprises, exporters and farmers have experienced their worst-ever crisis because of the coronavirus pandemic. Six months after they received the body blow, they are now going through another crisis -- the shortage of funds -- although they are desperately trying to pull themselves up and the economy along with them.

Despite the government's swift measures in response to the pandemic in April, the disbursement from the stimulus packages for SMEs and farm sectors and pre-shipment credit for exporters is yet to gather momentum because of the absence of the central bank's initiative and the negligence on the part of banks.

Lenders, however, have given out a major portion of the fiscal lifelines unveiled for the large industries and service sectors as the disbursement process is easier than those put in place for the SME and farm sectors.

Soon after the deadly virus arrived on the shores of the country, the government and the central bank took 19 stimulus packages worth Tk 106,117 crore to tackle the economic fallout brought on by the pandemic.

Banks have been given the responsibility to distribute more than Tk 80,000 crore of the stimulus packages in the form of soft loans.

Experts say that both the government and the central bank should rearrange the tenure of the packages given the slow recovery from the pandemic. Both the agriculture and SME sectors should be addressed properly by implementing the stimulus packages as they are the backbone of the economy.

So far, banks have disbursed about Tk 4,120 crore among 11,183 worth Tk 20,000 crore dedicated for from the package," said Syed Abdul

MAJOR STIMULUS PACKAGES

- >> Tk 33,000cr for large industrial and service sector A total of 1,876 borrowers have received Tk 24,041cr
- Tk **20,000**cr for cottage, micro, small and medium sector (CMSMEs) Banks have disbursed Tk 4,120cr to 11,183 borrowers
- >> Tk 5,000cr refinance scheme for businesses in the farm sector Lenders have given out Tk 1,112cr to 46,815 borrowers
- Tk 3,000cr for underprivileged businesses and farmers Lenders so far distributed Tk 1,060cr among around 2 lakh clients
- >> Tk **5,000**cr refinance scheme for pre-shipment credit Lenders disbursed only Tk 1.1cr
- >> Tk 12,750cr under export development fund

Around Tk 9,000cr has been so far distributed

The central bank unveiled the package on April 13 and it later said half of the package's amount would be provided from the BB in the form of the refinance scheme.

The loan will be given at 9 per cent interest rate. Of the interest rate, 4 per cent will be borne by the borrowers and 5 per cent by the government.

But banks are showing reluctance to speed up disbursements as clients in the manufacturing sector is permitted to secure a maximum of 30 per cent of their existing working capital.

The amount is insignificant as a large number of small and medium enterprises usually take loans in the range of Tk 7 lakh to Tk 8 lakh. This prompted the central bank to increase the ceiling to 50 per cent of the

working capital. "The central bank's initiative borrowers under the stimulus package will encourage clients to take loans

Momen, head of SMEs at Brac Bank.

The central bank has recently asked banks and non-bank financial institutions to disburse the fund of the package by October.

It is very difficult to lend SMEs at 9 per cent while maintaining acquisition and maintenance costs, said Rahel Ahmed, managing director of Prime Bank, recently.

He called on the policymakers to reconsider the interest rate cap for the SME clients.

Banks have disbursed Tk 1,112 crore among 46,815 borrowers under the stimulus package for the farming sector, which received Tk 5,000 crore.

The central bank repeatedly asked banks to pay out the loans by this month so that the country's agriculture sector does not face any adverse situation due to the financial meltdown, a Bangladesh Bank official said.

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Apparel leads export recovery

REFAYET ULLAH MIRDHA

Bangladesh had witnessed a steep fall in exports in April this year as the ongoing coronavirus pandemic has had an unprecedented effect on both the local and global economy.

During that month, the country's overall export earnings reached a record low of \$0.52 billion, of which the apparel sector contributed \$0.37

The job market was subsequently jolted and a few thousand employees were terminated when the factories where they worked at either halted production or shuttered their businesses altogether due to the Covid-19 fallouts.

In a bid to curb the spread of Covid-19 within Bangladesh, the government enforced a two-month general holiday, beginning on March 26, during which all economic activities were shut down while public movement was limited as well.

However, in April, May and the first two weeks of June earlier this year, thousands of workers brought out processions and put up barricades on roads and highways to demand security for their jobs.

As the major retailers and brands of western markets began to slowly

Some 82 per cent of garment

workers have reported that

the Covid-19 crisis has had

at least some impact on their

livelihoods, according to findings

of the South Asian Network on

Economic Modeling (Sanem)

and Microfinance Opportunities

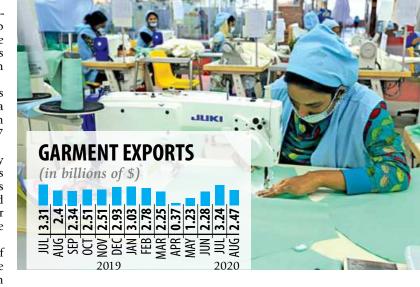
spending and borrowed money

The garment factory staff cut

STAR BUSINESS REPORT

Covid-19 affected most

garment workers: survey



reopen their stores midway through June, local factory owners also started resuming production. This ensured that not as many workers would lose their jobs as previously thought.

A big relief came for the garment sector, which typically contributes more than 84 per cent of the national exports in a year, when international retailers and brands started to gradually accept their cancelled work orders.

April and

to cover essential expenses, relied

on their extended family for

assistance and/or moved to cheaper

one-fourth resorted to cost cutting

to send money to family members

prior to the emergence of Covid-19,

18 per cent said to have stopped

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and one-fifth to borrowing.

Of the respondents of the survey,

Of some 51 per cent who used

accommodations.

doing so altogether.

international retailers and brands solely in the garment sector cancelled work orders worth \$3.18 billion, putting local suppliers in a tight spot.

The government's generous spoonfeeding programme for exporters, especially those in the garment sector, also helped a lot during this crisis time.

The government provided a Tk 10,500 crore stimulus package for export-oriented sectors, particularly the apparel industry, so that they could pay their workers' wages from April to July under the scheme with

only 2 per cent service charge. So after a perilous journey, the country's exports started recovering and like previous times, the garment sector is again leading the recovery.

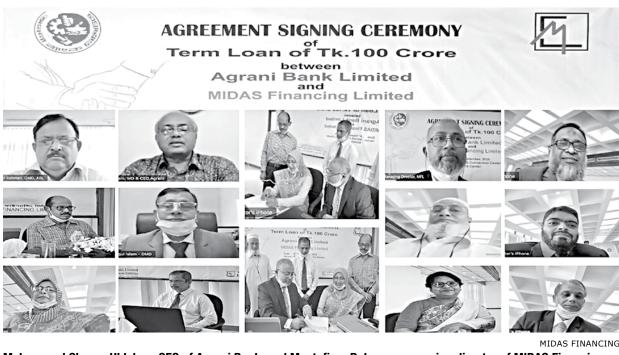
Ahsan H Mansur, executive director of the Policy Research Institute (PRI), said exports have recovered to some degree but it is not exactly what it was

during the pre-pandemic era. This is because the virus is making a comeback in many countries, such as Germany, Italy and Spain, which are in the EU, one of Bangladesh's

main export destinations. About 58 per cent of Bangladesh's total exports are destined for the EU while a walloping 64 per cent of the country's garment shipments head for

the same area.

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Mohammad Shams-UI Islam, CEO of Agrani Bank, and Mustafizur Rahman, managing director of MIDAS Financing, attend a deal signing ceremony for Tk 100 crore term loan, on Sunday through a digital platform.

Vodafone Idea rebrands in fight for India's telecom market share

Vodafone Idea Ltd said on Monday it is rebranding itself as the debt-ridden telecoms carrier, which has been losing customers, looks to change its image three years after it announced the biggest merger in India's telecoms

The loss-making carrier on Friday approved fundraising of up to 250 billion rupees at a time it owes roughly

dues to the government. The dues, according to an Indian Supreme Court order, will have to be paid over a ten-year period.

Vodafone Idea, a joint venture between Britain's Vodafone Group and India's Idea Cellular, said it will

go by the brand name "Vi".

"Vi's focus will be to deliver ... a superior network experience, better tariffs as they look for ways to pay customer service and leading products

Executive Officer Nick Read said.

On a media call before the announcement, Vodafone Idea CEO Ravinder Takkar said the company would make its next payment of government dues on March 2022, and was contemplating raising tariffs.

Telecom carriers in the country have already raised some subscription down government levies.

Fed's strategy shift to bind big central banks from Frankfurt to Tokyo

The US Federal Reserve's landmark shift to a more tolerant stance on inflation will be a drag on the dollar for years and will raise hard questions about the role of central banking, challenging policymakers Frankfurt to Tokyo.

On the face of it, the Fed's policy tweak, unveiled on Aug. 27, appears tailored to giving the US economy a shot in the arm. A shift to average inflation targeting lets the Fed overshoot its target after downturns, indicating that rate hikes will come later and the jobs market will be allowed to run hotter, a boon to lowincome families.

But this creates two headaches for global central banks.

Such a reinterpretation of the Fed's mandate could be seen as a foray into social policy, a vital precedent for others as they reexamine their own roles after years of unconventional moves that already impact wealth and income distribution.

The second, more immediate concern will be the dollar's weakness, which hurts exporters from Europe to Asia. This is bound to feature prominently at the European Central Bank's policy meeting on Thursday, as a strong euro EUR= will make it more difficult for exporting nations in the euro zone to climb out of their deepest recession in living memory.

Countries like Germany and France,

or Japan, traditionally generate growth from net exports, which take a hit when their currencies firm. And this firming merely compounds their problem as trade wars between the United States and some of its key trade partners are already weighing on exports.

The dollar has already weakened by over 10 per cent against a basket of currencies since mid-March to a more than two-year low, prompting ECB chief economist Philip Lane to warn last week that the exchange rate mattered, even if the ECB didn't target it.

"If there are forces moving the euro/ dollar rate around, that feeds into our global and European forecasts and our monetary policy setting," Lane said.

Indeed, some economists say that $the\, current\, exchange\, rate\, could\, already$ deduct 0.2 per cent-0.4 per cent from euro zone growth and analysts polled by Reuters see more dollar weakness.

Normally this would not be too difficult to counter but the ECB and the Bank of Japan are both close to the limits of ultra easy policy. Both have cut rates into negative territory and yields are already negative for much of the curve. Both banks also face some domestic opposition to more easing, making further moves politically complicated.

"If the Fed is going to be late in raising interest rates, that would put upward pressure on the yen against the dollar," said Hideo Kumano, a former BOJ official who is currently chief economist at Dai-ichi Life

"As long as Fed policy makes it harder for the dollar to rise, the BOJ will have to worry about potential ven rises that needs a policy response including a deepening of negative interest rates," he said.

Some economists argue that the ECB should simply shift to a similarly flexible target as part of its own ongoing policy review. But markets price no rate hike at all during Christine Lagarde's eight-year term atop the bank, so a suggestion that policy tightening would be even further pushed out raises credibility issues.

"Emerging market economies, which are largely dollar funded, will benefit, at least initially," former ECB board member Benoit Coeure said. "Europe may need to find new ways to support its economy in the face of permanently lower US rates.

The Fed's now explicit aim to help low-income families is another complication as it elevates the role of the bank in social policy and could be seen as a sort of reinterpretation of its

"Personally, I feel there is room to consider the idea, voiced by some people, that monetary policy should focus more on job and income conditions," BOJ Deputy Governor Masazumi Wakatabe said.

The ECB also appears keen to reinterpret its mandate with Lagarde arguing that risks created by climate change are so big, the bank could not

Government of the People's Republic of Bangladesh

Roads and Highways Department Office of the Additional Chief Engineer Sylhet Zone, Sylhet

2 0821-726755 E-mail: acesylrhd@gmail.com

Memo No. 35.01.9162.010.07.223.20-1643

Date: 06/09/2020

e-Tender Notice

This is an online tender, where only e-Tenders will be accepted in e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, please register on e-GP System Portal (http://www.eprocure.gov.bd)

e-Tenders invited in e-GP System **Portal** (http://www.eprocure.gov.bd) by Additional Chief Engineer, RHD, Road Zone, Sylhet for the procurement of "Construction of 1 No. Axle Load Control Station and 1 No. Toll Plaza at 31st KM at on Pagla-Jaggonnathpur-Raniganj-Aushkandi Road under Sunamganj Road Division, Sunamganj of Road Zone Sylhet during the year 2020-2021 (Package No. PW-05)." Tender Package No. e-GP/06/ADP/ACE/SZ/Sunam/2020-2021 [Tender ID No. 4917641.

e-Tender details can be downloaded from 17.00 on 06-09-2020 to 17.00 on 11-10-2020 on e-GP System Portal http://www.eprocure.gov.bd for

e-Tender will be accepted only up to 14.00 on 12-10-2020. Accepted tenders will be opened online immediately after 14.00 on 12-10-2020.

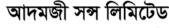
Tushar Kanti Saha

ID No. 000284 Additional Chief Engineer, RHD Sylhet Zone, Sylhet

GD-1403

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জিডি-১৪০৭



(বস্ত্র ও পাট মন্ত্রণালয়ের নিয়ন্ত্রণাধীন) আদমজী কোর্ট ভবন

১১৫-১২০, মতিঝিল বা/এ, ঢাকা-১০০০

এএসএল/হিসাব/বিজ্ঞাপন/২০২০/

তারিখঃ ০৭/০৯/২০২০খ্রিঃ

মতিঝিলস্থ আদমজী কোর্ট (এনেক্স-২ ভবনে) জায়গা ভাড়ার বিজ্ঞপ্তি

মতিঝিলের কেন্দ্রস্থলে সুপরিচিত ও ঐতিহ্যবাহী প্রতিষ্ঠান আদমজী সঙ্গ লিঃ-এর মালিকানাধীন ১১৫-১২০, মতিঝিল বাণিজ্যিক এলাকা, ঢাকায় অবস্থিত **আদমজী কোর্ট** এনেক্স-২ ভবনের ১০, ১১, ১২ ও ১৩ তলা ৪টি ফ্লোর মিলে ২৯৪০০ বর্গফুট **আংশিক/সম্পূর্ণ জায়গা ভাড়া প্রদানের লক্ষ্যে** প্রকৃত বাণিজ্যিক প্রতিষ্ঠানের নিকট হতে দর প্রস্তাব আহ্বান করা যাচেছ। প্রতি বর্গফুট জায়গার ভাড়া ন্যূনতম ৭৫/- (পঁচাত্তর) টাকা। আদমজী সঙ্গ লিঃ এর অনুকূলে যে কোন তফসিলী ব্যাংক হতে ২০,০০০/-(বিশ হাজার) টাকা ব্যাংক ড্রাফট অথবা পে-অর্ডারের মাধ্যমে আর্নেষ্টমানি (ফেরতযোগ্য) প্রস্তাবের সাথে দাখিল করতে হবে। পাসপোর্ট সাইজের ৪ (চার) কপি ছবি, জাতীয় পরিচয়পত্রের কপি, আয়কর সনদ, ভ্যাট রেজিষ্ট্রেশন সার্টিফিকেট, হালনাগাদ ট্রেড লাইসেন্স ও ব্যাংক সলভেন্সি সার্টিফিকেট এর সত্যায়িত ফটোকপিসহ ভাড়া প্রস্তাব (বন্ধ খামে) সরাসরি, ডাকযোগে অথবা মেইলে ০৮/০৯/২০২০খ্রিঃ তারিখ হতে ৩০/০৯/২০২০খ্রিঃ তারিখের মধ্যে হিসাব বিভাগ হতে ৫০০/- (পাঁচশত) টাকা অফেরতযোগ্য দরপত্র সিডিউল ক্রয়পূর্বক দাখিল করতে হবে। আগামী ০১/১০/২০২০খ্রিঃ তারিখ সকাল ১১-৩০ ঘটিকায় দর প্রস্তাব উন্মুক্ত করা হবে (যদি দরদাতা কেউ উপস্থিত থাকেন তাদের সম্মুখে)। নির্বাচিত প্রতিষ্ঠানকে ৬ (ছয়) মাসের ভাড়ার সমপরিমাণ অর্থ অগ্রীম নিরাপত্তা জামানত হিসাবে প্রদান করতে হবে এবং ভাড়া চুক্তির মেয়াদ হবে ৩ (তিন) বৎসর। আগ্রহী ব্যক্তি/প্রতিষ্ঠান প্রতি কর্মদিবসে অফিস স্পেস পরিদর্শন করতে পারবেন।

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ইমতিয়াজ আহমেদ

উপ-মহাব্যবস্থাপক আদমজী সঙ্গ লিমিটেড

Email: acc.adamjeesons@gmail.com

Onion OMS soon to tame prices

FROM PAGE B4

The association did not announce the protest, rather the traders who were victims of the mobile court kept their stores shut on their own accord, said Muhammad Idris, general secretary of the Hamidullah Mia Market Traders

The traders and warehouse owners were in an emergency meeting to find a solution to the current problem until a report on the matter was submitted yesterday. Since Saturday afternoon, some warehouse owners have been trying to sell the perishable good at reduced rates due to the drop in sales caused by a sudden rise in prices.

Covid-19 affected most garment workers: survey including Bangladesh, India and

Another 58 per cent informed sending either less money or less frequently while the rest reported making no changes at all.

Sanem in partnership with the MFO has been conducting a series of surveys under a project titled "Garment Worker Diaries" to assess the impact of the ongoing pandemic on the overall working and living conditions of garment workers in Bangladesh.

The project began in 2016 with a view to collecting and disseminating workers' data in five countries engaged in production

Cambodia. 1,269 workers

Around employed in factories Dhaka Chattogram, Gazipur, Narayanganj and Savar participated in the survey. Over three-quarters of the respondents were women.

The findings were made public through a press release sent vesterday.

When it comes to migration, some 89 per cent of garment workers said to have done so at least once from their birthplaces due to limited job opportunities in their hometowns, for poverty, in tow behind spouses or families, to earn more money or for preference of other cities to

Some 64 per cent of the respondents said to have migrated just once for workrelated purposes while 36 per cent twice or more. Regarding having the authority

to spend money, 82 per cent were "able to respond".

Of them, 58 per cent said it was decided by some other family members while the rest said to be taking their own decisions.

Use artificial intelligence, machine learning for efficient relief management

To ensure cost-effective and on time delivery, a disaster relief procurement committee could be formed with representatives from all government and non-government bodies. The new body should hold regular quarterly meetings, focusing on effective supply chain initiatives.

Next, based on standardised food and non-food items as per the last couple of years' requirement trend analysis, comprehensive study on procurement activities should be recommended before finalising a schedule of rate.

This will not only reduce the procurement lead time but

will also reduce the procurement cost. Stock fulfilment and warehousing facility

Based on last year's disaster trend analysis, it is recommended for selected district level warehousing/ storage facilities to store all food and non-food items in a centralised warehouse instead of in different locations as that will actively contribute to the reduction of holding costs and enhance operational efficiency.

Logistics excellency through reduction of delivery

During and after disasters, one of the key reasons behind delays in relief management are the poor and nonstructured logistics operations.

Proactive initiatives and effective logistics operations will not only accelerate relief distribution, but also ensure better transparency along with cost control.

First of all, a pre-defined logistics committee should be formed with representatives of all relevant government bodies, and, if required, relevant non-governmental

They should assess the requirement and take on-time proactive initiatives by analysing the trend of last couple of relief operations.

Secondly, they should have good coordination with other government agencies such as postal services, BRTC, BADC, Bangladesh Railway along with exploring the use of their transport facilities to not only to reduce logistics cost, but also to accelerate relief operations.

Distribution of cash support

Among developing countries, financial inclusion in Bangladesh is one of the best. bKash, a local company that plays a major role in this respect, is now the biggest MFS organisation in the world and the country now has around 88.8 million MFS accountholders, according to Bangladesh Bank data.

Cash disbursement support through MFS services will not only reduce lead time, but also ensure transparency and safe holding of cash by the end-users. This will also help to develop a record that could be used for future analysis, with the best example being the government's latest cash support scheme to support poor families amid the ongoing pandemic.

The present government aims to present a beautiful lifestyle for the people by ensuring their basic needs. Furthermore, their vision is to establish Bangladesh as a poverty- and hunger-free country by 2021 and a developed

The author is head of supply chain and procurement at bKash.

Rajshahi City Corporation

Engineering Department Nagar Bhaban, Kadirgonj, Rajshahi



Request for Expressions of Interest (EOI)-02/2020-21

Government of the People's Republic of Bangladesh

Ministry/Division Ministry of Local Government, Rural Development & Co-operatives, Local Government Divisions. Agency Procuring entity name Raishahi City Corporation

Mayor, Rajshahi City Corporation Procuring entity code Procuring entity district

Selection of Prepare detail Design, Drawing & Construction Supervision including Title of Service other incidental works

Not applicable

Memo No. 46.12.0000.006.14.256.20.1236 EOI Ref. No. KEY INFORMATION

Budget and source of funds Development partners applicable)

FUNDING INFORMATION

PARTICULAR INFORMATION Project/programme code

Project/programme name

EOI closing date and time EOI opening date and time INFORMATION FOR APPLICANT Integrated Urban Infrastructure Development in Rajshahi City. 28.09.2020 at 2:00pm

Lot basis Brief Description of Assignment for selecting the consultant may Brief description of assignment obtain from download log in erajshahi.portal.gov.bd. Experience, resources Lot basis experience, resources and delivery capacity required may delivery capacity required obtain from download log in erajshahi.portal.gov.bd.

Open tendering method (OTM).

GOB of Project fund & RCC's own fund.

Other details (if applicable) Not applicable

Association with foreign firms is

Phasing of services Indicative start Indicative Package No. completion date SW-02 Prepare detail Design, Drawing & Horogram Notunpara. 01.12.2020 30.05.2023 Lot-B Construction Supervision Rajshahi Court Station, (Tentative) (Tentative) including other incidental works A.H.M. Kamaruzzama for construction of 4 Nos. Flyover at different Railway Crossing. Prepare detail Design, Drawing & Bornali, Bondho Gate and Supervision (Tentative) including other incidental works construction of integrated flyover at Bornali, Bondho Gate and New Bilsimla Railway Crossing along recently completed 4 lane road. Prepare detail Design, Drawing & Different wards of Rajshahi 01.12.2020 30.05.2022 (Tentative) Construction Supervision including other incidental works

different structure. PROCURING ENTITY DETAILS

Name of official inviting EOI Md. Golam Murshed Designation of official inviting EOI Executive Engineer

for construction of 26 Nos. of

Address of official inviting EOI Nagar Bhaban, Rajshahi City Corporation. Mobile No. 01711280850, e-mail: engr.murshed_rcc@yahoo.com Contact details of official inviting EOI : The procuring entity reserves the right to accept or reject all EOIs. The selection of consultant shall be guided by

the Public Procurement Regulation and Public Procurement Procedures issued by the government time to time. In the event of unavoidable circumstances, if the receiving and opening of the EOI cannot be done on the abovementioned dates, the next normal working day(s) will be treated as the valid date of receiving and opening of the EOI respectively. Time and place shall remain unchanged.

Interested consultants may obtain description of works, description of consultant services & scope of consultant services & relevant information from download log in erajshahi.portal.gov.bd.

Expression of Interest shall be submitted in sealed envelope, delivered to the address of the undersigned shown below and be carefully marked- Request for Expression of Interest for "Selection of Consulting Firm with Ref. No./Package Name.

Md. Golam Murshed রাসিক/জশা-২০(২০২০-২০২১) Executive Engineer Rajshahi City Corporation তারিখ: ৭.০৯.২০২০ (১০×৩)



Urmi Group Chairman Ashfaq Ahmed, Managing Director Asif Ashraf, Directors Fahmida Mahfuz, Shamarukh Fakhruddin and Faivaz Rahman, and CEO Mir Ashraful Hossain attend the launch of a three-laver antiviral and antimicrobial face mask brand 'Turag Protex', recently.

Nokia takes a hit as Samsung secures Verizon 5G deal

REUTERS, Stockholm

Finnish telecom firm Nokia has suffered a setback after a source close to the matter confirmed it had lost out to Samsung Electronics on a part of the contract to supply new 5G equipment to Verizon in the United States.

With this \$6.64 billion contract win, Samsung has reinforced its position as a challenger to the dominance of Nokia and its Nordic rival Ericsson in selling telecom gear, after China's Huawei was barred from bidding for 5G contracts in the United

The loss for Nokia comes after its new Chief Executive Pekka Lundmark took the top job in August, but the source said negotiations were going on before he took

A Nokia spokeswoman declined to comment on the loss.

"We play a critical role in enabling Verizon's 3G and 4G networks and continue

in 5G," she said. "They remain a top three global customer." Major telecom firms such as Verizon

to work with them to accelerate innovation

uses several suppliers for building various parts of a network with radio contracts accounting for a big part of the spending.

Liberum analyst Janardan Menon said the contract loss could impact Nokia's ability to invest in technology at the same rate at its competition, and rival Ericsson might have even increased its share at Verizon. Liberum has a "hold" rating on Nokia shares.

An Ericsson spokesman declined to comment.

Nokia shares were down 1 per cent in morning trade.

The shares had fallen in July when brokerage JPMorgan said there was a real risk Verizon would reduce its dependence on Nokia as its primary RAN (radio access network) supplier going forward and shift towards Samsung.

AB bank gets new independent director

STAR BUSINESS DESK

Shafiqul Alam, a former managing director Jamuna Bank, yesterday joined AB Bank as its independent director.

He started his career with ANZ Grindlays Bank (Bangladesh) in 1980.

Alam also served Prime Bank, First Security Islami Bank, United Commercial Bank in various capacities.

He obtained his MSc degree from the University

Danish introduces Romeo and Juliet

STAR BUSINESS DESK

Danish Foods, a subsidiary of Partex Star Group, has recently launched Danish Romeo and Juliet, labelling it as a premium biscuit brand.

A packet of 180 grammes of Danish Romeo and Juliet Puff Sandwich Biscuits is priced at Tk 150 and will now be available in all superstores, department stores and premium outlets across the country, says a press release.

Musharraf Hossain Bhuiyan, general manager for the brand, introduced the new product through a virtual event from the company's corporate office

operating officer; Md Abdul Gafur, general manager for trade marketing, and

Gold steadies

Gold steadied in a tight range on Monday, paring initial gains after a firmer dollar offset support from renewed fears over the economic hit from the COVID-19 pandemic.

Spot gold was steady

Holding on to hope amid drawn-out adversity

planning commission revised upwards its estimate to 29.4 per cent in June. Extreme poverty doubled to 20.5 per

The highflying growth of the economy nosedived, posting 5.2 per cent in the last fiscal year, down from its historic high of 8.15 per cent a year ago. The official growth figure is higher than the forecasts by multilateral lenders such

as International Monetary Fund, World Bank and Asian Development Bank and local think-tank Centre for Policy Dialogue (CPD). Whatever be the growth numbers, Bangladesh's economy has performed better than India's. Asia's third-largest

economy shrank 23.9 per cent in the three months to June this year from that a year earlier, reports Bloomberg. "There was a massive disruption to life and the economy. It will take time to make up for the loss. However, good

things are that the economy did not see

any contraction," said Arif Khan, chief

executive officer of IDLC Finance. Entrepreneurs, top executives and economists said the Tk 1 trillion-plus stimulus package unveiled by the government for industries, businesses and agriculture played a key role in boosting confidence of entrepreneurs, who saw their revenue plummet as the lockdown brought economic activities to their knees.

Businesses responded to the new reality starting from working from home using digital platforms to paying attention to improving efficiency. Many had to cut operational costs, jobs and salaries and sacrifice profits to withstand the unprecedented health and economic

"We have seen the hardest time of ur business. We have seen how worst and devastating the situation could be. The catastrophe came all of a sudden for which we were not prepared," said Md Fazlul Hoque, managing director of Plummy Fashions.

Hoque recalled businesses holding a meeting at the Metropolitan Chamber of Commerce and Industry in Dhaka on March 8 on how to find alternative

sources for raw materials and other goods to ensure smooth supply as China, a key supplier, was battling with the deadly

"The news broke in the evening and we went into lockdown by the end of the month. We had been in deep trouble in April and May. From that situation, we have made a huge turnaround.

"It is not that the coronavirus situation has improved but at least, the garment sector has made a turnaround," the entrepreneur said, adding that the support from the government to garment entrepreneurs to pay wages to workers at lower cost helped the sector fight back.

Shams Mahmud, president of the Dhaka Chamber of Commerce & Industry, said the private sector was protected because of a bold move of the government as it introduced low-cost stimulus packages and a re-financing scheme to support vulnerable large, cottage, micro, small and medium enterprises.

"Almost all major export sectors are becoming operational and export growth is gradually picking up," said Mahmud, also the managing director of Shasha Denims.

Huq, president of the Bangladesh Garment Manufacturers & Exporters Association, said the Covid-19 caused unprecedented disaster in the form of cancellation of orders and revenue loss.

"The industry is rebounding strongly." Citing export data, she said the growth is apparently V-shaped, a recovery pattern that involves a sharp rise back to a previous

peak after a sharp decline. "Yet, there is no scope for complacency since the recovery from the pandemic is faltering," said Haq, also the managing said. director of Mohammadi Group.

Not all export sectors are doing well. The exporters of leather goods and

footwear, one of the leading sectors, are bearing the brunt of the pandemic. Leather goods and footwear export dropped 25 per cent year-on-year to \$428 million in the first eight months of 2020.

"We are selling goods at reduced prices and profits only to stay afloat and retain markets," said Md Saiful Islam, president of the Leathergoods and Footwear

Manufacturers & Exporters Association of

WHAT WENT WRONG

However, much of the worse could have been avoided had there been adequate planning and timely response from the health ministry to control the spread of the virus.

The disease, which originated in Wuhan, China in December 2019, was not taken seriously by public health officials, so the preparation to tackle the disease in terms of increasing the testing and tracing capacity was poor.

"We were into a denial syndrome for a short period," said Fahmida Khatun, executive director of the CPD. "The lockdown was also imposed without any proper planning." Rather, corruption and anomalies

relating to the purchase of protective gears and testing materials were exposed. While there has been appreciation for the stimulus package, support for

the poor, including the new ones, was inadequate. There was also complaint of irregularities and food and cash aid going to the wrong hands. "Support for the marginalised was very inadequate compared to their need,"

Khatun said Rizwanul Islam, a former special adviser for the employment sector at International Labour Office in Geneva, said the cash transfer scheme came very late, was too small in amount and failed

disastrously in its implementation. "What should have been in the hands of the poor in April was inaugurated in May, and by July, only a small proportion of the target number was reached," he

LESSONS LEARNED

home is very much possible and tasks years. It is happening now in many ways. could be accomplished without physical contacts. Businesses also had to look for ways to cut costs.

"We have learned how to function digitally. A country like Bangladesh has functioned digitally. It is proved that people can work using digital platforms without physical contact," said Azam J Chowdhury, founder and chairman of

"Digital platforms and the purchase of goods by people helped the economy remain functional.

"We have lost huge business in the last six months. However, what we achieved is bigger than that," said Syed Almas Kabir, president of the Bangladesh Association f Software and Information Services.

"There has been a realisation that ICT is vital for life. This is the biggest achievement."

Rupali Chowdhury, president of the Foreign Investors' Chamber of Commerce & Industry, said fixed costs of a company should be kept at a sustainable level to survive as there is a sharp decline in demand. During the pandemic, the areas in

the public healthcare system that need

to be improved have been identified.

Accountability and recognition of doctors and healthcare professionals should be She said overall, the Covid-19 testing capacity and the management of patients has improved compared to the initial

According to Chowdhury, the return of the economy to the pre-Covid-level would be possible when consumers can come out of their fear of the coronavirus.

She said consumers are still spending only on essential items. "The world will come to normalcy as soon as vaccines are available.

Yasir Azman, CEO of Grameenphone, said the loss during this Covid-19 pandemic is immeasurable.

"But, together, we are stronger in the recovery journey. We are now more digital savvy and adapting to new uses of technology. The transformation is The pandemic taught doing office from supposed to happen after two to three "It's a demanding situation we are

into and that requires collaboration and leadership to navigate through. Tanvir Ahmed Mishuk, managing

director of Nagad, a mobile financial service, said, "Our best lesson is to manage resources in the best possible way in every

"In order to face current challenges,

everybody needs to adopt technology as fast as possible. LOŌKING FORWARD

Despite the sign of recovery, there are uncertainties and risks. Remittance inflows increased in recent months, but

CPD's Khatun said there is a caveat. "Many migrant workers might be returning home. I am not sure whether this will continue. The number of people going abroad has slumped."

Revenue collection remained low until July while the government's development expenditure fell 17.6 per cent year-on-year in the first month of the fiscal year. Zahid Hussain said the economy is

recovering relative to the ebb reached during the March-May period. "But the recovery is uneven and uncertain. The non-vulnerable middle class and the rich appear to be benefiting

most from the recovery implying further deepening in inequalities." At lower levels, the work has recovered, but incomes are far behind and the health and poverty pains remain deep as well as

The recovery is likely to continue, said Mostafa Kamal, chairman of the Meghna Group of Industries.

"We urge public agencies to help us and speed up the process of approval for investment and business.

Selim Raihan, executive director of the South Asian Network on Economic Modeling, said the quality of institutions matter in handling the crises such as the Covid-19. "The countries that performed better

than Bangladesh in handling the health hazard and resultant economic crisis have better institutions. Therefore, reforms in critical institutional domains are very important." Aameir Alihussain, managing director

of BSRM, sounded caution.

He said people appear to have relaxed and are not wearing masks when they step outside their houses.

"If a second wave comes, economic activity will decline and many companies will not be able to survive. Then it will be tough for the government to afford another stimulus.'

on September 1. Nazir Ahmed, chief

Rakibul Alam, deputy brand manager, were present.

REUTERS

at \$1,931.91 per ounce by 0742 GMT, after hitting a one-week low of \$1,916.24 on Friday. U.S. markets are shut for the Labor Day holiday on Monday.

Stimulus loans elude many

Banks blamed the latest floods for the weak implementation as this has discouraged entrepreneurs to take out loans, he said.

"But banks are also responsible for the lower

disbursement as they have not taken adequate initiatives to give out the loans," he said. The Tk 5,000-crore stimulus package in the form of pre-shipment credit for the export sector made the worst start as only Tk 1.1 crore has so far been

disbursed. Exporters usually avail the loans before shipping

products to complete packaging. The central bank initially asked banks to apply to it for the loan within seven days after shipping exported goods. But this is quite impossible to do so for the exporters and the central bank revised the

provision last month. As per the new condition, banks will apply to the central bank for the loans within seven days after

they bankroll clients. "The latest central bank's move will help implement the package smoothly," said Syed Mahbubur Rahman, managing director of Mutual

Banks disbursed stimulus package for large industries and the service sector promptly. Some 72.85 per cent of the Tk 33,000-crore package has

been given out so far. The whole fund of the package may be disbursed by September, the BB official said.

Lenders distributed Tk 1,060 crore among around 2 lakh clients under the stimulus package worth Tk 3,000 crore set aside for the underprivileged businesses and farmers.

The entire package could be implemented by December, the central banker said.

The central bank raised its export development fund to \$5 billion against the previous amount of \$3.5 billion to make available more funds for export-oriented businesses. So far Tk 9,000cr has been distributed.

Clients of all stimulus packages will have to repay the loans within a year, which will create a crisis in the financial sector in the days ahead, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

The slow economic recovery has indicated that the financial sector will be unable to pick up fully within seven to eight months, he said.

defaulted loans in the banking will escalate, he said.

So, both the central bank and the government should extend the repayment tenure, or else

The government will have to give a subsidy of around Tk 3,500 crore to execute the stimulus packages.

The central bank and the government should immediately address the problems that have created a roadblock for the implementation of the packages, said Zahid Hussain, a former lead economist at the World Bank's Dhaka office. "In Bangladesh, the SME sector is largely

considered as an informal sector. So, proper initiatives are needed to disburse loans to small businesses as they are the growth engines for the country," he said.

In Bangladesh, SMEs account for 20 per cent of the GDP, 80 per cent of the total industrial employment and 25 per cent of the labour force.

The Covid-19 pandemic has threatened the existence of 2.5 million SMEs in Bangladesh, according to the International Labour Organisation. The central bank has introduced a credit

guarantee scheme for the loans going to the SMEs. Now banks hope it would accelerate the credit flow. The number of clients is higher in the SME segment compared to the large borrower segment,

said Emranul Huq, managing director of Dhaka For example, Dhaka Bank has been given the task of disbursing Tk 758 crore as large loans. The

number of its clients in the segment is 257. But it has got the job to give Tk 250 crore in SME oans. Some 3,100 clients of the bank are eligible for the loans.

"We are trying to speed up the disbursement," Huq said. According to Huq, banks face challenges in

availing the right information and data from SME

clients. In most cases, clients don't have records and now many of them don't have a clear idea about how to make a comeback. "So, it takes time to process an application. We have to verify the information because, at the end

of the day, banks would bear the credit risks. If we don't have proper information about the clients, due diligence would not be maintained. Dhaka Bank would disburse all large and SME

A managing director of a private commercial bank said banks are extra cautious in giving out

loans by October 31, he said.

"Although our economy is recovering, there are uncertainties at home and abroad. This additional cautiousness aims at keeping the health of banks sound and ensuring that they get back the loans."

Apparel leads export recovery

FROM PAGE B1

Therefore, the EU's economic recovery is a major factor for the recovery of Bangladesh's economy, employment and export receipts,

Mansur said. Since the EU and US markets are slowly returning to normal, so is Bangladesh's export, he added.

But although the garment sector is rebounding well, the rest of the economy is trying to do the same. Imports have also increased, albeit gradually. Bangladesh now imports \$6 billion

worth of goods each month but is currently struggling to bring it back down to \$3.5 billion. MA Jabbar, managing director of DBL Group, a leading garment exporter, said that

usually August-September is a lean period for the garment sector. It was not the same this year for DBL though as buyers asked the factory management to continue production in order to cover the losses that were incurred

in April and May because of the pandemic. "We have definitely recovered, although not fully. Price is very low. But we are not thinking about prices now. It is our priority to run our business now," Jabbar told The Daily Star over the phone.

"Full recovery in business will not take place this year. Our strategy is to stay alive. Buyers are also struggling," Jabbar said. At the end of the current fiscal year, DBL's total export might be only 15 per cent less than their target, which Jabbar declined to reveal. Currently, his factories are running at

this capacity will reach 90 to 95 per cent by November or December this year. Jabbar also began recruiting new workers for a new unit which will be inaugurated

75 per cent capacity but it is expected that

"So, I am hopeful that exports will return to its previous position soon as the vaccine is also expected to arrive shortly," he said.

Mahmud Hasan Khan Babu, managing director of Rising Group and former vicepresident of the Bangladesh Garment Manufacturers and Exporters Association, said a gradual recovery is taking place in the

garment sector since mid-June this year.

For a full recovery, we will have to wait until January or February next year. Most buyers are reissuing cancelled work orders, which is good for the sector.

"It may even take one year to fulfil all the

cancelled work orders, which is better than if

they remained cancelled. We appreciate the buyers who are taking back their cancelled work orders," Babu said "To sustain our recovery in garment exports, we will have to wait for Christmas

sales in the western world and US election in November," Babu added. Leather goods exports are not recovering as fast as the garment sector because leather goods are not basic items, these are luxury items, said Saiful Islam, president of the Leather and Leather goods Manufacturers

and Exporters Association of Bangladesh. Globally, the consumption of leather goods has decreased by 35 per cent due to

he pandemic, Islam also said. Moreover, the production of tanned hides in non-compliant tanneries at Savar is another perennial problem for leather goods. The manufacturers of leather goods cannot procure tanned leather from local tanneries as those are processed in non-

Moreover, the consumption of imported raw materials by the local leather goods manufacturers has gone down because of a restriction imposed by the National Board of Revenue (NBR), he said.

compliant factories.

As a result, local leather goods exporters have been facing challenges in availing raw materials.

"We have not terminated any workers until now from the leather goods manufacturing units. The inquiries are coming from the buyers gradually in this sector," Islam told The Daily Star over the

"Work orders are coming back now. My factory's recovery began back in June, when my UK, German, Canadian and French buyers started placing orders for winter clothing items," said Mostafa Sobhan Rubel, managing director Dragon Sweaters.

Usually, shipments of winter clothes stop

in September but this year, the factories are running at full swing even now as the buyers extended the timeframe in consideration of the Covid-19 situation, he said.

So, the shipments of winter clothes will

continue up to October this year, according

to the managing director, who exported sweaters and other garment items worth \$30 million last year. Rubel expects to earn about \$29 million

from exports by the end of this year as well. "But I am not unhappy to export less than \$1 million by the end of this year as this is a crisis time when people do not have work or jobs and are undergoing financial

hardship," said Rubel. Kazi Belayet Hossain, president of the Bangladesh Frozen Foods Exporters Association, said frozen foods shipments is increasing gradually as buyers are returning

Buyer response is better now than what it was in April-May as they are offering lower prices for frozen foods, he said.

with a lot of work orders.

Frozen shrimp is a luxury food item and so the buyers are offering just \$1 less per kilogramme because incomes of most of western customers was also reduced due to

the Covid-19 fallout, Hossain added. Mohammed Monsur, general secretary of the Bangladesh Fruits, Vegetables and Allied Products Exporters Association, said the situation is nearly normal in his sector as more than 500 tonnes of perishable goods are shipped from the Hazrat Shahjalal International Airport in Dhaka on a daily

Before Covid-19 emerged, more than 700 tonnes of perishable items were shipped by different airlines, he said.

In the April-May period, shipment were almost zero and the local vegetable exporters were just passing time idly. However, shipments gained pace from mid-June, when the western world started reopening their economies.

Monsur, however, said that the quality of goods deteriorates because of scanning delays at airports. Sometimes, vegetables cannot be shipped on time and miss the flights because of this, he added.

BUSINESS

Facebook assures govt of complying with local tax laws: Jabbar

STAR BUSINESS REPORT

Facebook, the world's largest social media platform with around 2.4 billion users, has assured the government that it will comply with Bangladesh's tax and value added tax (VAT) laws while operating in the country.

A team of officials representing Facebook pledged to conduct monthly meetings with the Bangladesh Telecommunication Regulatory Commission (BTRC) and other vested quarters to ensure transparency in their activities, according to Post and Telecom Minister Mustafa Jabbar.

Bangladesh as part of its ongoing efforts to reduce the spread of misinformation and improve the quality of news people find on its platform.

The minister also emphasised on the need to appoint representative in Bangladesh, which could help Facebook pay taxes to the National Board of Revenue (NBR) and during proper translation and application of Bangla language in the social media platform.

Recalling the laws of Bangladesh, its traditional culture, values and norms, the minister said there are laws in the country



The team also said they would take regulatory issues seriously as per the Digital Security Act 2018, Tax and VAT Act.

Jabbar informed the media of this development following a virtual meeting with Facebook's regional headquarters in Singapore yesterday.

During the meeting, the minister urged Facebook to avoid disseminating Bangladesh's sensitive information terrorism, sectarianism, sedition, pornography and anti-socio-cultural values from either home or abroad.

He also asked the social media giant to ensure that personal, social or state data is secured as per the country's laws.

"It is Facebook's responsibility to comply with all the relevant laws and regulations of Bangladesh, including the Digital Security Act, Jabbar said.

"Our country and our society must give our citizens the opportunity to use Facebook safely," he added.

third-party fact-checking programme in others, present at the event.

that even Facebook will have to adhere to. Prime Minister Sheikh Hasina's firm commitment to protect the country's citizens prevailed during the three-hour meeting, he added.

The Facebook officials also informed that a Bangladeshi has been appointed to look after these issues to ensure the quick resolution of any existing problems regarding content.

Earlier, the minister held meetings with senior Facebook officials on September 23, 2019 in Dhaka and February 2017 in Barcelona, Spain on the sidelines of the World Mobile Congress.

The minister maintained regular contact with various Facebook officials since 2018 and met with the company's representatives on many occasions.

Mustafa Kamal, director general of the BTRC; Alamgir Hossain, member (tax policy) at the NBR; Vikram Sen, head of safety at Facebook, and Ashwini Rana, In April, Facebook launched its director of public policy, were, among

Onion OMS soon to tame prices

Trading came to a brief halt at Chattogram's Khatunganj after mobile court drives

REFAYET ULLAH MIRDHA and DWAIPAYAN BARUA

..... The commerce ministry has once again decided to go for open market sales (OMS) of onion in Dhaka to tame the kitchen staple's spiralling

The decision was taken at a taskforce meeting, headed by Commerce Secretary Md Jafar Uddin, after onion trading came to a halt at Chattogram's Khatunganj after two mobile court drives in the wholesale hub.

The state-owned Trading Corporation of Bangladesh will soon start selling onions and continue until the next harvest season in the coming winter, the commerce ministry said in a statement on Sunday.

However, it did not mention when exactly said sales will begin.

The taskforce did not find any reason behind the sudden price hike of onion as, according to market data, local markets have a smooth supply and an adequate stock of the vegetable.

A section of unscrupulous traders may have purposely increased its prices to make brisk business at expense of their customers, which is a punishable crime, the statement

district administration.

price spiral.

price hike.

Yesterday,

India, a major source of onion for

Bangladesh. The government had

fined 10 warehouses in Khatunganj

Tk 77,000 when they failed to show

proper purchase documents that

could justify their onion sales rates.

So, the government has decided to take tough action against people who might be found to be involved in the creation of an artificial crisis and unlawful stockpiling of onion. Profiteering through

stockpiling or hoarding of essential commodities is punishable by law and so, the government has strengthened market monitoring in order to nab the culprits, the ministry added.

The taskforce also decided to request the National Board of Revenue to reschedule the tariffs on onion imports to ensure an increased supply of the kitchen staple.

This week, local onion prices hovered between Tk 60 and Tk 65 per kilogram while imported ones were sold at Tk 55-60 per kilogram. However, onions were sold at Tk

25-35 per kilogram just a month trading remained at a halt for 12 that they do not appreciate the ago in different kitchen markets in hours across over 50 warehouses located in and around Hamidullah Last year, prices rose abnormally Mia Market of Khatunganj, where to Tk 250 per kilogram due to other goods like garlic and ginger a supply-chain disruption from are also stored and traded.

Owners of the around 70 wholesale shops for onion, ginger, turmeric and garlic in Chattogram's Khatunganj stage a protest blocking adjoining roads and keeping their outlets shut yesterday over fines slapped by the

> Traders also blocked the hub's main thoroughfare to stage a demonstration.

to import onions by air to tame the "The fines were unjust," they the Chattogram alleged yesterday.

district administration conducted Traditionally, documents are not provided during mobile court drives at various kitchen markets and fined seven onion trade, said Faruk Ahmed, stores Tk 14,000 for the illogical a commission agent and owner of the Ira Traders warehouse in On Sunday, magistrates also Khatunganj.

Actually, importers and traders from different land ports fix onion prices and instruct the traders at Khatunganj over the phone on After the mobile court drive, which rates to sell, he said, adding

Warehouse owners only sell goods in exchange of commission, he said.

The wholesale price onion started to rise at Khatunganj since Thursday, hitting Tk 42-43 per kilogram on Saturday, up from Tk 30-32 on Wednesday.

The recent price hike for onions in India and various land ports in Bangladesh caused this upward trend in Khatunganj, according to numerous traders.

Retail prices at different kitchen markets also rose by Tk 10 to Tk 15 per kilogram.

Most onion warehouses are located at the Hamidullah Mia Market of Khatunganj.

READ MORE ON B2

Use artificial intelligence, machine learning for efficient relief management



MOHAMMAD RASHEDUL ALAM

Bangladesh located to the north-east of South Asia is one of the disaster-prone areas of the region as well the world due to its geographical characteristics, complex topographical features, excessive and mighty river system, monsoon climate and the coastal morphology.

This in turn makes the country's population susceptible to many natural hazards, such as floods, tornados, salinity intrusion, droughts and earthquakes.

Between 1972 and 2019, Bangladesh witnessed over 300 natural disasters.

The two most common natural disasters that hit the country are floods and cyclones, accounting for 47.47 per cent and 28.96 per cent of the total disasters respectively.

However, a humanitarian crisis unlike any other arose with the advent of Covid-19. The novel coronavirus has already dealt a significant blow to the society in general and the global economy, to which Bangladesh

According to a study, among the 100.22 million people that are at risk both economically and health-wise, 53.64 million of them are extremely poor.

On average, natural disasters have a 1.8 per cent bump in Bangladesh's GDP every year and on top of that, this year the losses brought about by the ongoing pandemic are significantly higher than before.

During any crisis, the top priority for any government is to run their relief operation efficiently so that aid can be distributed to those in need on time.

Amid any such situation, many of us think of providing immediate financial support to all affected people. However, one should remember that Bangladesh's economy has reached a level

where the government is fully capable to handle the issue with their own funds.

Bangladesh's GDP witnessed an annual growth of about 7.76 per cent in the last three years. By the end of 2019, the total GDP stood at \$305 billion, which is one of the highest in At the end of July this year, the country's

forex reserve reached a record \$ 37.10 billion --52nd in global ranking and second among the

Saarc nations. As per the latest ADP forecast, Bangladesh will post the highest annual GDP growth in Asia in the ongoing fiscal.

Over the years, Bangladesh has earned international recognition for its efficient relief

management operations, but still there is plenty of room for improvement. In Bangladesh, one of the biggest challenges

is to identify the right target group or affected people. Even now, we need to manually identify the groups of people in need of aid and because of this the allocated fund usually fails to reach the intended beneficiaries.

Recently, the government has decided to provide 50 lakh poor families impacted by the Covid-19 crisis cash assistance of Tk 2,500 each. But since those in need were not properly identified, a significant portion of fund remained unutilised.

To track the right group of people, a cut in lead time and cost, increased transparency, use of artificial intelligence (AI) and machine learning (ML) technology and effective supply chain management could play an active role in that regard.

Active role of AI and ML for digitalisation of database

This is the right time to work on a technology-based comprehensive national database for successful disaster management. By using AI and ML support, we can overcome this limitation.

We have many sources of data, such as around 130 social safety net programmes that are run by the government. The number of active mobile users stands at 162.92 million while 92.57 million people are registered mobile financial services (MFS) account holders. The monthly number of MFS transactions is about 310 million.

By analysing user transactions, the concerned authorities can identify a person's financial position along with his/her

purchasing power and geographic location. However, this will only be possible if



Natural disasters, including floods, eat up 1.8 per cent of Bangladesh's gross domestic product every year. The photo was taken last month in Tangail.

we use AI, ML and other data sources as obtained from the Bangladesh Election Commission and Bangladesh National

Bureau of Statistics. The social welfare ministry and the disaster management and relief ministry need to form a regulatory body by involving all relevant ministries, Bangladesh Telecommunication Regulatory Commission, Bangladesh Bank, Bangladesh Army, representatives of mobile financial service providers, mobile operators, developing partners and leading nongovernmental organisations to develop a digital database.

The body would also extend assistance during any sort of disasters or pandemic and should have a proactive approach rather than

There are many other fields where AI and ML are beginning to have clear impacts on

disaster preparedness and relief distribution. Image and information support can be explored using the Bangabandhu Satellite-1 to build a ML model that could estimate the damage to all affected areas and infrastructures in order to reduce the amount of human labour and time required to plan an appropriate response.

There are three main types of relief: food, essentials and cash support. During and postdisaster relief operations and effective supply chain management mainly consist of efficient handling of multiple supply chain activities, such as on time cost-effective procurement,

faster stock fulfilment, safe warehousing facilities and shorter lead times. On time cost-effective supply

According to an extensive study, there are mainly two types of supply chains operated by the government to assist distressed people. The first is to assist poor people throughout the year on humanitarian grounds while the second is operated during any disaster.

The first one is well planned and can be considered as a part of the government's routine humanitarian activities but the second is unplanned and sudden.

Supply chain activities for disaster relief management has plenty of room for improvement.

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