

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
Week-on-week		As of Friday		Friday Closings				As on Thursday			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	BUY TK	EUR	GBP	CNY
▲ 1.69%	▲ 1.41%	\$1,941.50	\$39.83	▲ 0.04%	▲ 0.74%	▼ 0.08%	▲ 0.79%	83.95	98.18	108.14	12.06
5,011.30	8,602.59	(per ounce)	(per barrel)	38,854.55	23,406.49	2,490.09	3,260.35	84.95	101.98	111.94	12.68

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Small factories in big troubles

Most apparel units are struggling to reopen

REFAYET ULLAH MIRDHA

Small garment factories in Bangladesh are finding it tough resuming operations following the prolonged Covid-19-induced layoff even though work orders from international buyers are slowly making a comeback, according to industry insiders.

"I finally reopened my factory on August 20 after closing it down in April due to financial constraints," said Tariqul Islam, managing director of All Weather Fashions. "I started sub-contracting and now hope to receive direct work orders," he added.

Attempting to curb the spread of the coronavirus, the government directed all manufacturing plants to run their operations while maintaining social distancing.

Previously, it had brought about a two-month nationwide shutdown, suspending nearly all types of economic

activities, public transportation and public gatherings.

These conditions made it difficult for most businesses, particularly small companies, to register a decent turnover, forcing many to shutter their operations due to capital shortages.

Also garment factory owners and trade unions are yet to reach consensus regarding the reopening of some factories. These factories had not cleared dues of workers when they had suspended operations.

The owners are solely for a resumption of operations of those factories while the unions demand that the dues be paid first.

Meanwhile, certain units have not received work orders directly from international retailers or brands due to their poor compliance with regulations.

As a result, most factories which have already resumed operations or are in the process of doing so are relying on bigger units for work orders on a sub-contractual basis.

About 300 small and medium garment factories were closed down due to the coronavirus fallout, causing a \$1 billion loss in the sector's annual export value while 50,000 workers lost their jobs, according to data from the Bangladesh Garment Manufacturers and

AT A GLANCE

- More than **300** small factories were closed
- The closed factories facing difficulties in reopening
- The export value of the closed factories is nearly **\$1 billion** a year
- More than **50,000** workers lost their jobs due to closure
- Many of the closed factories already reopened
- Most of the small closed factories are dependent on sub contracting
- Small factories face difficulties in receiving funds from stimulus packages
- Retailers demand unusual price discounts from them

Exporters Association (BGMEA).

The Daily Star approached five separate small factory owners for comments but they all refused to elaborate on the matter.

One of them, asking not to be named, said apart from the Covid-19 fallout, the most important factors to consider were the sector's cash crunch, lack of consistency

in incoming work orders, poor prices and "barriers" created by trade unions.

Smaller units, which employ about 500 to 600 workers each, could not avail low interest loans from the government's stimulus packages owing to their poor transaction records or reputation.

However, banks are gradually taking the risk of allowing certain enterprises to borrow from the fund.

"Most of those factories used to operate on a sub-contractual basis before they were closed," said Md Rezwana Selim, a BGMEA director who mainly monitors the labour issues and factory closures.

Besides, factories are only denied disbursements from the stimulus packages if they are noncompliant or cannot fulfil the contractual obligations to securing a loan from the Tk 20,000 crore fund, he said.

Many of the factories that closed down are unable to resume operations at this point, said Selim.

Some of these factories are owed money by their international business partners, who usually delay the payments.

Typically, local suppliers sell goods to foreign buyers stipulating that dues must be cleared within a 90-day timeframe as per the letter of credit.

However, importers are now demanding payment deferrals of up to 210 days and abnormal discounts from their suppliers.

READ MORE ON B3

BJMC sells jute sacks at lower than official rate

SOHEL PARVEZ

Questions have arisen over Bangladesh Jute Mills Corporation's (BJMC) decision to sell 100,000 bales of jute sacks at a price lower than the official rate as it is set to deplete the country of nearly Tk 8 crore in revenue.

The corporation charged Dubai-based Taif International \$87 for every 100 of these jute bags, which are known as Standard B Twill, which is \$3 shy of its officially declared price of \$90.

The total value of the sale stands at \$26.1 million.

The deal took place on July 30, a day before the beginning of Eid-ul-Azha vacation and it was done without the knowledge of the BJMC's 87 listed local buyers, who usually export 80 per cent of jute goods churned out by the state-owned mills.



"We came to know about it after the Eid vacation. The BJMC should have informed us before selling the jute goods and given us the scope," said Sajjad Sohel, chairman of the Bangladesh Jute Goods Exporters' Association (BJGEA).

He said the BJGEA members had demanded a cut in the price but the state agency did not pay any heed.

The sale took place a month after the government shut its 25 jute mills, offering a golden handshake to nearly 25,000 permanent workers, and at a time when demand for jute bags is picking up in Sudan just ahead of its crop harvesting period.

The African nation is the key buyer of Standard B Twill, availing roughly 200,000 bales of jute bags from Bangladesh's public and private mills to pack grains.

Sohel said the BJGEA members were buying every 100 jute bags for \$95 to export to Sudan.

The BJMC said the jute bags in question were produced over a period since 2016 and the stock stood more than 100,000 bales because of sluggish sales.

In a letter to the textile and jute ministry last month, the corporation said Taif International wanted to buy 100,000 bales at \$85 per 100 bags initially. Later, both parties settled at \$87.

As a result of selling the sacks below the official rate, the government will be deprived of nearly Tk 8 crore, said the BJGEA in a letter to the Federation of Bangladesh Chambers of Commerce and Industry on August 23.

"The BJMC would have benefited had they consulted the BJGEA before selling the whole stock," said Sohel.

BJMC Chairman Md Abdur Rouf said the board fixed the price.

He said the jute bags had lost weight and was prone to lose more had they been kept in storage some time more. Besides, mills were shut and there were incidents of theft in some mills.

"We have to consider that reality too," he said.

"Would the quality deteriorate too much if the BJMC holds the goods for three more months?" asked Sohel.

READ MORE ON B3

Agent banking on a roll

MD FAZLUR RAHMAN

Overall deposits with agent banking accounts doubled in July compared to the same period a year ago as more and more people are keeping faith with the new banking model.

Deposit balance stood at Tk 5,251.3 crore in July last year and it rose to Tk 10,788.2 crore in the same month this year, Bangladesh Bank data shows.

Loan disbursement increased by 220 per cent to Tk 94.9 crore in the same period while utility bill payments were up 23.45 per cent to Tk 93.7 crore.

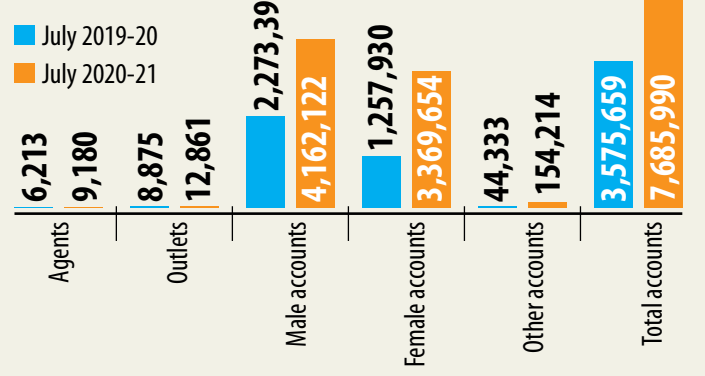
Migrant workers used the service to send home Tk 3,327.9 crore in the first month of the current fiscal, up 422 per cent from Tk 637.1 crore year-on-year.

The number of transactions rose 90 per cent to 76,61,508 in July compared to the same month in 2019 and transaction volume swelled by 151 per cent to Tk 28,415.3 crore.

The number of agents jumped by 47.75 per cent year-on-year to 9,180 in July while the total number of outlets reach 12,861 at the end of July this year, up 44.91 per cent compared to the same month a year ago, central bank data shows.

AGENTS, OUTLETS AND ACCOUNTS

SOURCE: BB



As of July, there were 76,85,990 agent banking accounts in Bangladesh, which is 115 per cent higher than in the same month last year.

The number of accounts held by men advanced 83 per cent to 4,162,122 and the number of accounts owned by women went up by a staggering 167.87 per cent to 3,369,654 in July.

"Agent banking is increasingly establishing itself as a good model. People are using it at ease," said Md Arfan Ali, managing director of Bank Asia, who pioneered

the new banking model in the country in January 2014.

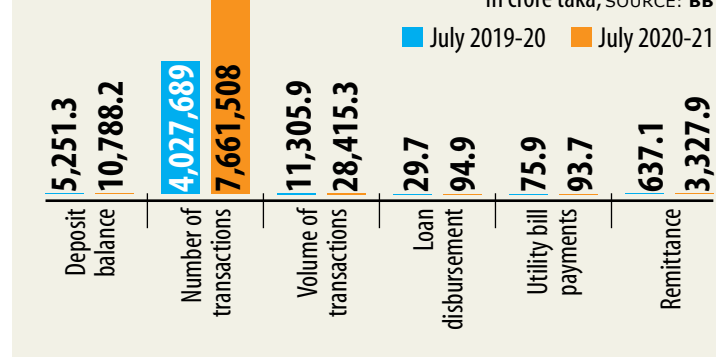
He credited banks' presence within the reach and the opportunity to secure banking services as per their needs for the steady growth of agent banking.

Barring a few exceptions, outlets have remained open during the pandemic, taking people's confidence in the agent banking to a higher level, Ali said.

He said when Bank Asia rolled out their agent banking service, two things were kept in mind:

Use of agent banking growing

In crore taka; SOURCE: BB



promoting entrepreneurship and taking banking services to the people's doorsteps.

The owners of outlets are also driven to render good service because their success would also depend on attracting customers and retaining them, Ali said.

The central bank introduced agent banking to provide a safe alternative delivery channel of banking services to the underprivileged, under-served population who generally live in remote locations that are beyond the reach of the traditional banking network.

It has so far issued licences to 28 banks for operating agent

banking activities. Of them, 23 are in operation.

Recently, Prime Bank and NRB Global Bank secured agent banking licences from the central bank.

Agent banking has allowed the country's financial institutions to expand their businesses and accelerate financial inclusion using agents as intermediaries, according to the central bank.

It has now gone beyond the basic banking services such as cash deposits, cash withdrawal, and receipt of remittances. Rather, banks have started giving out small loans through these outlets.

READ MORE ON B3

Import ban on used cars to leave the market uneven

Barvida claims, criticising proposed Automobile Policy 2020

JAGARAN CHAKMA

The government's plan to impose a ban on the import of reconditioned vehicles to promote local manufacturing and assembling will create an imbalance in the domestic market, according to Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida).

Manufacturing cars in Bangladesh would be a matter of national pride and Barvida encourages this initiative, said Abdul Haque, president of the association.

But the government should give priority to the choice of customers before going for such a ban as 85 per cent of the passenger cars in Bangladesh at present are imported reconditioned vehicles, he said.

The proposed policy will destroy competition between the importers of reconditioned and brand-new cars, he said.

"The government didn't even include a representative from this sector while preparing the draft policy."

Barvida will hand over its observations on the proposed Automobile Policy 2020 to the industries ministry today.

As per the proposed policy, imports of reconditioned cars would be

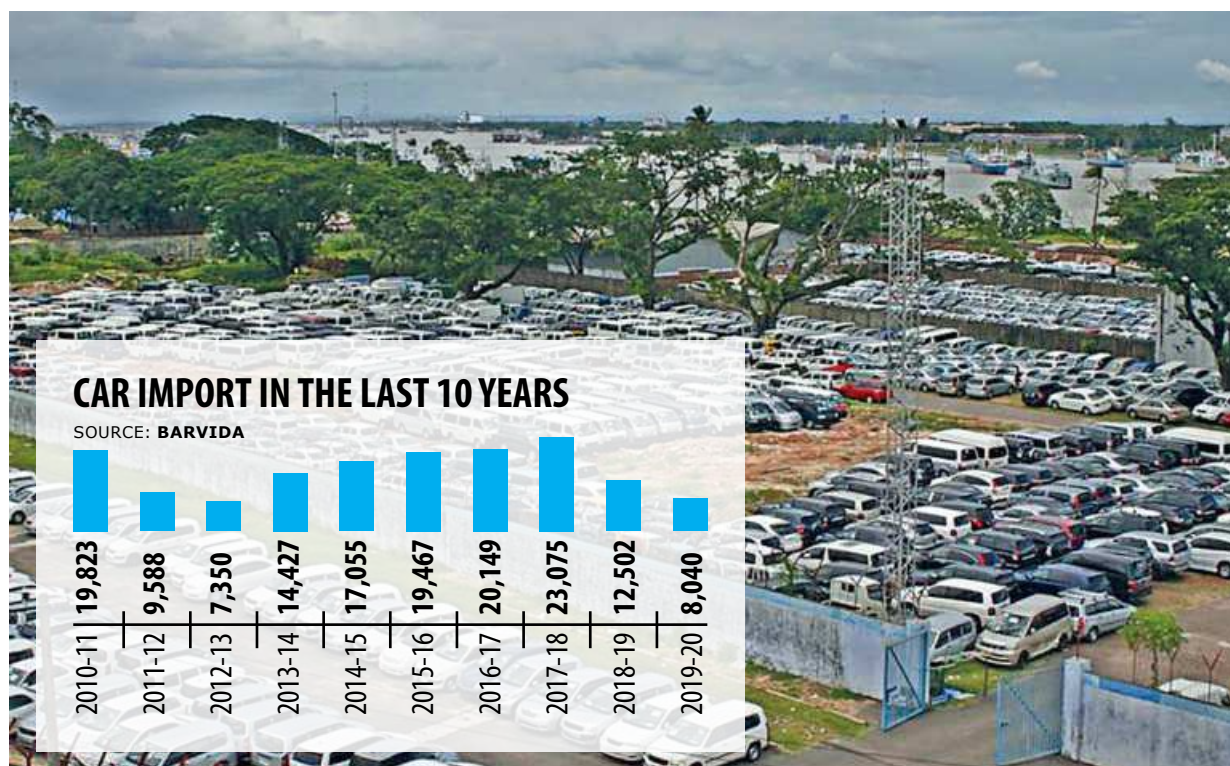
BY THE NUMBERS

- ▶ Total investment: Tk **20,000**cr
- ▶ Govt revenue from the sector a year: Tk **4,000**cr
- ▶ Total employment: **30,000**
- ▶ Market size: Tk **5,000**cr
- ▶ Demand for passenger car a year: **15,000** units
- ▶ Reconditioned car importers meet demand: **85%**

phased over the next five years in a bid to encourage investments in the local assembly and manufacture of motor vehicles.

As such, the government will formulate the 2020 Automobile Industry Development Policy, a draft of which has already been shared with various stakeholders for finalisation.

Currently, state-run Pragati Industries assembles cars designed by Japanese automaker Mitsubishi Motors while PHP Motors, a sister concern of the PHP Family based in Chattogram, manufactures cars made by Malaysia's PROTON



Holdings Berhad.

Besides, Indian automotive giants Tata Motors and Mahindra & Mahindra recently showed interest to go for similar partnerships with local

manufacturers to grab a bigger slice of the growing automobile industry in Bangladesh.

"This is a clear conspiracy carried out by a vested quarter that only wants

to secure their own interests," said Mohammad Shahidul Islam, secretary general of Barvida.

An immediate ban on import of reconditioned cars would be a suicidal

step for the government as it directly earns at least Tk 4,000 crore in revenue from import duties alone, he added.

Besides, Barvida also helps in the country's economic development by paying both value-added and income tax.

Over the past three years, about Tk 20,000 crore has been invested in the sector, which created at least 30,000 direct employments.

"The government should try to create a competitive market for the buying and selling of new or reconditioned cars in consideration of the customers," Islam said, while citing the case of the reconditioned car market of Australia, the UK and the US.

Islam also alleged that imported brand-new cars do not comply with global standards. "Besides, these vehicles do not originate from their mother countries but on the other hand imported reconditioned cars are from their countries of origin."

According to the secretary general, now only 'Euro 6' emission standard cars are allowed to operate in developed countries and imported reconditioned car meet this standard while most brand-new cars in Bangladesh are yet meet the requirement on carbon emissions.

READ MORE ON B3



Rajeev Gopalakrishnan, chairman of Bata Shoe Company (Bangladesh) Ltd, presided over the company's 48th annual general meeting on September 10 through a digital platform. The shoe maker approved 125 per cent cash dividend for 2019. Anirban Asit Kumar Ghosh, managing director, was present.

Still no takers as Indian gold dealers offer discounts for fourth week

REUTERS, Mumbai/Bengaluru

Physical gold dealers in India were forced to offer discounts for a fourth straight week as bullion remained unattractive for most retail consumers. In India, the second-biggest buyer after China, demand took a further hit due to the start of 'Shradh', a two-week period considered inauspicious to buy gold and other assets. Local gold futures traded around 51,445 rupees per 10 grams on Friday, having hit an all-time high of 56,191 rupees last month. Discounts eased to \$30 an ounce over official domestic prices, inclusive

of 12.5 per cent import and 3 per cent sales levies, from last week's \$40. While demand usually picks in the run up to the October-November festival season, a worsening COVID-19 outbreak has hammered sentiment, with India's economy shrinking by nearly a quarter in April-June. "Even during the festivals, demand will remain lower than usual due to higher prices," said a Mumbai-based dealer with a bullion importing bank. A dip in benchmark global spot prices however, triggered buying from customers in Singapore. "As long as prices come down, we'll see more buying," and many more

clients are now looking at gold, Brian Lan of dealer GoldSilver said, adding, however, that retail purchases were muted. Premiums were unchanged at \$0.80-\$1.50 an ounce versus the benchmark. "Sales were respectable, but the lowest in the past four weeks," Vincent Tie, sales manager at Silver Bullion said. In China, demand remained weak with gold sold at \$45-\$50 discounts, versus last week's \$56 level. Discount may narrow, especially going into the fourth quarter wedding season, said Samson Li, a Hong Kong-based precious metals analyst at Refinitiv GFMS.

China would rather see TikTok US close than a forced sale

REUTERS

Beijing opposes a forced sale of TikTok's US operations by its Chinese owner ByteDance, and would prefer to see the short video app shut down in the United States, three people with direct knowledge of the matter said on Friday.

ByteDance has been in talks to sell TikTok's US business to potential buyers including Microsoft and Oracle since US President Donald Trump threatened last month to ban the service if it was not sold. Trump has given ByteDance a deadline of mid-September to finalise a deal.

However, Chinese officials believe a forced sale would make both ByteDance and China appear weak in the face of pressure from Washington, the sources said, speaking on condition of anonymity given the sensitivity of the situation.

ByteDance said in a statement to Reuters that the Chinese government had never suggested to it that it should shut down TikTok in the United States or in any other markets.

Two of the sources said China was willing to use revisions it made to a technology exports list on Aug. 28 to delay any deal reached by ByteDance, if it had to. China's State Council Information Office and its foreign and commerce ministries did not immediately respond to requests for comment sent after working hours.

Asked on Friday about Trump and TikTok, Chinese foreign ministry spokesman Zhao Lijian said at a regular press briefing that the United States was abusing the concept of national security, and urged it to stop

oppressing foreign companies.

Reuters has reported that TikTok's prospective buyers were discussing four ways to structure an acquisition from ByteDance.

Within these, ByteDance could still push ahead with a sale of TikTok's US assets without approval from China's commerce ministry by selling them without key algorithms. ByteDance and its founder Zhang Yiming have been caught in a clash between the world's two preeminent powers.

Trump last month issued two executive orders that require ByteDance to sell TikTok's US assets or face being banned in the country, where the app is hugely popular among teenagers.

US officials have criticised the app's security and privacy, suggesting that user data might be shared with Beijing. TikTok has said it would not comply with any request to share user data with the Chinese authorities.

Beijing has said it firmly opposes Trump's executive orders and on Aug. 28 moved to give itself a say in the process, revising a list of technologies that will need Chinese government approval before they are exported. Experts said TikTok's recommendation algorithm would fall under this list.

Chinese regulators said last week the rules were not targeted at specific companies but they reaffirmed their right to enforce them.



China and US flags are seen near a TikTok logo in this illustration picture. REUTERS/FILE

Used cars drive US consumer prices higher; inflation pressures firming

REUTERS, Washington

US consumer prices rose solidly in August, with the cost of used cars and trucks accelerating by the most in more than 51 years likely as Americans shunned public transportation because of fears of contracting COVID-19.

The report from the Labor Department on Friday also showed a firming in underlying inflation last month, putting fears of deflation to rest. Deflation, a decline in the general price level, is harmful during a recession as consumers and businesses may delay purchases in anticipation of lower prices. Still, stirring inflation is unlikely to discourage the Federal Reserve from pumping more money into the economy to aid the recovery from the COVID-19 recession amid considerable labor market slack. The US central bank in August rewrote its framework, putting new emphasis on the labor market and less on worries about too-high inflation.

"Consumer prices are rebounding from the pandemic shock, but as supply shortages are resolved, upward price increases should moderate," said Kathy Bostjancic, chief US financial economist at Oxford Economics in New York. "The Fed's new policy objectives underscore that monetary policy will remain very accommodative for a considerable time." The consumer price index increased 0.4 per cent last month, also lifted by gains in the costs of gasoline, recreation and household furnishings and operations. The CPI advanced 0.6 per cent in both June and July after falling in the prior three months



Used cars are shown for sale in National City, California. REUTERS/FILE

as business closures to slow the spread of the coronavirus depressed demand.

In the 12 months through August, the CPI increased 1.3 per cent after gaining 1.0 per cent in the 12 months through July.

Economists polled by Reuters had forecast the CPI would rise 0.3 per cent in August and climb 1.2 per cent on a year-on-year basis. Excluding the volatile food and energy components, the CPI gained 0.4 per cent last month after surging 0.6 per cent in July, the largest gain since January 1991. A 5.4 per cent jump in prices of used cars and

trucks, the largest gain since March 1969, accounted for more than 40 per cent of the rise in the so-called core CPI last month.

In the 12 months through August, the core CPI climbed 1.7 per cent after rising 1.6 per cent in July. Though the Fed's embrace of what it calls "flexible average inflation targeting" is still shy of many details, in theory it could see policymakers tolerate price increases above its 2 per cent target for a period of perhaps several years to offset years in which inflation was lodged below its goal.

Policymakers have expressed a range

of ideas about how this might work in practice, but agree the aim is to let prices rise fast enough that household and businesses take their inflation target seriously. The Fed's preferred inflation measure, the core personal consumption expenditures (PCE) price index rose 1.3 per cent in the 12 months through July. August's core PCE price index data is scheduled to be released at the end of this month.

Some economists questioned the need for higher inflation as many households were struggling because of the pandemic.

"For the individual worker, rising inflation is not good news, no matter what the Fed thinks," said Joel Naroff, chief economist at Naroff Economics in Holland, Pennsylvania. Stocks on Wall Street were trading higher after pulling back in the previous session. The dollar was slightly lower against a basket of currencies. Prices of US Treasuries rose. Though food prices rocketed at the height of the COVID-19 business shutdowns, inflation stayed muted as the pandemic undercut demand for services like healthcare, air travel, dining out and hotel accommodation. High unemployment is also keeping a lid on price pressures despite the Fed's extraordinarily easy monetary policy and record fiscal stimulus from the government. Nearly 30 million people are on unemployment benefits.

Last month, gasoline prices rose 2.0 per cent after increasing 5.6 per cent in July. Food prices edged up 0.1 per cent after declining 0.4 per cent in July, the first decrease since April 2019. The cost of food consumed at home fell 0.1 per cent after dropping 1.1 per cent in the prior month.

FAA to begin key Boeing 737 MAX training review on Monday in London

REUTERS, Washington

A training review for the grounded Boeing 737 MAX will begin on Monday in London, the U.S. Federal Aviation Administration (FAA) said, in a key milestone for the plane's eventual return to service.

The FAA said the Joint Operations Evaluation Board for the Boeing 737 MAX will take place at London Gatwick Airport and meet for approximately nine days "to review Boeing's proposed training for 737 MAX flight crews" and will include civil aviation authorities and airline flight crews from the United States, Canada, Brazil and the European Union.

There are several other key steps to be completed that raise questions about if there will be any 737 MAX commercial flights before 2021. Boeing did not immediately comment.

This week in Vancouver, the European Union Aviation Safety Agency conducted flight tests of the Boeing 737 MAX after Canada conducted its own tests.

The best-selling plane has been grounded globally since March 2019 after two fatal crashes in five months killed 346 people. Boeing has said it expects to win necessary approvals "in time to support resumption of deliveries during the fourth quarter."

A Boeing spokesman said Friday all remaining steps are "incorporated in our estimate. No new hurdles or comment periods we didn't expect."

After the nine-day review, the results will be incorporated into the draft FAA Flight Standardization Board report, which will be then be open for public comment.

Then, FAA Administrator Steve Dickson will undergo recommended training and conduct an evaluation flight at the controls of a Boeing 737 MAX. He will share observations with FAA technical staff.

The FAA will then review Boeing's final design documentation to evaluate compliance with FAA regulations. The multi-agency technical advisory board will review the Boeing submission and issue a report prior to a final FAA determination of compliance.

Good governance, digitalisation can charge up stock market: analysts

FROM PAGE B4

To ensure transparency, the BSEC is working to digitise every sphere of trading and activities of the stock market, he said.

Islam hoped the digitisation work will be completed within 2021.

"Now we are working to ensure good governance in the trading of junk stocks. After that we will take steps about the companies that are listed with the over-the-counter market."

The commission is trying to give the money back to the people who invested in debentures long ago but did not get anything in return, he said. "We hope people will get the money back soon."

Good governance and supportive macroeconomic environment are needed to achieve sustainable development of the stock market, said Md Moniruzzaman, managing director of IDLC Investments.

"A correction takes place when index or companies' stocks rise past the earnings growth, which

is evident from the stock market statistics of the last one decade."

The market does not need so many non-performing stocks, rather it needs some well-performing dependable scripts, he said while presenting a paper in the meeting.

No well-known multinational company came to the market in the last one decade after the listing of Grameenphone, said Asif Ibrahim, president of Chattogram Stock Exchange.

"But we need to bring some good companies for the sake of a sustainable stock market."

The BSEC, the BMBA and other intermediaries should work relentlessly to bring well-performing and the best-governed companies into the market, said Ibrahim, also a former president of Dhaka Chamber of Commerce and Industry.

Focus should be given on why good companies are not coming to the market, said Sayedur Rahman, president of BMBA.

"Lower tax benefits of being listed is the reason."

The difference between listed and non-listed companies' corporate tax has been brought down to 7.5 per cent this year from 10 per cent, he said.

"If we want to bring good companies to the market then tax benefits should be offered to them."

The stock market should emphasise good governance, efficient manpower, product diversification and digitalisation, said Eunusur Rahman, chairman of the DSE.

"To get a sustainable stock market, we need good governance, good governance, and good governance."

Hasan Imam, president of AMC Association; Sharif Anwar Hossain, president of the DSE Brokers' Association, and Hasan Imam Rubel, president of the CMJE, also spoke at the event along with other top officials of leading stock brokers and merchant banks.

Workers halt container movement at Ctg port for 12 hours

FROM PAGE B4

Some depots' authorities might not have been able to do so in the last couple of months over issues arising from the pandemic, he admitted.

These long vehicles play a vital part in maintaining schedules as they bring containers once they are loaded with export items at the 18 ICDS.

They also take containers to the ICDS carrying 37 types of imports once they are unloaded from ships and taken through customs clearance and for delivery.

On a normal day, around 1,600 TEUs (twenty feet equivalent units) of export-laden containers are taken from the ICDS to the port while 800-1,000 TEUs of import-laden containers are taken out of the port.

Meanwhile, some 1,500 TEUs of empty containers are also shifted an average.

Yesterday container movement to and from vessels had continued uninterrupted alongside delivery of imports from the port on trucks and covered vans, said Md Omar Faruk, secretary to Chattogram Port Authority.

UK economy extends recovery from Covid-19 crash, growth seen fading

REUTERS, London

Britain's economy recovered half of its COVID-19 crash by the end of July, helped by pubs and restaurants reopening from lockdown, but the bounce-back is expected to slow as job losses mount and Brexit tensions rise.

After shrinking by a record 20 per cent in the second quarter, output expanded by 6.6 per cent in July, slower than June's monthly rate, the Office for National Statistics (ONS) said on Friday. Economists polled by Reuters had expected growth of 6.7 per cent.

Finance minister Rishi Sunak welcomed the figures but added that people were rightly worried about the coming months.

The economy remains 12 per cent smaller than its level in February, before the pandemic hit Britain.

"July was probably the last of the big step-ups in activity and a full recovery probably won't be achieved until early 2022," Thomas Pugh, an economist with Capital Economics, said.

In response, the Bank of England was likely to ramp up its bond-buying stimulus programme by a third, or 250 billion pounds (\$320 billion), Pugh said.

Britain's economy suffered the sharpest

second-quarter fall of any Group of Seven nation in the April-June period.

Hopes for a swift rebound have faded as businesses struggle to cope with social distancing rules and many people remain reluctant to travel on public transport or go to crowded places.

Tensions between London and Brussels over a post-Brexit trade deal are also mounting. Furthermore, unemployment is expected to rise sharply because Sunak has ruled out extending his coronavirus job retention scheme which is due to expire at the end of October.

Parliament's Treasury Committee urged Sunak to "carefully consider" a targeted extension of the scheme and other support measures, a call echoed by the head of a major employers group.

Carolyn Fairbairn, director general of the Confederation of British Industry said she was in "deep conversation" with the government about a more selective version of the job subsidies scheme to avoid long-term job losses.

"We need to make sure that other countries, for example Germany, France, Australia, others who have put in place schemes like this, don't steal a march on our economy at this time," she told Sky News.



Asoke Das Gupta, vice chairman of One Bank, presides over the bank's 21st annual general meeting on September 10. The bank announced 5 per cent cash and 5 per cent stock dividends. M Fakhru Alam, managing director, was present.

US economy is improving, weeks before the election. Will Trump benefit?

REUTERS
The US labor market and broader economy made some gains this week, which history shows should be good news for President Donald Trump's re-election campaign. But the gains may be overshadowed by the tens of millions of Americans still out of work because of coronavirus-related shutdowns and growing concerns that there is no new government relief package in sight. Job openings, a measure of labor demand, in July soared to 6.6 million, nearly back to their pre-crisis level, a Labor Department report showed this week. Inflation firmed last month, vanquishing fears of growth-stunting deflation. Higher frequency data tracking people's visits to stores and restaurants also pointed to an economic upswing. However, the economy is nowhere near to rounding the corner to recovery. At least 29.6 million people were still receiving unemployment benefits as of Aug. 22, a report on Thursday showed, and the number of new applicants for jobless benefits was stuck at a



Donald Trump

high level, at 884,000. Deadlock in Washington over a new fiscal relief bill could mean this is as good as things get for the economy for some time. On Thursday, the Senate failed to pass a Republican bill that would have provided around \$300 billion in new coronavirus relief. Democrats are pushing for a \$3 trillion bill. "Part of the healthy recovery

owes to generous fiscal stimulus policies which have started to fade," Bank of America economists said in a note on Friday. "It has become unlikely that another round of fiscal stimulus will be passed before the election." An extra \$600 a week for the unemployed, provided under the \$2.3 trillion government aid package passed in March, expired in July, and most of the hundreds of billions of dollars to cover payrolls at small businesses also provided under the aid package has now been spent. That could weigh on voters if the labor market fails to gain more steam, causing "some problems for the incumbent," said Michael Arone, chief investment strategist at State Street Global Advisors. A new \$300 weekly benefit for the unemployed, authorized by Trump, could provide some cushion, though the funding only covers six weeks of payouts. New US cases of COVID-19 have declined since July, but the virus is still circulating at high enough rates that many businesses are only allowed to operate at reduced capacity, and some not at all. That limits potential economic growth for the nation as a whole. "The better the economy does, and the more hopeful people are that there's going to be a rebound, it probably works for Trump," said Steven Englander, a managing director at Standard Chartered Bank. But with government aid waning as Nov. 3 approaches, "that could be pretty bad timing for the president."

After Japan, what next for UK in post-Brexit deals?

AFP, London
Britain won its first Brexit trade success Friday with a free trade agreement for Japan, but tough talks lie ahead for other landmark deals, especially with the European Union. Conservative Prime Minister Boris Johnson is pursuing his "Global Britain" strategy that seeks potentially more advantageous trade deals than those which were negotiated while it was an EU member. The accord largely replicates the current EU-Japan deal, and will be worth 15.2 billion (\$19.5 billion, 16.5 billion euros), according to the government. The UK-Japan Comprehensive Economic Partnership Agreement was agreed in principle, but has yet to be officially signed. Around 99 percent of exports between the two nations will be tariff-free under the deal, with a particular focus on the food and drink, finance and technology sectors. Britain left the bloc in January but still wants to pin down an ambitious deal with the EU because it is the nation's largest trading partner and accounts for half of foreign trade. The UK had been an EU member for almost five decades and therefore its economy is closely linked, notably in terms of food, finance and industry. Johnson wants a comprehensive trade agreement to ensure smooth, tariff-free trade can continue after the end of the transition period on January 1, 2021. But talks were thrown into chaos this week after Johnson vowed to break Britain's divorce treaty with new domestic legislation, going back on a withdrawal agreement that he himself signed last year. Johnson has set an October 15 deadline

for an agreement, without which Britain will embrace a no-deal departure and default to World Trade Organization tariffs. Analysts fear this scenario would deliver a painful double whammy for an economy already on its knees due to coronavirus. London is eager to conclude a free-trade agreement with the administration of US President Donald Trump, who has long been an admirer of Brexit architect Johnson. However, talks are moving at a glacial speed and it now seems highly unlikely that there will be any outcome ahead of the US presidential election in November. Johnson has placated the Republican president by excluding Chinese technology giant Huawei from Britain's super-fast 5G telecommunications network. But House of Representatives Speaker Nancy Pelosi has warned there will be "absolutely no chance" of a deal passing Congress if Johnson violates his own withdrawal agreement with the EU and it affects peace in Northern Ireland. A potential trade deal with Trump could also flounder if Britain is required to import chlorinated chicken and hormone-treated beef from the US -- both of which face stiff UK opposition. The UK government has begun separate formal discussions with both countries in recent months. Britain aims to seal a free trade agreement covering 80 percent of trade with Australia and New Zealand over the next three years. The UK is holding discussions with many other nations, including these six, as it seeks to replicate the agreements it had enjoyed as an EU member state. Britain has already concluded post-Brexit trade agreements with several countries including these five nations.



Britain's Prime Minister Boris Johnson speaks during question period at the House of Commons in London, Britain on September 9.

Small factories in big troubles

FROM PAGE B1
As a result, small factory owners are not being paid in a timely manner, leading to a liquidity shortage. Meanwhile, other factories that do not have strong financial backing have been unable to resume operations as the country's banks are uninterested in financing them. The demand for unusual discounts also puts the local suppliers in a tight spot. For instance, Debenhams, a multinational retailer based in London, asked for a 90 per cent discount on their orders even though the suppliers had previously agreed upon 25 per cent. Likewise, almost all foreign retailers that source their products from Bangladesh have demanded major discounts. "Asking for one per cent discount is acceptable but the rates international retailers and brands are demanding are totally absurd," said Shams Mahmud, president of the Dhaka Chamber of Commerce and Industry (DCCI). "We normally do business at a very marginal profit and so, if they demand such abnormal discounts, we will die out," he added. The price of apparel items has declined over the years while the Covid-19 fallout has only worsened the woes of garment suppliers. While almost all factories are facing difficulties, those that are truly suffering can survive with the help of banks, Mahmud said. According to the DCCI president, the demand for huge discounts is troubling the sector, with small and medium enterprises

being the biggest victims. Nazma Akter, president of the Sammito Garment Sramik Federation, a platform for garment workers, said trade unions had never wanted to bar the reopening of some factories, rather always tried to be helpful towards businesses. However, many of the factories that had shut down had not paid workers their dues, which is a breach of regulations. These factories should clear their dues before being allowed to reopen as international retailers and brands have been coming to Bangladesh again with a lot of work orders, Akter told The Daily Star over the phone. It is not possible for the government to support the factories for a prolonged period, said Ahsan H Mansur, executive director of Policy Research Institute (PRI). Over the last 10 to 15 years, many factories have been shut down or sold to others for many reasons, such as familial issues and financial challenges. Similarly, the coronavirus is just another reason why many small factories had to shut down. And so, consolidation in the sector will come about, Mansur said, adding that genuine sufferers survive through various means, such as by availing help from the government, banks, buyers or suppliers. The government should help genuine factory owners while sub-contracting factories should not be brought under the VAT net or other tax hassles so that they can grow, he said. Sub-contracting created a lot of successful entrepreneurs in the country, Mansur added.

India passenger vehicle sales up 14pc in August: industry body

REUTERS, Bengaluru
Total passenger vehicle sales in India rose 14.16 per cent in August, showing some signs of economic recovery as industries restart operations months after a coronavirus-led lockdown disrupted a sector already hit by poor demand. Indians bought a total of 215,916 cars, utility vehicles and vans in August, compared with 189,129 a year earlier, the Society of Indian Automobile Manufacturers (SIAM) said on Friday. "We are beginning to observe growth, which is instilling confidence back into the industry," SIAM President Kenichi Ayukawa said in a statement. The upcoming festive season, which culminates in Diwali and sees a majority of Indians making big ticket purchases, will help with a faster revival in demand, another executive said.

BJMC sells jute sacks at lower than official rate

FROM PAGE B1
Rouf said the BJMC had been offering the \$90 rate for a long time and it was waiting for buyers. "None came forward," he said. Mushtaq Hussain, managing director of Golden Fibre Trade Centre Ltd (GFTCL), one of the major exporters of the BJMC's goods to Sudan, said his company bought jute goods on July 27. The GFTCL came to know about the deal on August 4. Just the day before it had applied to the corporation to buy 104,975 bales of the bags at \$90. Later, it urged the BJMC to cancel the contract as Taif International failed to pay 10 per cent of the value of the goods within three working days from the date of the signing of the agreement. In a letter to the textile and jute ministry last month, the BJMC said as per contract, Taif International could not deposit 10 per cent of the value of the goods by 5:00pm Bangladesh standard time on August 5. The money was deposited on August 6, it said, seeking directive from the ministry. The ministry, in response, said the BJMC has the authority to decide

on the marketing of its goods and advised it to take a decision based on rules. Humayun Khaled, a former chairman of the BJMC, who penned the contract on behalf of Taif International, said there was no problem with the payment. He said the BJMC wrote to Taif International informing that 10 per cent of the value should be paid by August 6 and just that was done. Khaled said he represented the Dubai-based firm upon request from Taif International's chairman. Asked how a former chairman of the BJMC could get involved in a deal where the corporation stands to lose, he said, "This is not a loss." "Why didn't anybody come to buy earlier? How many days would it take to clear one lakh bales?" The BJGEA alleged that the BJMC discriminates against enlisted local firms as domestic buyers have to pay 50 per cent of the value of the goods in advance whereas international companies pay 10 per cent. Rouf said there was no scope for cancelling the contract. He said there was a one-day difference regarding the 10 per cent

deposit. "They informed us that offices opened in Sudan a day after in Bangladesh. As such, in Sudan, three working days started from August 4 and ended on August 6. In Bangladesh, the working day began on August 3," he said. He said the contract does not specifically state that the money has to arrive according to the Bangladesh time. "We have taken legal opinions and legal advisers say everything was lawful." "There is a question whether we will win in international courts if we scrap the agreement. If we cancel and they go for arbitration, we may face a huge penalty," said Rouf. However, Hussain said the corporation itself had written to the textile ministry informing that the money had not come on time. "There is no mention of the name of the main buyer and its address as the sender of the money. The BJMC can cancel the contract on this ground," he said. As the contract was inked in Bangladesh, the law of the land should be followed, he said.

Import ban on used cars to leave the market uneven

FROM PAGE B1
He went on to advise the government to set up a quality control institute that would regulate the import of brand new or reconditioned passenger cars in a bid to avoid the adverse environmental impact of carbon emissions. Importers opt for Japanese cars that are sophisticated, environment-friendly and cost-effective, said Mannan Chowdhury Khasru, former president of Barvida. Besides, Barvida has created a market for reconditioned cars in Bangladesh to help meet customers' demand.

"We do not stand against the manufacturing of brand-new cars in Bangladesh but instead, we want a competitive market instead of phasing out imports of reconditioned cars," Khasru said. "The government should create a level playing field for locally produced cars and imported ones so that the market can automatically decide the industry's future," he added. In this regard, the former Barvida president demanded withdrawal of the proposed ban on reconditioned car imports in the automobile policy for 2020.

Agent banking on a roll

FROM PAGE B1
In the April-June quarter, agent banking has continued to grow in all dimensions amidst severe business interruptions due to the Covid-19 pandemic, the central bank said in its quarterly report.

The model is gaining popularity as a cost-effective delivery channel as well as a convenient way of providing banking services to the mass people who would otherwise have remained beyond the reach of conventional branch banking.

Govt finalises draft of PTA with Bhutan

FROM PAGE B4
"However, we can say in details about the CEPA after the completion of the joint study, which is going on between the two countries," Uddin also said. Bangladesh will have to sign different trade pacts like FTAs, PTAs and CEPA with the potential trading countries or trading blocs for enjoying the trade benefits after its graduation to a developing country. "We have to be active in signing the FTAs and PTAs for our own interest. It is a good signal that we are pro-active about PTA and FTA," Razzaque of PRI said. Bangladesh should also sign FTAs with the vital trading partners or trading blocs like ASEAN and EU so that the country is greatly benefited after its graduation, which will eliminate the guaranteed duty privileges for the country, he said. For instance, Bangladesh can start negotiation with the Association of South East Asian Nations (ASEAN) so that the country can grab market share within the Asian region, he said. If it is not possible to enter the league of ASEAN, the signing of FTA with a single member of the ASEAN can also be highly beneficial for Bangladesh, he said.

For example, if an FTA can be signed with Malaysia or Indonesia, Bangladesh would be able to enjoy greater duty benefit of the ASEAN through its member country, he said. "However, we have to understand whether we are ready to open up our economy or not through the signing of the FTAs or CEPA or PTA." Currently, Bangladesh has no FTA with any of the country although the government has long been trying to sign such deals. As per the country's previous economic development records, the UN Committee for Development Policy (UN CDP) is scheduled to complete the final round of assessment of Bangladesh's LDC graduation in 2021. If the UN CDP finds Bangladesh's assessment positive, the country will graduate to a developing country in 2024. Once the country is graduated, all the tariff benefits will be lifted for the country. Only, the EU will allow the tariff benefit to Bangladesh for another three years as a grace period. That means, Bangladesh will enjoy the zero-duty benefit to the EU until 2027, but in other countries the tariff benefits will be withdrawn from 2024. Currently, Bangladesh as an LDC, enjoys

zero-duty benefits, preferential trade benefits and regional trade benefits on exports to 38 countries, including 28 EU countries. Also, in the USA, Bangladesh enjoys zero-duty benefit for 97 per cent of its products. But unfortunately, Bangladesh's main export items, including garment, are not included in the package. As a result, Bangladeshi exporters have to face 15.62 per cent duty on export of apparel items to US markets. Nevertheless, the US is the single largest export destination for the country. Bangladesh will face competition in the EU market after graduation as Vietnam has already signed an FTA with the European Union. Some 74 per cent of Bangladesh's export earnings come under preferential trade as an LDC. Of that percentage, 64 per cent comes from the EU and 10 per cent from Japan, Canada and other developed countries. Bangladesh's export will decline by 5.7 per cent annually if the Everything but Arms (EBA) is not extended and local exporters will have to face an 8.7 per cent duty to the EU. So, there is a possibility of losing more than \$2 billion worth of export business annually after graduation, according to UN body.

Interior design brand KC aims to go global

MAHMUDUL HASAN

Creativity takes courage, according to Henri Matisse, a famous French artist from the 1800s known for both his use of colour and fluid and original draughtsmanship.

This quote rings true for interior fashion designer Kawsar Chowdhury, also the managing director of Green Furniture, who has an unquenchable thirst for innovation and the use of cutting-edge technologies to make a range of home décor products.

Fastidious about minor details, passionate about design and with a keen interest in the juxtaposition of art and décor, Chowdhury has already won the hearts of the local clientele.

Now though, he has turned his sights to the international arena and aims to bring his products before the global audience through KC, a couture brand for home décor and interior design solutions.

"Many renowned architects from around the world used to send me their designs, which I would make. So all credit goes to those guys but still, I was the man behind the scenes

established KC, named after his initials, one and a half years ago to bring the best and latest technologies and develop his designs in line with international standards.

KC is a trademark of Eco Wood, the brand's manufacturing hub which was established about 14 years ago in Kanchpur. It is a complete factory with over 120 workers.

"If there was no coronavirus pandemic this year, I would have already announced KC's first exports through an exhibition," Chowdhury added.

However, KC will only ship its products to select clients after locally manufacturing their customised orders. This means that foreign buyers cannot retail the company's products under their own brands.

As an aesthete, Chowdhury is highly sensitive to the beauty in all things and believes that humans have a heightened sense of wellbeing when in the presence of something truly exquisite.

"I am passionate about creating exquisite homes and making bold statements. I take inspiration from my



Kawsar Chowdhury

facilities.

"I noticed on my travels to places such as the UAE that just the walls and ceilings at landmark hotels like the Burj Khalifa were enough to dictate a room's environment," the managing director added.

In a bid to attain similar results, Chowdhury and his team obsess over every detail, spending months on end to finish a project as they tirelessly strive for the unexpected.

KC offers three varieties for its kitchen units: classic, modern and double luxury.

Classic kitchen cabinets have a vintage American look and with a satin finish, they are a nostalgic throwback to his days studying in the US.

They are custom made using Italian technology and come in an elegant white.

"For modern-day kitchens, I pioneered the European high-gloss look 12 years ago and have innovative materials that can create seamless curves and designs to my heart's content," he said.

Meanwhile, KC's doubly luxury kitchen cabinets are sandwiched units with both sides covered in an acrylic and special lamination coat for a sparkling finish.

All panels are framed with a sleek aluminium profile and clients can also order them with a custom pattern or textured finish.

"I was inspired by Italian kitchen styles and spent at least 3 months doing R&D before perfecting it for our clients, who want full protection in their kitchens," Chowdhury said.

Besides, the brand retails bathroom sinks, centre-piece pillars and colour changing bedroom cupboards as well.

"A much loved item is our custom design walk-in closet. A KC walk-in closet is the epitome of luxurious living. They are completely bespeaking in design, materials and finish while tailored to the customers taste," he added.

KC floor panels are made of oak, mahogany or teak. They come in

matte, natural glossy wood or rough surface finishes and according to Chowdhury, these wooden floors are not just a thing of beauty, but are also scratch-proof and durable due to the special multi-layer coatings and finishing.

"We use premium down feathers of 700 Fill-Power. A-class raw materials and the rich and opulent overtones, make each piece a bold statement," he said.

Chowdhury has already designed 250 rooms of the Pan Pacific Sonargaon Dhaka Hotel and many other sophisticated buildings, including the lobby of Le Méridien Dhaka, another five-star hotel in the capital.

His family used to make building materials. Later, when he returned after completing his study from the US in 1995, Chowdhury started manufacturing marble with a plant. About 14 years ago, he established the furniture and home décor brand: Green Furniture.

However, not everything has been on the up and up for the managing director.

When the coronavirus broke out in New York in February, several of his acquaintances, including some friends died of the disease.

"From then on, I started researching how the coronavirus spreads as I always strive to learn new things and for that I study, travel and do a lot of research," Chowdhury said.

In March, he was convinced that the coronavirus was airborne and that it was more powerful and fast spreading in enclosed areas.

"Since I work inside the building, I have extensive knowledge and experience of working with airflow and lightings," he added.

And so, he is now working on an innovative approach to reduce the spread of Covid-19 in confined spaces.

"I have given presentations to a few organisations and they have shown interest in my solutions. I am not doing this for profit, but rather on humanitarian grounds as I have lost some of my close ones during these hard times," Chowdhury said.

He also plans to introduce Far-UVC lights, which scientists believe would be a new tool to control the spread of Coronavirus.

A wavelength of ultraviolet light, known as far-UVC, can safely kill superbugs such as the coronavirus and influenza without penetrating people's skin, according to radiation scientist David Brenner, the director of the Center for Radiological Research at Columbia University.

Chowdhury himself became infected back in May and after battling Covid-19 for over a month, during which he spent an extraordinary 12 days in the hospital, he recovered in late June.

Now, he regularly donates plasma to helping coronavirus patients that are undergoing treatment have a better chance at survival.

"My whole perspective on life has changed after my near death Covid-19 experience. So I am doing as much as possible to prevent its spread from my end," he said.

"I thought to myself: why not try to be like Giorgio Armani or any of the other legendary artists and build my own designs under my own brand name."

with my innovative technology and manufacturing ability," Chowdhury told The Daily Star in a recent interview.

However, he soon found a distaste for simply producing the designs of others.

"I thought to myself: why not try to be like Giorgio Armani or any of the other legendary artists and build my own designs under my own brand name," he said.

With that in mind, Chowdhury

travels, from art, from fashion, from anything beautiful I come across," he said, adding that when defining a space, he keeps the client's vision in mind from the start.

"By using technology, I make what was impossible yesterday, possible today," Chowdhury said.

As a complete turnkey for custom interior designs, KC makes wall, floor, ceiling and door panels alongside kitchen cabinets, closets, various furniture and home automation

Govt finalises draft of PTA with Bhutan

The preferential trade deal may be signed next month

REFAJET ULLAH MIRDHA

The government has finalised a draft of a preferential trade agreement (PTA) to be signed between Bangladesh and Bhutan within the next month.

The commerce ministry will place the final draft of the proposed agreement at the cabinet meeting, to be held tomorrow, for final approval, Commerce Secretary Jafar Uddin told The Daily Star over phone yesterday.

all formalities," the commerce secretary also said. Commerce ministers of the two nations will sign on behalf of their respective countries.

Under PTAs, some select goods enjoy duty benefits whereas under free trade agreements or FTAs, almost all do.

The rapid increase in PTAs has been a prominent feature of international trade policy in recent times.

PTAs constitute an exception to the general most-favoured nation (MFN) provision of the World Trade Organisation (WTO), where all WTO members impose on each other the same non-discriminatory tariff.

All WTO members, sans Mongolia, have signed at least one PTA. The interest in negotiating PTAs appears to have sustained despite the global economic crisis, the WTO also said.

Bhutan agreed to provide duty benefits on the export of 100 different Bangladeshi goods, including garments, processed agricultural goods and electronics.

On the other hand, 34 Bhutanese products, including fruits, will enjoy the same benefit in Bangladesh.

Being members of Saarc, trade between Bangladesh and Bhutan is on the rise as both countries have demand for each other's products.

Trade between Bangladesh and Bhutan, which amounted to \$26.52 million in fiscal 2012-13, reached \$57.90 million in fiscal 2018-19, according to data from the commerce ministry.

Currently Bangladesh has been negotiating with few other countries to finalise FTAs in order to enjoy duty free benefits even after its graduation from the least developed country (LDC) category, Uddin said.

For instance, a joint study is going on to sign the proposed Comprehensive Economic Partnership Agreement (CEPA) between Bangladesh and India.

Bangladesh needs to sign a CEPA with some countries as only signing the PTAs or FTAs will not work, he added.

The CEPA is a comprehensive partnership between the two countries, which also includes investment, whereas the PTAs and FTAs cover tariff issues.

So, the signing of a CEPA between Bangladesh and India can ensure more trade and investment between the two neighbours, he said.

READ MORE ON B3

Good governance, digitalisation can charge up stock market: analysts

STAR BUSINESS REPORT

Good governance, digitisation, earnings growth of listed companies and supportive macro-economy are the key to a sustainable stock market, analysts said yesterday.

Their comments came in a webinar -- Towards a sustainable capital market: the drivers of growth -- jointly organised by Bangladesh Merchant Bankers Association (BMBA) and Capital Market Journalists' Forum (CMJF).

The stock market should be healthy and

properly governed because only then people will come to the market, said Prof Shibli Rubayat Ul Islam, chairman of Bangladesh Securities and Exchange Commission (BSEC).

"Who will come with their hard-earned money in an ill market?"

"We are working on restoring good governance but we need stakeholders' active participation to reach the goal," he said at the event as the chief guest.

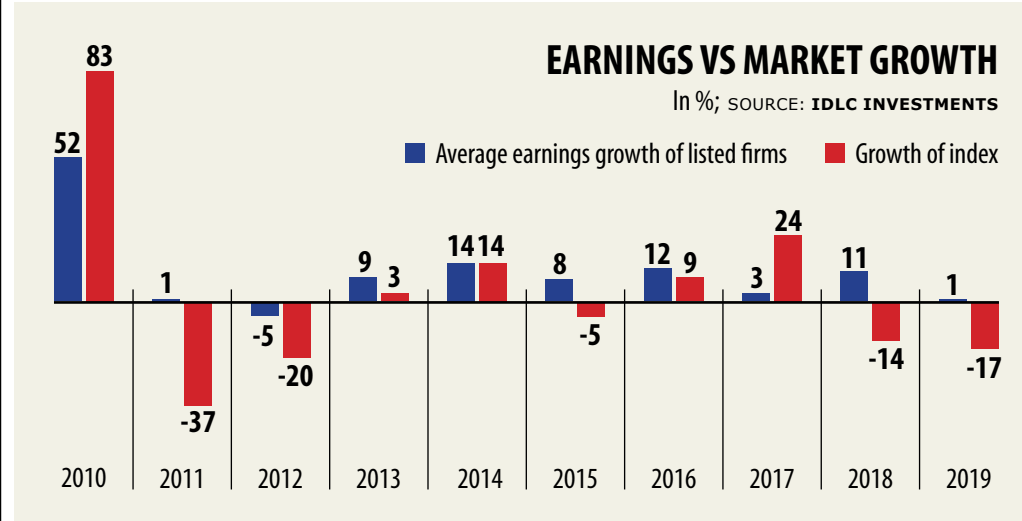
The BSEC wants to stop looting, cheating and all types of fraudulent activities in the stock market, but the commission alone cannot do it, he said.

"To diversify products of the market and make the market debt-based rather than equity-based, we approved many bonds," he said.

After taking over in May, the new commission led by Islam approved zero coupon bonds worth Tk 850 crore, subordinated bonds worth around Tk 3,500 crore and local bonds of Tk 100 crore.

The commission will allow stock brokers to open digital outlets abroad in order to attract non-resident Bangladeshis and foreign investors to the market, Islam said.

READ MORE ON B2



Workers halt container movement at Ctg port for 12 hours

STAFF CORRESPONDENT, Ctg

Container transport to and from Chattogram port remained suspended for 12 hours yesterday as workers running articulated lorries went on a sudden work abstention demanding appointment letters and protesting sacking of fellows from a private company.

The resumption came at about 6pm after a meeting was agreed upon today at 11am at the office of the assistant superintendent of police of Sitakunda to discuss the matter and reach consensus.

Fouzderhat-based MNM Transport Agency sacked 36 workers in the past couple of weeks, Md Abu Bakkar Siddique, general secretary of Chattogram Prime Mover-Trailer Sramik Union, told The Daily Star.

Moreover, the 18 private inland container depots (ICDs) in and around the port city and the port's six berth operators have not issued appointment letters even after signing relevant agreements with the union six months ago, he claimed.

However, Bangladesh Inland Container Depots Association (Bicda) President Nurul Qayyum Khan said they had started issuing appointment letters in March.



COLLECTED

READ MORE ON B2

Prime-movers are seen waiting idle at a private inland container depot in Chattogram yesterday.



KEY POINTS

- ▶ This is the first bilateral PTA of Bangladesh
- ▶ Bhutan may offer duty-free access to 100 Bangladeshi goods
- ▶ Bangladesh agreed on duty-free access to 34 Bhutanese items
- ▶ Bilateral trade was \$57.9 million in fiscal 2018-19

If the deal goes through, it would be the first formal PTA for Bangladesh with any country.

The signing of the PTA with Bhutan indicates that Bangladesh is pro-active in trade negotiation, said MA Razzaque, research director of the Policy Research Institute (PRI).

The signing of PTA with Bhutan has dual significance, including a historical legacy, as both members of the South Asian Association for Regional Cooperation (Saarc) have trade links between the two, he said.

In June, the ministry sent the terms and conditions of the PTA to the law ministry for vetting.

"With the cabinet's go-ahead, we can sign the deal anytime soon, preferably within a month after the completion of