



MGH appoints regional managing director for East, Southeast Asia

STAR BUSINESS DESK MGH Logistics yesterday announced the appointment of Eom Cheolwon Chris as regional managing director for South Korea, Vietnam, Cambodia and Thailand.

Chris previously worked at Ceva Logistics, DB Schenker and CJ Korea developing and managing supply chain services for large Korean global brands such as Samsung, LG, Hyundai and Kia.

"Chris Eom brings to MGH first-hand knowledge and expertise of managing the global supply chain of Korean global brands for over two decades," said Anis Ahmed, founder and group chief executive officer at MGH, in a statement.

"I have been fascinated by MGH's supply chain excellences extended to global brands like Inditex, C&A, Carrefour, Renault, PSA-Peugeot, and its strong presence in South Asia," said Chris.

Chris is based in MGH's regional headhunter in Ho Chi Minh City.

MGH Logistics describes itself as a Singapore-headquartered, Bangladesh-born sprawling conglomerate with interest in healthcare, fashion, and automotive supply chain management, redshirting, e-commerce and express last mile deliveries.

Samsung offers Pulse telemedicine

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Samsung Bangladesh has recently collaborated with telemedicine platform Pulse Healthcare Services, offering its MyGalaxy users discounts on video consultation and a customised annual healthcare package.

All video consultations of fees of Tk 500 and above will be eligible for a 15 per cent discount, according to a statement.

Available at Tk 1,000 rather than the regular price of Tk 1,200 for MyGalaxy users, the package offers discounts of Tk 300 on the first online video consultation, 5 per cent on medicine delivery and 20 per cent on home sample collection.

Idcol wins Asian Power Awards

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Infrastructure Development Company Ltd (Idcol) has recently won an Asian Power Awards 2020 in the "Solar Power Project of the Year-Bangladesh" category for implementing a solar irrigation pump (SIP) project.

The award was conferred through an event held digitally on October 27 organised by Asian Power, a Singapore-based quarterly magazine on power generation, transmission and distribution industries in the Asia Pacific region.

China's domestic jet fuel demand back to near pre-Covid levels

REUTERS, Singapore

China's domestic aviation fuel consumption rebounded to near pre-COVID levels in September, thanks to a fast recovery in passenger travel and cargo freight, although demand from international flights remained weak, industry sources said.

Domestic aviation fuel sales amounted to about 2 million tonnes (523,300 barrels per day) last month, the highest since February and slightly below January, said two sources with knowledge of the matter.

Domestic flights account for roughly two-thirds of China's overall consumption of the aviation fuel. The rebound in jet fuel demand has improved Chinese refiners' margins and enabled them to process more crude.

The platform is said to comprise specialised doctors from Bangladesh's renowned hospitals and to offer services including a fully integrated drug database, e-prescription, electronic medical record storage, online pharmacy and home sample collection.

"...we are trying to offer our users the benefits of wellbeing packages, especially during a health crisis like Covid-19," Md Muyeedur Rahman, head of mobile at Samsung Bangladesh

Rubaba Dowla, the platform's founder, said they had "800+ doctors and Pulse 24/7 doctor helpline" accessible "from anywhere and anytime".

The award recognises ground-breaking projects and trailblazing initiatives.

The project is the first green finance initiative for smallholder collectives and farmers in Bangladesh, now benefiting more than 60,000 farmers, says a press release.

Japan PM Suga to announce plan for fresh stimulus package to ease pandemic pain

REUTERS, Tokyo

Japanese Prime Minister Yoshihide Suga will announce next week a plan for fresh stimulus to help the recession-stricken economy shake off the coronavirus crisis, four government and ruling party sources with direct knowledge of the matter said.

Although the size of the package has yet to be decided, some ruling party lawmakers have already called for one of about 10 trillion yen (\$95.51 billion) to cushion the blow from the pandemic.

The bulk of the package will consist of about 7 trillion yen left over from a 10 trillion yen pool set aside to meet emergency needs to combat the pandemic, the sources told Reuters. The rest will be made up of new spending, they added.

The total size of the package will likely be smaller than a combined \$2.2 trillion rolled out in two earlier stimulus packages this year, they said.

"It's better to avoid making Japan's



Japanese Prime Minister Yoshihide Suga gives his first policy speech in parliament on an extraordinary session opens in Tokyo, Japan on October 26.

fiscal cliff even steeper" by ramping up near-term spending too much, one of the sources said.

The package is likely to include extensions to existing programmes offering subsidies to help companies keep jobs and address funding strains, the sources said.

The government is also expected to extend past January a campaign offering discounts to domestic travel to rescue the country's tourism

industry, the sources said.

A third extra budget will be compiled around mid-December to fund part of the package, they added. After posting its worst postwar contraction in the second quarter, Japan's economy is expected to have rebounded in the three months through September.

But the recovery has been patchy and fragile, as continued weakness in consumption and capital expenditure offset a rebound in exports and output, keeping policymakers under pressure to top up fiscal and monetary support.

Analysts, however, say the expected new stimulus package will have only a limited effect in boosting growth.

"The size of the package isn't expected to be that large," said Takeshi Minami, chief economist at Norinchukin Research Institute. "That means the measures will likely focus on putting a floor on growth, rather than stimulating the economy."

Take Chinese loans with skillful negotiations

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Since 2010, China has overtaken India to become the biggest import partner for Bangladesh, she said.

"In 2018, China was the largest trading partner of Bangladesh with a share of 18.94 per cent of the total trade. This was almost double the amount of trade with India and more than the trade with the USA and Germany combined," she noted.

China had replaced the US to become the top investor in Bangladesh in 2018. It held the position in fiscal 2018-19 with an investment of \$1.2 billion.

This was roughly 0.4 per cent of Bangladesh's GDP in fiscal 2018-19. Bangladesh is also receiving a number of investments under the Belt and Road Initiative (BRI).

The bulk of the investments have come following Chinese President Xi Jinping's visit to Bangladesh in October 2016.

China has been providing loan support for the implementation of a number of projects in Bangladesh, albeit at high interest rates, pointed out M Humayun Kabir, acting president of Bangladesh Enterprise Institute.

Citing an example, he said Sri Lanka has already raised the issue of interest rates of Chinese loans and the same type of high-interest projects are being implemented in Bangladesh.

However, he did not rule out the significance of Chinese investment in Bangladesh for further development of the country.

Prof AK Enamul Haque of economics department at East West University, emphasised on business-to-business connectivity to bring investments from China. He said there was immense scope for investment in high-tech companies.

Despite China being Bangladesh's largest trading partner, it is basically exporting huge amounts of goods rather than importing some, he said.

Prof Cheng Min of the Institute for Bangladesh Studies at the Yunnan Academy of Social Sciences, said Bangladesh offered the scope for investments as its economy was growing very fast.

She cited that Chinese investors were interested in power, leather and textiles sectors of Bangladesh.

Min expressed her belief that Chinese investment had the capacity to have an immense social impact and

reduce poverty in Bangladesh.

China is Bangladesh's most important economic partner, aiding the south Asian country's development, said Associate Prof Wang Shida, deputy director of the Institute for South Asian Studies at the China Institutes of Contemporary International Relations.

Bangladesh was benefitting from China availing assistance through different means such as for special economic zones and implementing big infrastructure projects, he said.

ANM Muniruzzaman, president of the Bangladesh Institute of Peace and Security Studies, echoed Sobhan on being skillful in loan negotiations, suggesting careful adoption of strategies when involving with the Chinese BRI.

China should provide support in building up skilled manpower and technology in Bangladesh and China's excellent startup expertise should be utilised in Bangladesh, he said.

Among others, Debapriya Bhattacharya and Prof Mustafizur Rahman, distinguished fellows at the CPD, and Habib ur Rahman, chief executive officer of HSBC Bangladesh, addressed the webinar.



Nur Mohammed, chairman of Jamuna Bank Foundation, and Mirza Elias Uddin Ahmed, CEO, open an ATM booth on Mohammadpur-Bosila road in Dhaka.

Another Tk 7,000cr for large industries, services sector

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The latest initiative taken by the central bank will help the country brighten its image internationally, Naser said.

The central bank asked banks to submit their loan disbursement plans under the stimulus package by November 5.

"The extension of the package will help the economy to a large extent," said Emranul Huq, managing director of Dhaka Bank.

The central bank introduced a Tk 30,000 crore stimulus package on April 12, allowing banks to receive an interest rate subsidy of 4.5 per cent on disbursed loans, which the end-users will get at 9 per cent.

The package was later expanded to Tk 33,000 crore so that export-oriented industries could pay wages and salaries to their workers.

Banks donate blankets to PM's relief fund

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Md Nazmul Hassan, chairman of Islami Bank Bangladesh; Morshed Alam, chairman of Mercantile Bank; MA Rouf, a director of Mutual Trust Bank; Md Abul Bashar, vice chairman of NCC Bank; Mohammed Adnan Imam, a director of NRBC Bank; HBM Iqbal, chairman of Premier Bank; Monzurur Rahman, chairman of Pubali Bank; Tariqul Islam Chowdhury, managing director of SBAC Bank; Anwer Hossain Khan, a director of Shahjalal Islami Bank; Kazi Akram Uddin Ahmed, chairman of Standard Bank; Faruq Mainuddin, managing director of Trust Bank; Anisuzzaman Chowdhury Ronny, chairman of the executive committee of United Commercial Bank, and ABM Mokammel Hoque Chowdhury, managing director of Union Bank, handed over the blankets on behalf of the respective banks.

More foreign investment needed to offset pandemic fallouts

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"Larive-LightCastle tie-up thus stands to complement our efforts and contribute to uplifting Bangladesh's standing and credential amongst international investors and facilitate market entry process for the potential Dutch investors."

Davinia Lamme, managing director of Larive International, expressed her optimism about the strategic partnership with LightCastle.

"By joining forces with the LightCastle team, we are well-positioned to support our client base in this fast-growing market," she said.

"Having already worked with Larive on several projects in Bangladesh, we are delighted to formalise our alliance," said Bijon Islam, CEO of LightCastle.

"We are thrilled about the partnership and look forward to serving an increasing number of foreign investors in Bangladesh."

Ivdat Ahmed Khan Mojlish, managing director of LightCastle; Matthias Brienen, a director of Larive International, also spoke at the event, which was organised by LightCastle Partners.

Zahedul Amin, director for consulting services at LightCastle, presented a keynote paper.

Both the organisations have agreed to co-organise a series of public events in the near future for promoting investment opportunities in Bangladesh for international investors.

Insurance investors come to senses; stocks finally take a tumble

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Beximco Pharmaceuticals traded the most with shares worth Tk 63 crore changing hands followed by Paramount Insurance, Provati Insurance, Global Insurance and Express Insurance.

Of the total 354 traded companies, 154 advanced, 135 declined and 65 remained unchanged.

The Chittagong Stock Exchange also rose yesterday, increasing by 14.91 points, or 0.17 per cent, to 8,319.7.

Of the total 256 companies listed with the port city bourse, 105 advanced, 101 dropped and 50 remained unchanged.

A harder squeeze on poor as coarse rice going beyond reach

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The meeting decided not to take any step to cut the price of rice as such a move would bring down the price of the staple to below the production cost of Tk 40 per kg and dishearten farmers to grow the cereal, said officials of the food and agriculture ministries.

The government would not also cut the duties imposed on rice imports either. Rather, it would boost the sales of coarse rice through the open market sale (OMS) and distribution of the item through other social safety net schemes.

Total import of food-grain was 6.44 million tonnes in FY2019-20, out of which rice was only 4,000 tonnes.

The government has set 0.6 million tonnes of food-grain import target for the ongoing fiscal year. Rice would account for 0.1 million tonnes, according to a document of the food ministry.

On Wednesday, Agriculture Minister Muhammad Abdur Razaque, however, said the government may need to import 5-6 lakh tonnes of rice and the decision would be taken after the Aman harvest.

"Initially, an initiative has been taken to import 2 lakh tonnes of rice," Higher prices in international markets and higher duties have prevented importers from bringing in the staple item.

In Thailand, the price of coarse rice rose to \$457 per tonne in October this year from \$387 in November last year. It was \$341 per tonne in Vietnam a year ago which went up to \$462 in October.

The price of coarse rice was more

stable in India: it was \$363 per tonne in November and edged up to \$369 in October, data compiled by the food ministry showed.

Private importers have not brought in any rice in the last one year. There is 62 per cent duty on rice imports, said Majumder.

Based on the estimates, there is approximately 70 per cent chance that the price of coarse rice would vary between Tk 38.39 and Tk 41.59 per kg from October to December, the FPMU said.

After the completion of the upcoming Aman rice harvest, the price would become stable as seen during the same period a year earlier, the report said.

Food Secretary Khanum said the government would not reduce the duty on rice imports as the cut would boost imports.

"If the price of rice goes down below the production cost, the farmers would not be interested to keep producing the coarse rice," she said.

The FPMC on Wednesday instructed the government to activate various social safety net programmes to support the poor and the vulnerable.

"We are widening the footprint of the OMS of rice," the food secretary said.

The government has distributed 20,000 tonnes of rice as of October 15 of the current fiscal year under the OMS programme, up from 1,000 tonnes during the same period a year ago.

Khanum said the distribution of rice through the Vulnerable Group Development (VGD) and Vulnerable

Group Feeding (VGF) programmes has not grown proportionately as cash is also provided as part of the initiatives.

The government distributed 100,000 tonnes and 101,000 tonnes of rice under the VGF and the VGD programmes as of October 15, which was 151,000 tonnes and 98,000 tonnes respectively during the same period a year ago.

In total, 600,000 tonnes of rice were distributed from July 1 to October 15, down from 666,000 tonnes year-on-year, data from the food ministry showed.

Zahid Hussain said the increase in the price of coarse rice is a double whammy for the poor and low-income families at a time when incomes are either stagnant or declining largely due to the pandemic.

Whether or not collusion between the large players has led to the price increase, this is something the authorities need to look into very carefully, he said.

The government should consider reducing or even removing the high duty on the import of rice and making it easier for new players to enter the market, Hussain said.

"This will increase the contestability of the market and make it risky for the existing large players to engage in profiteering by hoarding."

Management of the food-based safety net programmes also needs to improve, he said.

"This will help the poor and the vulnerable and also help keep the market price of rice stable. Assistance to farmers will also be important to incentivise increased supply."

India keen to establish greater economic ties with Bangladesh

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The envoy also said that India wants to mutually develop those sectors in Bangladesh, not as a competitor as India has huge experience in those sectors, the industries ministry said in a statement yesterday.

During the meeting, issues like increasing bilateral trade, export of Bangladeshi goods to Indian markets and trade through land ports between the two countries was also discussed.

They also shed light on the easing of rules for exporting goods from Bangladesh and mutual recognition of the certifications of standards of goods, according to the statement.

Humayun said the bilateral relationship between the two countries is like a blood bond.

Bangladesh will work together with India in regards to different regional and international issues, the minister said.

Humayun said his government has been working sincerely to increase trade with India.

He assured that Bangladesh will utilise the Indian expertise in development of different growing industrial sectors.

Govt plans incentives for synchronised cultivation

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Under the initiative, the size of each plot for the synchronised cultivation will be 50-60 acres, as decided by the ministry.

In the first year, the agriculture ministry will provide fertilizer, seed, irrigation and harvesting support to farmers who join the community cultivation.

"We are planning to start encouraging farmers for synchronised cultivation from the next Boro cultivation season," Islam said.

The agriculture ministry is drafting a policy to this effect.