

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.39%	▲ 0.37%	\$1,856.23	\$49.02	▲ 0.40%	▲ 1.13%	▲ 0.62%	▼ 1.12%	BUY TK 83.95	100.79	111.38	12.72
5,069.88	8,746.30	(per ounce)	(per barrel)	45,608.51	26,817.94	2,843.07	3,371.96	SELL TK 84.95	104.59	115.18	13.37

**OPENING**  
of  
**BAKALIA BRANCH**  
10 December, 2020

Epic Noor Landmark  
204 Miakhan Road  
Bakalia, Chattogram

Call Center  
16491

SIBL  
Sri Lanka International Bank Limited

# Star BUSINESS

DHAKA THURSDAY DECEMBER 10, 2020, AGRAHAYAN 25, 1427 BS • starbusiness@thedailystar.net

## Leather goods exporters in tight spot

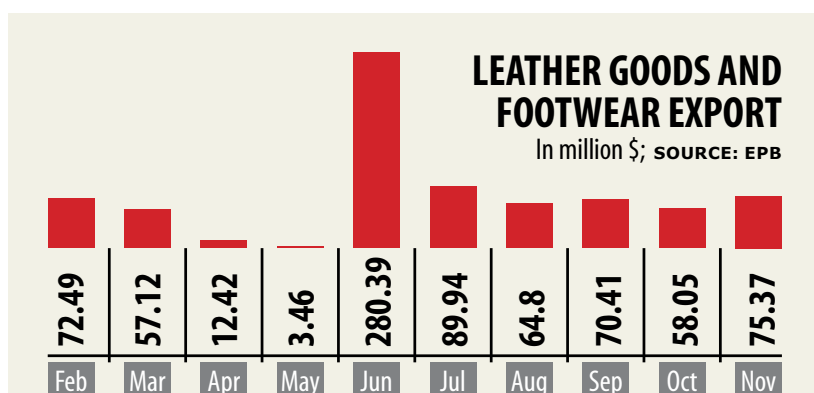
Orders may plunge 50pc this year for pandemic, say insiders

JAGARAN CHAKMA

Leather goods and footwear exporters will continue to face serious hardships amid the ongoing pandemic as the declining export orders have led to a capital shortage in the sector, according to industry insiders.

Export orders may plunge by more than 50 per cent this year, which would make it difficult for companies to continue operations after facing losses for the last eight months, they said.

Besides, there is no immediate solution to the current crisis, for which many small manufacturers will have to shut down their factories, they said.



However, the exporters could not provide reliable figures on the number of orders received this season as they do not compile such records.

Rubina Akhter Munni, owner of Design by Rubina, said she lost sample orders worth around Tk 1 crore from international buyers due to the Covid-19 fallout.

"Now, I do not have any orders from abroad. I even had to terminate some staff due to a capital shortage," she said.

"I fell into trouble just when my business started to flourish ahead of the pandemic. I am not sure when I will recover from this crisis," Munni added.

READ MORE ON B3

## Maiden wind power project in private sector

55MW plant to be set up by China-Bangladesh consortium

REJAUL KARIM BYRON

The government yesterday approved a proposal to set up a 55-megawatt wind power plant in Bagerhat, a move that may give a much-needed fillip to its efforts to tap the country's unrealised renewable energy potential.

The cabinet committee on purchase gave its consent to the proposal from a Chinese-Bangladeshi consortium to set up the plant on a build-own-operate basis under a contract with the Bangladesh Power Development Board (BPDB).

Law Minister Anisul Haq chaired the meeting.

The consortium of Envision Energy (Jiangsu) of China, SQ Trading and Engineering of Bangladesh, and Envision Renewable Energy of Hong Kong will establish the plant.

The BPDB will buy electricity from the plant at a tariff of \$13.20 cents, or Tk 10.56 per kilowatt-hour unit for 20 years, Abu Saleh Mostafa Kamal,

**AT A GLANCE**

- Govt to buy electricity at Tk **10.56** per kilowatt-hour unit for **20** years
- Three wind turbines with **3MW** in combined capacity are now in operation
- Installed capacity for renewable energy stands at **650.53MW**
- Bangladesh's southern coastal belt offers potential for generating power through wind, finds a study

additional secretary of the cabinet division, told reporters after the cabinet meeting. The consortium was the lone bidder for the project, said a BPDB official, news agency UNB reported. Bangladesh is yet to significantly

exploit its potential in wind power even though studies have found that the country could generate a handsome amount of electricity from the clean source of energy.

READ MORE ON B3

## Sonali Life Ins gets nod to go public

First Security Islami Bank to issue Tk 600cr bond

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission has allowed Sonali Life Insurance to go public and raise Tk 19 crore from the country's stock market.

The decision was taken during a commission meeting held yesterday.

This is the fourth insurance company to have its initial public offering (IPO) approved by the market regulator in 2020.

The other three are: Express Insurance, Crystal Insurance and Dosh General

Insurance.

Local insurers began to issue their IPOs after Finance Minister AHM Mustafa Kamal announced in September that insurance companies would lose their licences if they failed to go public within three months.

As per Sonali's IPO, the company will issue 1.9 crore ordinary shares at a face value.

The insurer will utilise its IPO proceeds to buy government treasury bonds, keep a fixed deposit and invest in the stock market, according to a BSEC press release.

READ MORE ON B3

## Prime Bank MD resigns days before contract's expiry

STAR BUSINESS REPORT

The managing director of Prime Bank has resigned just days before his three-year contract is scheduled to expire, citing that it was for "personal reasons".

"I have taken the decision in order to embrace a new opportunity and challenge in the interest of my career in the days ahead," said Rahel Ahmed, one of the youngest chief executive officers in the banking sector.



Rahel Ahmed

READ MORE ON B3

## Govt to import 50,000 tonnes of rice

STAR BUSINESS REPORT

The government yesterday gave its nod to a proposal to buy 50,000 tonnes of parboiled rice from abroad as part of its effort to augment public food stock.

The initiative also aims at helping the government intervene in the market through social safety net schemes to curb volatility in the price of the staple.

Indian company Rika Global Impex Ltd got the contract to supply the food grain

at \$404 per tonne, said Abu Saleh Mostafa Kamal, additional secretary of the cabinet division, after a meeting of the cabinet committee on purchase.

In the local currency, the price will be Tk 34.28 each kilogram. Law Minister Anisul Haq chaired the meeting.

The Indian supplier was the lowest bidder. The highest bid was \$423.95 per tonne, said an official of the food ministry.

READ MORE ON B3

**HONOURING  
OUR BUSINESS LEADERS  
WITH THE PRESTIGIOUS**



Date: Saturday, December 12, 2020  
Time: 6:30 pm

The programme will be virtual



**KEYNOTE SPEAKER**



**Binod Chaudhary**

Chairman, CG Corp Global

Binod Chaudhary is the chairman of CG Corp Global, a multi-dimensional conglomerate with a complementary business portfolio that comprises over 169 companies and 79 brands in 24 countries across the globe, including- China, Thailand, Nepal, India, Sri Lanka, Africa, Dubai and Hong Kong.

He has controlling shares in the largest bank in Nepal and numerous hotel investments, joint ventures and brands worldwide — like Taj Hotel and Resorts, Zinc Hotels and the ultimate wellness destination, The Farm at San Benito.





**Ibrahim Khaled joins Pubali Bank as independent director**

**STAR BUSINESS DESK**  
Prominent banker, economist and former deputy governor of Bangladesh Bank Khondkar Ibrahim Khaled has joined Pubali Bank as an independent director.  
He was the managing director of Pubali Bank from 2001 to 2006. Khaled has been associated with the banking system of Bangladesh for nearly six decades. He was the deputy governor of Bangladesh Bank from 1998 to 2001. He also served as the chairman of the board of directors of Bangladesh Krishi Bank. He has been the director, president of the executive council and a member of the trustee board of the Central Kachi-Kanchar Mela since 2000.  
Born in Gopalganj in 1941, Khaled holds a master's degree in geography from the University of Dhaka and another in business administration from the Institute of Business Administration.

# Standard Chartered, UCEP launch reskilling project for vulnerable individuals

**STAR BUSINESS DESK**

Standard Chartered and UCEP Bangladesh have jointly announced the launch of a re-skilling and employment reintegration programme for economically vulnerable individuals who have lost their livelihoods due to the impact of Covid-19.  
Under this initiative, UCEP Bangladesh will conduct a rapid needs assessment study to identify the skills gaps in both formal and informal sectors, and the opportunities created by the disruptions caused by Covid-19.

## Standard Chartered

Based on the findings of this study, demand-driven training programmes will be developed that prepare participants with the skills to best meet current and future demands of the job market.  
The graduates will then go through a job placement programme to complete their reintegration within the economy.  
"Covid-19 is a once-in-a-century challenge that has forced us to rethink our way of life. It is also a generational opportunity, a chance to mould the new normal on our own terms, building a more resilient and equitable society," said Naser Ezaz Bijoy, CEO of Standard Chartered Bangladesh.  
"Partnership with UCEP is our attempt to help the pandemic-impacted workforce to become future fit and to get reintegrated as gainfully employed workforce to contribute in our beloved nation's next journey towards prosperity."  
Tahsinah Ahmed, executive director of

UCEP Bangladesh, said, "The Covid-19 pandemic has opened up opportunities in the domestic market especially in the health, agriculture and technology sectors."  
"Standard Chartered has been supporting UCEP Bangladesh in skilling and upskilling of youth, especially females in demand-oriented occupations," she said.  
"Through this new partnership, UCEP Bangladesh will reintegrate the youth and adults who have lost their jobs due to Covid-19 with wage and self-employment through Recognition of Prior Learning assessment, upskilling and entrepreneurship development training," she said.  
"Food aid will also be provided," she added.  
Standard Chartered is currently focusing its community support measures in five key areas.

One is over providing life-sustaining food and hygiene support to 120,000 individuals, providing 3,600,000 meals and personal hygiene material through Bidyanondo Foundation, BRAC and Kumudini Welfare Trust.  
Another is supporting lifesaving medical services for 560 critically-affected Covid-19 patients through Sajida Foundation and Bidyanondo Foundation.  
The third is supporting livelihoods of 2,000 farmers by directly sourcing 200 tonnes of fresh produce and delivering them free of cost to 200,000 direct beneficiaries with OBHIZATRIK Foundation.  
The fourth is supporting education by contributing Tk 109,135,000 to the Unicef to be used for protection measures and remote education of vulnerable children.  
The last is on supporting the healthcare workers fighting on the frontlines by contributing Tk 25,185,000 to Red Cross programmes.



**MD Rafiqul Alam, managing director of BASIC Bank, launches a dual currency contactless Visa credit card at its head office in Dhaka recently.**

## Use Dutch expertise in deep-sea fishing, shipbuilding

**FROM PAGE B4**  
Addressing the programme, Dutch Ambassador to Bangladesh Harry Verweij said their companies had the scope to make joint investments with Bangladeshi ones.  
He recommended enabling more flexibility to develop the business environment in Bangladesh.  
Verweij also expressed his interest in supporting Bangladesh to tap into its potentials of the water and maritime economy.  
M Riaz Hamidullah, Bangladesh ambassador to The Netherlands, said the technology and innovative solutions of Dutch companies could tap into the economic possibilities of riverine routes and develop the infrastructure of river ports which was environmentally friendly and a cheaper mode of transport.  
He also saw good potential in growing the shipbuilding industry

with the help of Dutch companies.  
Even Dutch and Bangladeshi companies can go for joint ventures in deep sea fishing which is still untapped, he said.  
Saiful Islam, chairman of Western Marine Shipyard, said the Dutch companies could come to invest in joint ventures into Bangladesh's experience in building different kinds of ships, including sea bound trawlers and big ships.  
He also saw a great opportunity in utilising waterways in Bangladesh to reduce logistical costs of business.  
Zahedul Amin, co-founder and director of LightCastle Partners, in a presentation said dredging by the government was likely to increase the length of round-the-year navigable river waterways from the current 6,000 to 7,000 kilometres.  
Inland riverine transportation can outpace road and rail transportation

across Bangladesh and develop competitive, efficient supply chains attractive to businesses, he noted.  
"Our traditional boats and vessels run on single stroke diesel engines. Netherlands have long since switched to LNG engines. Conversion of engines and making vessels spill-proof is a huge opportunity," he said.  
He also said the private sector of Bangladesh has few vessels and lacks the knowledge and technology for deep sea fishing. Bangladesh Delta Plan, which would take nearly \$37 billion to implement, has good scopes for partnerships in physical infrastructure development, he said.  
Moderated by Mattias Brien, director of Larive International, the webinar was also addressed by Albert Hoek, an exclusive senior consultant of Broekman Logistic and Win Rietman, area sales manager of Nijhuis Industries.



**MD Ahsan-uz Zaman, CEO of Midland Bank; MD Ridwanul Hoque, head of retail distribution, and Bidyut Kumar Basu, CEO of development organisation Uddipan, pose at a deal signing ceremony at the bank's corporate head office in Dhaka on Monday. Uddipan will use Midland Cash Management application for conducting their daily business banking and cash management activities nationwide.**

**Government of the People's Republic of Bangladesh**  
Directorate of Food  
Ministry of Food  
16, Abdul Gani Road, Dhaka  
Website: [www.dgfood.gov.bd](http://www.dgfood.gov.bd)

Dated: 09/12/2020

No. 13.01.0000.093.46.004.20-1722

### International Quotation Notice for Import of Non-Basmati Parboiled Rice (Package-03) under 2020-2021

International quotations in sealed cover are invited from bonafide traders for supply of 50,000 (Fifty thousand) (±5%) Metric Tons of Non-Basmati Parboiled Rice. The particulars of international quotation are furnished below:

Government of the People's Republic of Bangladesh			
1	Ministry/Division : Ministry of Food.		
2	Agency : Not applicable.		
3	Procuring entity name : Director Procurement.		
4	Procuring entity code : Not applicable.		
5	Procuring entity district : Dhaka.		
6	Invitation for : Procurement of 50,000 MT (±5%) Non-Basmati Parboiled Rice.		
7	Invitation Ref. No. : 13.01.0000.093.46.004.20-1722		
8	Date : 09/12/2020		
<b>KEY INFORMATION</b>			
9	Procuring method : International Request for Quotation.		
<b>FUNDING INFORMATION</b>			
10	Budget and source of fund : GoB fund.		
11	Development partners (if applicable) : Not applicable.		
<b>PARTICULAR INFORMATION</b>			
12	Project/ programme code (if applicable) : Not applicable.		
13	Project/ programme name (if applicable) : Not applicable.		
14	Package No. : Package-03		
15	Package name : Procurement of 50,000 MT (±5%) Non-Basmati Parboiled Rice.		
16	Notice publication date : 10/12/2020		
17	Document last selling date : 21/12/2020 up to 4.00pm (BST).		
18	Closing date and time of submission of quotation : 22/12/2020, Time: 1:00pm (BST).		
19	Quotation opening date and time : 22/12/2020, Time: 2:30pm (BST).		
20	Name and address of the office(s): Selling quotation documents : Office Chamber of Director (Procurement), Room No. 501, Directorate General of Food, 16, Abdul Gani Road, Dhaka. Receiving place of quotation : 1) Office Chamber of Director (Procurement), Room No. 501, Directorate of Food, 16, Abdul Gani Road, Dhaka. 2) Office Chamber of Joint Secretary, Room No. 114 (1st Floor), Building No. 04, Ministry of Food, Bangladesh Secretariat, Dhaka. Opening place of quotation : Office Chamber of Additional Director (Procurement), Room No. 517, (5th Floor), Directorate General of Food, 16, Abdul Gani Road, Dhaka.		
21	Place/date/time of pre-tender meeting (optional) : Not applicable.		
<b>INFORMATION FOR TENDERER/QUOTATIONER</b>			
22	Eligibility of quotation : Necessary papers to be submitted complying the conditions mentioned in the quotation documents.		
23	Brief description of goods or works : 50,000.00 (Fifty thousand) (±5%) MT of Non-Basmati Parboiled Rice at Chattogram and Mongla Port on CIF Liner Out term at both ends (Cost of the Cargo, Insurance and Freight including Stevedoring are on seller's account. Lighterage, if any, is also on seller's account). <b>Single price per MT is to be quoted in US\$ for both Chattogram Port and Mongla Port. Quantity must be supplied 60% for Chattogram port &amp; 40% for Mongla port.</b>		
24	Brief description of related services : Not applicable.		
25	Price of tender document (Tk) : Tk 5,000 (five thousand) or USD 100 (one hundred) non-refundable by Pay Order/Bank Draft drawn in favour of Director General, Directorate of Food. Mode of payment : Through Letter of Credit (L/C). Crop year : 2020 or latest. Validity of the offer : Up to 17.00 hrs. BST on 06/01/2021.		
<b>26. Quality &amp; Specification</b>			
Quality parameters	Specification	Margin of tolerance with claim for deviation beyond specification	Rejection
Moisture (Maximum)	13.0%	14.0%	above 14.0%
Broken grain (Maximum)	5.0% (Rice of size 3/4th and below will be considered as broken and less than 1/4th broken should not be more than 2%)	6.0% (Rice of size 3/4th and below will be considered as broken and less than 1/4th broken should not be more than 3%)	above 6.0%
Foreign matter (Maximum)	0.3%	0.5%	above 0.5%
Dead, damaged & discoloured grains (Maximum)	3% in total	4.0%	above 4.0%
Radio-Activity (Maximum)	50 Bq/Kg of 137Cs/134Cs (Relaxable for the crop of SAARC and South-East Asian country)	50 Bq/Kg of 137Cs/134Cs (Relaxable for the crop of SAARC and South-East Asian country)	above 50 Bq/Kg of 137Cs/134Cs
All the parameters must be limited to percentage mentioned against each item individually and separately.			
Pack No.	Identification of shipment	Country of origin	Location
Pack-03	50,000 MT (±5%) Non-Basmati Parboiled Rice on CIF Liner out term	Any country of the world except Israel	Chattogram port-60% and Mongla port-40%
Tender security amount (US\$)		Completion time in weeks/months	
US\$ 5,00,000 in favour of Director General of Food for 50,000 MT Parboiled Rice (±5%) in the form of a Bank Draft/Pay-Order		40 (forty) days from the date of signing of the contract	
<b>PROCURING ENTITY DETAILS</b>			
27	Name of official inviting quotation	Director (Procurement).	
28	Designation of official inviting quotation	Director (Procurement), Room No. 501, Directorate of Food, 16, Abdul Gani Road, Dhaka.	
29	Address of official inviting quotation	Office Chamber of Director (Procurement), Room No. 501, Directorate of Food, 16, Abdul Gani Road, Dhaka.	
30	Contact details of official inviting quotation	Phone: +88-02-41050178 E-mail: <a href="mailto:dproc@dgfood.gov.bd">dproc@dgfood.gov.bd</a>	
31	(i) Incomplete, conditional quotation and alternate offer shall not be considered. The procuring entity reserves the right to accept or reject all quotations partly or wholly without assigning any reason. (ii) Quotationer who has been awarded two LOIs (Letter of Intent) awaiting signing the contract or has signed two contracts but shipment under any of the contracts has not yet set sailed for destination, will not be eligible to participate in the quotation; (iii) Quotationer who had been awarded LOIs (Letter of intent) earlier but could not execute contract by submitting PG (Performance Guarantee) on time, will not be eligible to participate in the next two quotations; (iv) Quotationer whose bid-bonds had been forfeited twice for not submitting PG or signing contract on time, will not be eligible to participate in the quotation for the rest period of the current financial year, whether the money accruing from the bid-bonds so forfeited is deposited to the Government Treasury or not; (v) Quotationer whose whole PG (Performance Guarantee) had been forfeited for non-supply of the contracted quantity, will not be eligible to participate in the quotation for the rest period of the current financial year, whether the money accruing from PG so forfeited is deposited to the Government Treasury or not.		

**Md. Anis-uz-Zaman**  
Director (Procurement)  
Phone: +88-02-41050178  
E-mail: [dproc@dgfood.gov.bd](mailto:dproc@dgfood.gov.bd)

**Government of the People's Republic of Bangladesh**  
Local Government Engineering Department  
Office of the Executive Engineer  
District: Magura  
[www.lged.gov.bd](http://www.lged.gov.bd)

শেখ হাসিনার মূলনীতি  
গ্রাম শহরের উন্নতি

Memo No. 46.02.0055.000.07.011.19-3301 Date: 09-12-2020

### Invitation for Tender (Works) Tender Notice No. 10/2020-21

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for Fourth Primary Education Development Program (PEDP-4) 01 No. under District: Magura.

Sl No.	Tender ID No.	Name of works	Last selling date & time	Closing date & time	Opening date & time	Procure ment method
01	526116	e-Tender/PEDP-4/MAG/SAD/2020-21/W11.040 Construction of Academic cum Administrative Building at Magura PTI 04-Storeied Building with 06-Storeied Foundation under Sadar Upazila Dist Magura. Category: Building construction work; Works for complete or part construction and civil engineering work;	12-01-2021 16:00pm	13-01-2021 12:00pm	13-01-2021 12:00pm	(OTM)

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted.  
To submit e-Tender, registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online branches of any registered bank branches.  
Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

**Md. Shariful Islam**  
Executive Engineer  
LGED, Magura  
Phone: 0488-62536  
E-mail: [xen\\_magura@lged.gov.bd](mailto:xen_magura@lged.gov.bd)

GD-1971





Mahmudul Hasan Khusru ICAB gets new president, vice presidents

STAR BUSINESS DESK The Institute of Chartered Accountants of Bangladesh (ICAB) has elected Mahmudul Hasan Khusru as president and Sidhartha Barua, Md Abdul Kader Joaddar and Maria Howlader as vice presidents for 2021.

No model for sale here, but India's small investors flock to Tesla stock

REUTERS, Mumbai

Mom-and-pop Indian investors increasingly buying US stocks have been drawn to a company that has no presence in India so far: electric car maker Tesla Inc.

Indians are placing bigger-than-ever bets on US stocks this year as the American stock market has recovered faster than markets in India and other emerging nations following a crash sparked by the coronavirus pandemic.

While firms such as Apple, Amazon and Facebook - which have a significant presence in India - are popular among Indian investors venturing into US stocks, data from brokerages shows Tesla has emerged as a new favourite.

Indian brokerage Vested Finance said its accounts held \$2.5 million worth of Tesla stock in November, up from just \$76,000 at March-end. Another brokerage firm, Stockal, said its clients' Tesla holdings have quadrupled to \$10 million during the period.

Tesla shares surged around 450 per cent during that time.

"Some investors have just created accounts to be able to invest in Tesla," Vested's CEO Viram Shah said. "We would have never imagined that a company which is not even present in India would be the most popular."

The frenzy around the stock comes



Tesla Inc CEO Elon Musk dances onstage during a delivery event for Tesla China-made Model 3 cars in Shanghai, China.

as Tesla CEO Elon Musk has signalled an India launch is impending. Musk in October tweeted the electric car maker will foray into India "next year for sure", and had earlier tweeted about a 2020 launch.

Tesla's plans of a possible launch come when India is becoming focused on promoting the use of electric vehicles, even though Musk has previously flagged concerns around high Indian import duties.

Gaurav Jhunjhunwala, 33, became a Musk fan after reading his biography and has even paid \$1,000 in booking fees to get Tesla's Model 3 electric sedan whenever it launches in India. While that wait has been long, he invested \$100,000 in Tesla shares in May, and buys 30 shares every other week.

"I just like the way the guy (Musk) thinks," Jhunjhunwala said. "He is trying to make the world a better place."

Leather goods exporters in tight spot

FROM PAGE B1 Tipu Sultan, chairman of Bengal Leather Complex, said the main obstacle faced by the leather sector is a lack of compliance at a time when the Covid-19 has significantly reduced exports.

There is also a lack of planning to develop the sector's backward linkage industries, he added.

According to Sultan, exporters are paid 30 to 40 per cent less for their products due to the sector's non-compliance with international standards.

"The sector will capsize gradually as there is no proper plan for ensuring compliance or a solution," he said.

The current export volume of finished or semi-finished leather came down to \$90 million while it was \$350 million in 2014, the chairman added.

"We usually receive orders for next summer season during this time. The present shipment is from an earlier order," said Nasir Khan, chairman and managing director of Jennys Shoes, a manufacturer and exporter of leather footwear.

"At this moment, my orders have a 30 per cent year-on-year fall," he added.

Khan, also vice-president of the Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB), went on to say that he does not know when exports would return to normal as the buyers have no interest to place orders amid the global threat of a second wave of the Covid-19.

The retailers in the EU and the US that source products from Bangladesh are placing an insignificant number of orders. Besides, most entrepreneurs related to the industry were unable to avail any financial support from the government's stimulus packages, which has led to a shortage of working capital in the sector.

Khan said lenders often claim to have insufficient funds to make disbursements.

According to the LFMEAB vice-president, there is no way for the sector to revive exports immediately, and the ongoing crisis will continue up until a vaccine hits the market.

Mohammed Nazmul Hassan Sohail,

managing director of Leatherex Footwear Fashion, said the sector's future in terms of export is quite unpredictable and no one knows when it will return to normal.

"The buyers have no option here since they had to shut down their stores due to a decline in sales," he said.

Meanwhile, a potential second wave has slowed down the sales of leather products, Sohail added.

According to him, consumption declined around 40 per cent while production fell 50 per cent amid the pandemic.

Leather products are formal items, and so, customers do not want to spend heavily on these items while incomes have declined as well.

"We don't know what we should do at this moment. But we are giving salary to the employees," Sohail said, adding that companies are adopting different strategies to survive.

The government and the manufacturers will have to work hand in hand to overcome this crisis, he said. Sohail fears that certain export-oriented companies, particularly small manufacturers, would be compelled to close their factories if the situation lasts for another six months.

"Now the situation has reached a stage where it is tough to repay instalments on bank loans," he said. Exporters lost their winter orders as a result of the Covid-19 fallout, which is evident from the data of the Export Promotion Bureau. However, Rajan Pillai, chief executive officer at Apex Footwear, said the situation might gradually get better despite the current hard times.

But if the 165 footwear and leather factories currently operating in Bangladesh were compliant and used modern technologies, they could fetch up to \$5 billion in export receipts, according to the LFMEAB.

Bangladesh's leather sector is failing to make it big internationally even though the country has an abundance of rawhide and a skilled workforce.

Of the country's total production, only 30 per cent of finished leather is consumed locally while the remaining 70 per cent is exported, mostly to China.

Govt to import 50,000 tonnes of rice

FROM PAGE B1

This was the second tender from the government in the last one month as it was not getting enough responses from farmers and millers to supply paddy and rice respectively at its fixed prices because of soaring prices in the local market.

Last month, the Directorate of Food invited bids to buy the grains from external sources.

The food office also could not attain the target on the procurement of rice and paddy from the Boro harvest.

But instead of hiking its rice and paddy purchase prices from local markets during the current harvest of Aman crop, the food ministry is turning to international markets to buy the grain. In the first phase, it plans to buy 300,000 tonnes of rice out of a target of up to 5 lakh tonnes to replenish the public food stock, said Food Secretary Mosammat Nazmanara Khanum earlier this week.

As of December 7, the stock of foodgrains in the state-run warehouses was 7.9 lakh tonnes, down 43 per cent from 13.87 lakh tonnes on the same day a year ago, food ministry data showed. Until the date, the Directorate of Food has managed to buy only 53 tonnes of paddy out of its target of 200,000 tonnes from local growers.

When it comes to rice, it has been able to procure 3,476 tonnes from millers out of 600,000 tonnes targeted.

Prime Bank MD resigns days before contract's expiry

FROM PAGE B1

Promoted to the top executive post of the second generation bank in December 2017, his contract with the bank is scheduled to end on December 13.

Ahmed earlier served the bank as a deputy managing director and chief business officer.

Contacted by The Daily Star, Ahmed said he forwarded his resignation letter to the bank's board on December 7.

The board had offered him a second term in September, he claimed. "But, I am unwilling to continue my job at the bank further," he said.

However, sources said the board was not interested in renewing his contract.

Govt takes \$40m infrastructure project for exporters

FROM PAGE B4

It will also develop waste management facility, recycling centres, power transmission, telecom connectivity lab services and warehouse facilities, according to project papers.

However, all these infrastructure facilities would be built upon applications by the potential beneficiaries in any industrial cluster areas.

For instance, there is a big cluster of 50,000 light-engineering firms only at the Dholaikhal area in Dhaka.

Many of the small and medium enterprises (SMEs) are involved in the export of light-engineering products from this area, but they have been facing a lot of troubles for poor infrastructure.

If the problems of infrastructures in this particular area are resolved, the exporters will be able to ship their goods with little effort and cost, the project papers read.

Currently, there are many light-engineering industrial clusters across the country to meet both domestic and international demand.

"So the government should also include the industrial firms, which are producing goods for the local markets as well," said Abdur Razaque, president of Bangladesh Engineering Industry Owners' Association (BEIOA).

He demanded establishment of a testing lab, international standard accreditation board and a separate

office of the BEIOA at Dholaikhal area to ease export of light-engineering products and lower the cost.

This little help from the government will encourage many small entrepreneurs to dream big, create thousands of jobs for others and boost exports, he said.

Nearly 80 per cent of the country's small and medium plastic toy factories are located at Lalbagh and Islambagh areas in Dhaka, said Md Jashim Uddin, president of the Bangladesh Plastic Goods Manufacturers and Exporters Association.

"Many of them export goods directly from their factories," he said. Currently, Bangladesh exports over \$950 million worth of plastics products a year.

He said a separate plastic industrial park was going to be built at Keraniganj area as the demand for the plastic goods from both local and international buyers were increasing.

In the past six consecutive years, the leather and leather goods sector has been exporting over \$1 billion worth of products, said Md Saiful Islam, president of the Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh.

Last year, it missed the \$1 billion-mark because of the shifting of tanneries from Dhaka's Hazaribagh to Savar Tannery Industrial Estate.

Moreover, the lack of a central effluent treatment plant in the estate

has limited the amount of quality tanned leather available for making exportable goods, leading to a loss in business opportunities worth a few billion US dollars, he said.

The timely supply of raw materials from eco-friendly tanneries will help a lot in shortening the lead time set by the international retailers and brands, Islam also said.

Commerce Secretary Md Jafar Uddin said the government has taken such an initiative mainly to help the local exporters become competitive globally.

The competition in the global market has increased a lot over the years keeping pace with the demand from the local markets, he said.

The government wants market and product diversification for exports, said Commerce Minister Tipu Munshi. "Depending on a single product like garment will not be wise for a long time. So, product diversification is a must."

He said some potential sectors like light-engineering, leather and leather goods and plastic goods could turn into big export sectors in the future.

The government has been encouraging export diversification of other goods, keeping its priority on the garment sector, he said.

Pharmaceuticals, jute and jute goods and leather goods sectors also have the potential to grow big like the garment sector, the minister said.

Maiden wind power project in private sector

FROM PAGE B1

Three wind turbines with a combined capacity of 3MW have been in operation for the last few years in Feni and the coastal Kutubdia, according to the Sustainable and Renewable Energy Development Authority (Sreda).

The installed capacity for renewable energy stands at 650.53 MW with solar energy accounting for 416MW and hydropower 230MW.

Bangladesh's southern coastal belt offers potential for generating power through wind, according to a study by the US Department of Energy's National Renewable Energy Laboratory.

The study, carried out on behalf of the power division, found that coastal areas of Khulna, Barishal and Chattogram divisions have more than 6 metres per second (m/s) wind speed at 120-metre height, which is

sufficient for generating electricity.

For wind speeds of 5.75-7.75 m/s, there are more than 20,000 square kilometres of land with a gross wind potential of more than 30,000MW, the study said.

The BPDB signed a contract in March 2015 to award a 60MW wind power project to US-DK Green Energy (BD), a joint venture of Taylor Engineering Group of the US, PH Consulting Group of Denmark and Multiplex Green Energy of Bangladesh, to set up the plant at Kurushkul in Cox's Bazar.

But the sponsor failed to implement the project in the last five years, according to LINB.

The state-run Rural Power Company is working to set up a 10MW plant in Kalapara of Patuakhali. The plant is scheduled to begin electricity generation on December 31, 2022, according to the Sreda website.

VAT automation to take six more months

FROM PAGE B4

"We have posted the list of shops that are already using EFDs so that shoppers can visit them to take part in the lottery. We will hold the lottery on a monthly basis," he said.

The NBR chief, replying to a query on the VAT Online Project (VOP), said the contractor, Vietnam-based FPT Information System, would continue with the job during the extended period of the project.

The government took up the VOP in 2013 to implement the new VAT law by automating the VAT system and replacing a more than two-decade old VAT law.

The idea was also to reduce the cost of business, improve compliance and increase revenue collection in the country, which has the lowest tax-GDP ratio in South Asia.

Initially, the NBR planned to start with a uniform 15 per cent VAT rate on all goods and services, moving away from multiple

VAT rates. The enforcement was delayed on several occasions for a lack of preparedness of the revenue administration and opposition from businesses, particularly the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

The VOP officials said the project's tenure extension was required as activities under the VOP remained almost suspended for two years because of delays in the implementation of certain laws and a two-month general holiday aimed at curbing the spread of Covid-19 within Bangladesh.

The lockdown began on March 26 and eventually came to an end on May 30.

Around Tk 200 crore will likely be left unspent under the VOP as some of the planned components have been made redundant for amendments brought to the VAT law, the officials said.

As of November, Tk 256 crore had been spent on the project, they added.

Sonali Life Ins gets nod to go public

FROM PAGE B1

Sonali's net asset value was Tk 25.47 as of December 31, 2019, while its life insurance fund was Tk 95.33 crore.

During yesterday's meeting, the BSEC also approved First Security Islami Bank's application to issue a Tk 600 crore Mudaraba Perpetual bond.

This would be an unsecured, contingent convertible, floating rate bond, whose coupon rate ranges from 6 per cent to 10 per cent, according to the commission meeting chaired by BSEC Chairman Prof Shibli Rubayat Ul Islam.

The bond will be sold to financial institutions, mutual funds, insurance companies, trusts and other eligible investors through private placement.

With the bond proceeds, the bank would strengthen its Tier-1 capital base. The bond's face value is Tk 10 lakh. Green Delta Insurance Company is the trustee and City Bank Capital is its arranger.

The commission also decided to fine the International Securities Company and North West Securities, both of which are stock brokers of the Chattogram Stock Exchange, by Tk 2 lakh each for breaching the securities rules and regulations.

The companies also voided the Securities and Exchange Rules, 1987 and approved Bangladesh Securities and Exchange Commission (Transaction Manners of Stock-Broker or Stock-Dealer, Affairs of the Exchange and Issuer of Listed Securities) Rules, 2020.

Official document from Bangladesh Police regarding the resignation of Roshan Durrani. Includes title 'মুজিববর্ষ অগ্রাধিকার গণপ্রজাতন্ত্রী বাংলাদেশ সরকার', names of officials, and a detailed table of terms and conditions for the resignation.



# Govt takes \$40m infrastructure project for exporters

*The scheme will develop infrastructure for clusters, not single firms*

STAR BUSINESS REPORT

The government yesterday launched a Public Investment Facility for Infrastructure Constraints (Pific) project to provide infrastructure support to hundreds of export-oriented firms.

Commerce Minister Tipu Munshi launched the \$40 million project through a virtual meeting, to facilitate the light engineering, plastics, leather and leather goods, footwear and any other sectors which need such support.

The project will also create jobs for many, he said.

Pific is one of the major components of the Export Competitiveness for Jobs (EC4J) Project to facilitate the exporters by meeting the demand for infrastructure, said Md Obaidul Azam, the EC4J director.

The government will support some 20 potential export-oriented sectors, create jobs and fuel exports as part of a plan to meet the Sustainable Development Goals, he said.

Such an initiative will help the exporters become more compliant and competitive globally, he added.

The SMEs which have been contributing in the export value chains will be benefited from the project, said Hosna Ferdous Sumi, private sector specialist for trade and competitiveness at International Finance

*Under the project, the implementing agency will build access roads to reduce transport costs and upgrade water and wastewater services, treatment plants and connections*

Corporation.

Many of the informal sector SMEs, which lack necessary facilities, will also be benefited from the project, she said.

The fund would not be used for facilitating any individual firm but on a cluster basis so that all the industrial units of a particular area can avail the facilities, said Lutfur Rahman, project manager of EC4J, who moderated the launch meeting.

Under the project, the implementing agency will build access roads to reduce transport costs and upgrade water and wastewater services, treatment plants and connections.

READ MORE ON B3

# HSBC launches 2nd edition of business excellence awards

STAR BUSINESS DESK

HSBC has launched the second edition of "HSBC Business Excellence Awards" to recognise and honour business enterprises and entrepreneurs from Bangladesh for their contribution towards sustainable economic growth.

This year the theme of the awards is "The Year of Resilience".

"These awards aim to acknowledge thriving businesses in Bangladesh and enable them to connect with high growth global opportunities -- something HSBC has been doing for 155 years around the world," said Md Mahub ur Rahman, CEO of HSBC Bangladesh.

"Through the HSBC Business Excellence Awards, we highlight the achievements of the country's most successful enterprises and entrepreneurs and recognise their relentless efforts to make Bangladesh's mark in the global arena," said Kevin Green, country head for wholesale banking at HSBC Bangladesh.

"We are proud to be playing our role in supporting those who are taking great strides to develop the powerhouse of our economy."

The first one of the eight categories of this year's awards is for garment units with annual export turnover of \$50 million and above.

The second category is for supply chain and backward linkage industries with annual export turnover of \$10 million and above while non-traditional and emerging sectors with turnover of \$3 million and above will belong to the third group.

The fourth category is for best in import substitution reducing or substituting imports to a value of \$10 million and above.

The fifth category is for the leader in inbound investment and infrastructure foreign investment in the form of capital, technology solution etc. A sixth award has been included this year and



Md Mahub ur Rahman, centre, CEO of HSBC Bangladesh, attends a press meet to announce the 2nd HSBC Business Excellence Awards at the Sonargaon hotel in Dhaka yesterday.

it will be given for excellence in sustainability.

Another category has also been added this year, which will be given to the organisation armed with best innovation and technology.

A special achievement award to individual(s)/organisation will be given under the eighth category, which has made exemplary contribution to the country's socioeconomic growth, excellence in innovation, job creation and supporting the community.

The commerce ministry and the British high commission in Dhaka are the programme partners of the awards.

Adjudication will be done by a jury board comprising members from the HSBC senior management team, the ministry and the high commission.

Winners will be selected based on aspects such as, annual contribution to the national exports and economy, diversity, responsibility, sustainable business practices, governance strengths, regulatory compliance etc.

The nomination forms and other details of the programme are now available at HSBC's Bangladesh website and the nomination phase will remain open until January 28, 2021.

# Use Dutch expertise in deep-sea fishing, shipbuilding

*Speakers tell investment webinar*

STAR BUSINESS REPORT

Bangladesh can tap its potential for deep-sea fishing, better riverine routes and shipbuilding through collaborations with the Netherlands, speakers told a webinar yesterday.

"We have fishing experience out up to only 60 kilometres into the sea while there is scope to fish around 600 kilometres out in the deep sea," said Md Khurshed Alam, secretary (maritime affairs) to the foreign affairs ministry.

"We can utilise the potentiality of fishing through collaborations with the Netherlands," he said, pointing out the country's high potential in exporting deep sea fish caught in the Bay of Bengal.

Alam was addressing a session on water and maritime on the closing day of the "Bangladesh-Netherlands

Investment Summit 2020", organised by the Bangladesh embassy in the northwest European country with support from the Dutch government.

The Netherlands has experience in catching fish in the deep sea which could be utilised by Bangladesh for export and domestic consumption, he said. He also said there was even a good scope to utilise the experience and technology support of the Netherlands in processing sea food.

The Dutch experience in offshore aquaculture could also provide opportunities, he noted. According to him, Bangladesh has to spend around \$8 billion per year for carrying goods on feeder vessels out to mother vessels and this money could be saved through the establishment of a deep-sea port with the aid of technology from the Netherlands.

READ MORE ON B2

# VAT automation to take six more months

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has extended the tenure of the much talked about VAT system automation project by six months to June 2021 as most of its modules are yet to be completed.

The revenue authority said only three modules -- VAT registration, returns and e-payment -- have been prepared so far while development of seven or eight modules would be complete by this month or the next.

The project has 16 modules in total.

"We expect all the modules will be complete within six months," said NBR Chairman M Abu Hena Md Rahmatul Muneem in response to queries during a press briefing at the NBR headquarters yesterday.

The Tk 690 crore project, a majority

*The Tk 690 crore project, a majority of which will be financed by World Bank, was scheduled to end this month following a two-year extension in 2018*

of which will be financed by World Bank, was scheduled to end this month following a two-year extension in 2018 owing to the deferment of the VAT and supplementary duty act.

The revenue authority organised the meet to share the results of programmes it held to observe VAT

Week between December 10 and December 15, which were focused on motivating businesses and consumers to use electronic fiscal devices (EFD), a kind of cash register, to increase revenue collection.

As a part of the event, the NBR will recognise the country's top nine VAT paying firms in order to encourage others to collect and deposit in the state coffers the consumption tax paid by the consumers.

Muneem said more than 1,000 EFDs have already been installed in Dhaka and Chattogram and the NBR would gradually bring stores across the country under the EFD network.

To encourage people to pay VAT and ask shops for receipts against their purchases, the revenue authority launched a lottery, offering Tk 100,000 as the first prize.

READ MORE ON B3

## GLOBAL BUSINESS

# In Japan's old capital, bank turns to local development in test of Suga's revival drive

REUTERS, Tokyo

A bank in a suburb of Osaka is investing in local development and setting a growth target for its home prefecture, offering a new model for how banks could operate under Prime Minister Yoshihide Suga's revitalization drive.

The efforts by Nanto Bank, based in Japan's ancient capital of Nara, come as Suga calls for regional banks to boost local economies reeling from an ageing and dwindling population.

Nara's tourism industry, for instance, is struggling to draw money from visitors, who typically flock to its World Heritage temples but don't stay overnight. The coronavirus pandemic has added pain for retailers, with Japan closing its doors to most foreign tourists.

Knowing the bank's fate could be tied to Nara's economy, Nanto last year set an ambitious target to boost the prefecture's gross domestic product (GDP) by 10% over a decade.

"We asked ourselves whether regional banks would be around a decade from now and concluded that without a vibrant regional economy, we can't stay relevant," Nanto President Takashi Hashimoto told Reuters.

Helping boost tourism infrastructure was a first step, he said: "We want to turn Nara into a place to stay for a night, rather than a place where people just stop by."

Nanto invested in a 1.5-billion-yen (\$14 million) fund in projects that rehabilitate ancient neighborhoods and turn centuries-old buildings into boutique hotels.

One such example is Maruto Shoyu, a three-centuries-old

"shoyu" soy sauce brewery-turned hotel that opened three months ago near one of Japan's oldest shrines worshipping Mount Miwa.

"This area may be underdeveloped, but I took that as a positive because visitors

can enjoy Japan's old, largely unscathed landscape," said Maruto's owner, Hiroyuki Kimura.

Before the pandemic, Nara was one of Japan's most popular tourist destinations and home to renowned sites such as the Great Buddha, built when the area was

Japan's capital during the eighth century.

But the prefecture has the fewest number of hotel rooms in Japan, and tourists stay in neighboring big cities. Nanto has worked with local government and firms to create demand on its home turf.

After more than a decade of convincing, JW Marriott opened a hotel in Nara this year, becoming the first luxury foreign brand to set foot in the prefecture. About 14 more hotels have opened this year or plan to do so by 2022, prefecture officials say.

Achieving Nanto's GDP target, however, won't be easy with a tourism-reliant economy crippled by the coronavirus pandemic.

There is also no guarantee more tourists would bring in more revenue. Nanto's investment in the rehabilitation fund is a drop in the ocean compared with total loans to corporate borrowers exceeding 5 trillion yen.

Although Nanto holds a 50 per cent market share in Nara, it has failed to generate enough profits from core lending and fee businesses to offset costs for more than a decade.

That means Nanto must accompany investment with cost cuts, including locally unpopular branch closures.

"The prime minister is prodding regional banks to become stronger," Nanto's Hashimoto said. "We've been trying to do that for some time. We can't help the local economy unless we stay lean and mean."



Visitors wearing protective masks amid the Covid-19 outbreak take a walk inside Nara Park, Japan.

## NEWS In Brief

### Pandemic is shifting balance of the world economy: Merkel



REUTERS, Berlin

German Chancellor Angela Merkel said on Wednesday that the COVID-19 pandemic was shifting the balance of the world economy, with many countries suffering economic downturns due to the coronavirus crisis.

She told the Bundestag lower house of parliament that the economies proving to be the most resilient were those that had managed to get the pandemic under control.

### IndiGo to reach 80pc of normal domestic capacity soon

REUTERS, Sydney

India's biggest airline, IndiGo, expects to reach 80 per cent of usual domestic capacity by the end of the month but international capacity is running at just a fifth of normal levels because of the pandemic, its chief executive said on Wednesday.

The airline hopes to reach 100 per cent of normal domestic capacity by early next year and 100 per cent of its usual international capacity by the end of 2021, Chief Executive Ronojoy Dutta said at a CAPA Centre for Aviation event.

### Nestle launches plant-based Harvest Gourmet brand in China

REUTERS, Beijing/Shanghai

Nestle launched its plant-based Harvest Gourmet brand in China on Wednesday, moving into the country's meat substitute industry that has seen a surge of interest from investors and brands over the past year.

The Swiss food and drink giant said the brand, which is available in Australia, would offer burgers, sausages, nuggets and mince, and will also sell dishes aimed to appeal to Chinese taste-buds, such as kung pao chicken, braised meatballs and pork belly.