

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	BUY TK	USD	EUR	GBP	CNY
0.32%	0.55%	\$1,869.85	\$50.23	46,003.46	26,436.39	2,827.32	3,356.78	83.95	101.63	111.58	12.64	
5,098.48	8,833.67	(per ounce)	(per barrel)					84.95	105.43	115.38	13.29	

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# Star BUSINESS

DHAKA WEDNESDAY DECEMBER 23, 2020, POUISH 8, 1427 BS • starbusiness@thedailystar.net

## Tk 8,000cr Islamic bond for safe water supply

BB, finance ministry sign MoU as the first-ever sukuk will hit market next week

AKM ZAMIR UDDIN

Bangladesh Bank will issue a sukuk next week, the first of its kind in Bangladesh, to raise Tk 8,000 crore for the implementation of a safe water supply project.

The finance ministry is the originator of the Shariah-compliant bond, and the central bank will act as a special purpose vehicle (SPV) for the issuance of the security.

A memorandum of understanding between the central bank and the finance ministry was signed yesterday on issuing the bond.

A sukuk is an Islamic financial certificate, similar to a treasury bond, which complies with Shariah laws.

The government began to implement the project titled "Safe Water Supply for the Whole Country" on January 1. The fund raised by the sukuk will be invested in the project.

The overall cost of the project is estimated at Tk 8,851 crore, of which Tk 851 crore will be

provided by the government, according to a prospectus prepared by both the central bank and the finance ministry. The Department of Public Health Engineering (DPHE) will implement the project by June 30, 2025.

On October 8, the finance ministry issued guidelines on the investment criteria of the sukuk.

Investors will receive a profit of 4.69 per cent on their aggregate investment in the Islamic bond. The central bank has fixed the rate based on the Bangladesh Government Islamic Investment Bond (BGIIIB).

The last declared profit-sharing ratio of the six-month BGIIIB is 3.69 per cent, and the central bank has added 1 percentage point to settle on the rate for the sukuk.

Profits will be paid to investors on a half-yearly basis.

A client will have to invest a minimum of Tk 10,000 in the security, and there is no upper limit. Banks, corporate institutions and individuals will be permitted to invest.

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### THE BOND AT A GLANCE

Min investment limit Tk 10,000	No max investment ceiling	Profit: 4.69%	Profit: to be paid half yearly	5-year maturity
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Bangladesh has made significant progress on universal access to improved water sources. But access to safe drinking water is still low.

STAR/FILE

## High taxes to stymie sukuk market in corporate sector

Analysts say

AHSAN HABIB

High taxes on asset transfers act as the main obstacle to creating a vibrant Sukuk market in the corporate sector, according to market intermediaries.

Sukuk is a real asset-backed security which represents the claim on revenues generated from an underlying asset as well as the ownership of that said asset while abiding by sharia laws.

Although there have been some complexities given the tax issues, the latest initiative taken by the government and the central bank is expected to speed up the process.

The central bank will roll out a Sukuk bond next week in order to raise Tk 8,000 crore for the implementation of a government project that will ensure supply of safe water in every upazila.

The sharia-compliant product required the ownership of an asset covered by Sukuk to be repeatedly transferred from one party to another.

So, a high tax regime on registration increases the cost of Sukuk, which will create a roadblock to get momentum the sharia-compliant securities in the private sector, analysts say.

At present, there is a 1.5 per cent stamp duty on the registration of trust deeds while the fee for assets is 1 per cent.

Besides, local government tax, value added tax and gain tax are also included for Sukuk.

As per the present tax structure, the applicable cost varies from 8 to 9.5 per cent for the sharia-compliant investment tool.

"We have already met with government officials and informed them about the tax issues and so, the government was convinced too to work on it," said Ershad Hossain, CEO of City Bank Capital Resources.

To popularise Sukuk bonds, the tax issue should be resolved since it is the main issue.

For example, asset backed securities face the same issue and so they requested a reduction in tax as well.

"Governments from all over the world consider the tax realising its nature of transferring ownership," Hossain said.

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DBL GROUP IS A SUPERBRAND  
Consecutively for the second time

## Audit bodies join hands to eliminate fake reports

STAR BUSINESS REPORT

The Financial Reporting Council (FRC) yesterday signed an agreement with the Institute of Chartered Accountants of Bangladesh (ICAB) to plug the scope for unruly companies to prepare fake audit reports to evade taxes and borrow from banks.

The FRC, an independent oversight body, will monitor the financial statements of companies based on an application termed document verification system (DVS) developed by the ICAB to prevent unruly firms from submitting falsified or multiple audited financial statements.

"This will increase compliance and improve the transparency of audited financial statements by companies," said FRC Chairman Md Hamid Ullah Bhuiyan after the signing of the agreement at the ICAB in Dhaka.

The development came more than a month after the institute struck a similar agreement with the National Board of Revenue (NBR) for the use of DVS to verify the authenticity of audited financial statements filed by firms to tax offices.

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## PPP to offset Covid shocks

UN official says

STAR BUSINESS DESK

Public-private partnerships (PPPs) have the potential to contribute to a clean and green recovery from the ongoing Covid-19 crisis, mitigating the effects of climate change, ensuring gender and youth development and discovering partnerships, which have substantial impact on development.

Mia Seppo, resident coordinator of the United Nations (UN) in Bangladesh, made this comment when she called on Sultana Afroz, secretary and CEO of the Public Private Partnership Authority under the Prime Minister's Office, yesterday.

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## Bangladesh urges India to lift restrictions on seed import

STAR BUSINESS REPORT

Bangladesh yesterday demanded the withdrawal of a ban on seed imports from India to boost bilateral cooperation in the agricultural sector.

Agro mechanisation, improving the quality of yields and food products could be potential fields for cooperation between the two countries, said officials from Bangladesh.

"Bangladesh will appreciate if India removes its export barrier on seeds," said Muhammad Abdur Razzaque, agriculture minister.

"We would like to see more cooperation in agro processing. Indian companies can set up manufacturing plants in our economic zone," he added.

The minister was speaking



STAR/FILE

Farm mechanisation could be one of the potential fields for cooperation between the two countries.

at the 'India Bangladesh digital conference on agriculture sector', which was followed by a business-to-business session, according to a statement from the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

The conference was jointly organised by the FBCCI and Confederation of Indian Industries (CII). India is not just a neighbour but also a good friend of Bangladesh, Commerce Minister Tipu Munshi said at the discussion.

"India is the second largest trade partner of Bangladesh but the trade balance is in India's favour."

The minister also said the Indian anti-dumping duty on export of jute to Indian markets from Bangladesh has been adversely affecting the country's jute sector.

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## No bar for now on two telcos' value-added services



MD FAZLUR RAHMAN

The telecom regulator yesterday temporarily withdrew its ban on Robi and Banglalink on providing value-added services from third parties after the operators agreed to ensure compliance, a senior official said.

The Bangladesh Telecommunication Regulatory Commission (BTRC) suspended the order after the operators promised that telecom VAS would not be activated on the phones of subscribers without the consent of subscribers, said Subrata Roy Maitra, vice-chairman of the regulator. Senior officials of Robi and Banglalink went to the commission yesterday and sought withdrawal of the order that was issued on Sunday.

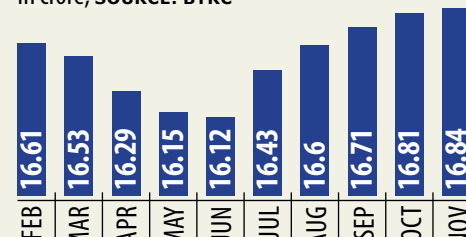
"We withdrew the order on conditions. We told them to bring an end to the harassment faced

### KEY POINTS

- Consent was not taken to activate services for 46pc customers, BTRC found in a probe
- VAS providers target feature phone users and activate services without consent after midnight
- About 60pc subscribers use feature phones
- The market size of VAS about Tk 100cr
- There are 183 VAS developers

### Total active SIMs in market

In crore; SOURCE: BTRC



### SOME VALUE ADDED SERVICES

SMS, missed call alert, call block, MMS, voice SMS, voice chat, game, welcome tune, music, video, news alert, job alert, sports alert, health, education and lifestyle tips, train tracking, matrimonial service, entertainment services, audio book, e-book

READ MORE ON B3

## Avail UN advisory body's fund for clean energy: experts

STAR BUSINESS DESK

Multilateral public private partnership Private Financing Advisory Network (PFAN) could be a great source of funds for Bangladeshi companies focusing on environment-friendly, efficient renewable energy, said experts yesterday.

Initiated by Climate Technology Initiative and the United Nations Framework Convention on Climate Change, the network also provides advice to businesses in developing countries having a low carbon footprint, said its regional coordinator for Asia, Peter du Pont.

Since its inception in 2008, the PFAN has supported 675 projects, which raised a combined \$1.8 billion and 94 of which are in the pipeline in Asia as of this month, he informed.

Pont was addressing a webinar titled "Climate and Clean Energy Investment Opportunities in Bangladesh" jointly organised by the PFAN and Dhaka Chamber of Commerce and Industry (DCCI), says a press release.

Bangladesh has immense potential in attracting Thai investment in renewable energy and agriculture, said the PFAN advisor for Thailand, Jamorn Teo Hoonsiri.

PFAN Thai will focus on facilitating Thai investment in agriculture, renewable energy, tourism, health, energy efficiency and waste and circular economy, said Hoonsiri.

Thai strategic investment can focus on Bangladesh for shrimp export, said the PFAN country coordinator for Bangladesh, Shaymal Barman.

They could also look into solar solutions, including independent power production, considering the fact that banking sources were not suitable for the over 10 years' funds required for such projects, he said.

READ MORE ON B3



## No bar for now on two telcos' value-added services

**FROM PAGE B1**  
VAS providers offer various services such as -- welcome tunes, voice messages, news alerts, missed call alerts, call block, call forwarding or diverting, music, videos, mobile games and streaming services -- through mobile carriers under a revenue-sharing model and customers are charged by mobile phone operators.

The service providers must obtain consent from subscribers before activating any service. But they did not take such permission from the users in nearly 50 per cent cases, and the customers were charged, according to the commission's probe into the allegation against two VAS providers.

It collected information about the activities of Purple Digit Communication Ltd and the Abhi Kathachitra Ltd and also the list of their subscribers in the last six months.

The telecom regulator found that the VAS providers mostly targeted the people who belong to low-income groups, are not literate that much, live in the villages and sub-urban areas, and the services are activated after midnight.

It is not possible to access the database of this group of customers without direct cooperation of the mobile phone operators, the commission letter said on Sunday.

The operators also control the service delivery platforms of the content providers. Because of the malpractices, Robi and Banglalink have violated the telecommunication laws, it said.

In November, the commission had given seven days to explain why the operators would not be directed to discontinue the VAS until further notice.

Although Robi and Banglalink have refused to accept the responsibility, they take the share of the profit, the letter said.

When a customer buys a connection, they fill in a customer acquisition form and agree to keep a deposit in the account of the operator in the form of balance.

"If anyone deducts money from the balance, Robi will not take responsibility. Such an argument is not acceptable at all," said the letter. The commission made a similar comment in the letter to Banglalink.

"Had Robi wanted, it would not have

been possible to deduct the money this way."

Robi and Banglalink receive at least three-fifths of the revenue from the value-added services directly, the commission said.

Taimur Rahman, chief corporate and regulatory affairs officer of Banglalink, said, "We appreciate the BTRC's decision to reconsider the restriction on providing VAS by us considering the greater benefits of customers."

"We are committed to ensuring the best service to our customers based on the suggestions given to us by our regulator. We also look forward to continuing our dialogues with the BTRC and obtain guidance from them."

In order to protect the interests of the subscribers, the BTRC on September 14 instructed mobile network operators (MNOs) to implement a one-time password (OTP)-based authentication procedure to activate VAS.

The commission had set a September 30 deadline to put the system in place and warned that it would take steps to close all VAS from October 1 if the operators did not comply.

The mobile operators did not oblige, the BTRC said in November.

"We are in the process of implementing BTRC's directive regarding VAS," said Shahed Alam, chief corporate and regulatory officer of Robi Axiata Ltd, yesterday.

"As per the regulator's directive, we will also make sure that without ensuring proper compliance, VAS operators are not provided access to our network. We also concur with the BTRC's opinion regarding the strengthening of MNOs' control over the VAS operators."

Robi is the second-largest mobile phone operator in Bangladesh with 5.06 crore subscribers. Third-placed Banglalink has 3.5 crore subscribers.

The number of VAS licence-holders in Bangladesh is 183, according to the BTRC.

Mobile operators provide value-added services through third-party content providers as well as on their own. The size of the telecom-related VAS market is about Tk 100 crore, industry people say.

## Audit bodies join hands to eliminate fake reports

**FROM PAGE B1**  
Earlier this month, the NBR asked its field offices to verify each audit report and income tax return filed by any company through the DVS.

Bangladesh has more than 180,000 officially registered companies. However, there is a disconnect: 46,000 financial statements are filed with the Registrar of Joint Stock Companies and Firms (RJSC), and about 35,000 statements are submitted to the NBR.

But the ICAB's registered auditors sign 16,000 financial statements every year, said its Vice President Muhammed Forkan Uddin during

a presentation at the event.

Citing the rest 30,000 financial statements, he said these companies would not be able to commit audit fraud as the DVS is functioning.

"As a result, the revenue of the government will increase a lot. The economy will be stronger," he said.

Under the online system, ICAB's practicing members will give five key financial data such as profit, turnover, asset and liability of a company, generate an 18-digit document verification code (DVC), write the DVC in the audited financial statements, and sign the report.

The financial documents

submitted to the revenue authority, banks and non-bank financial institutions could be examined through the search option on the DVS Portal by sharing a few information such as the name of a person, organisation, the purpose of verification, unique code of documents, mobile number and email address.

Bhuiyan said the FRC would be able to verify the listed companies in the stock markets and non-listed companies.

As a result, the tendency to submit financial statements by firms with overstated net incomes to get loans from banks will reduce.

This will also curb the inclination to file separate financial statements to the NBR showing lower net income, he said. "We have requested the central bank to take steps to ensure submission of audited accounts for bank statements," Bhuiyan said.

ICAB President Muhammad Farooq said the DVS has already become quite acceptable to the business community and other regulatory bodies.

The institute has provided training to CA firm representatives to make the system effective. "It will be useful in making the accounting system acceptable and reliable," he said.

## Bangladesh urges India to lift restrictions on seed import

**FROM PAGE B1**  
"Bangladesh is India's biggest trade partner in south Asia. The partnership is a role model in this region," said Piyush Goyal, Indian minister of commerce and industry, railways and consumer affairs, food and public distribution.

The Indian minister, who joined the discussion through a virtual platform, said he strongly believes that agriculture has the potential to play a big role between the two countries.

Bangladesh is one of the top three markets for Mahindra, said Pawan Goenka, chairman of the CII National Mission on Aatma Nirbhar Bharat and managing director and CEO of Mahindra & Mahindra. "We want to make it number one," he added.

No two nations are like Bangladesh and India in this world, which are built on human ties and remain bonded in terms of heritage, culture and anthropology, according to FBCCI President

Sheikh Fazle Fahim.

These ties will be cherished and honoured for generations to come, he said.

"Bangladesh's private sector procures multi-billion-dollar worth of value chain inputs from India which have higher prospects and we want to jointly work to move towards a sustainable trade balance."

"This will be possible through joint ventures, industry diversification and market

diversification. And we are confident that we can achieve many goals through stronger public private engagement beyond our borders," Fahim added.

Vikram Doraiswami, Indian high commissioner to Bangladesh, said agriculture is a key sector for both countries. TV Narendran, president-designate of CII and CEO and managing director of Tata Steel, said the two countries can jointly target the economies of the east to diversify exports.

## Avail UN advisory body's fund for clean energy: experts

**FROM PAGE B1**  
The private sector plays the biggest role in developing Bangladesh and needs to contribute to the paradigm shift caused by climate change, said DCCI acting president NKA Mobin. Businesses are already taking action to address risks and opportunities stemming from climate change by incorporating environmental considerations into the decision-making process, he said.

He recommended developing a strategy for clean energy financing and growing the

associated culture in Bangladesh.

Focus should be on gradually reducing industries' dependence on fossil fuel, low-cost investment in renewable energy, low-cost green fund for diverse industries and creating a climate change resilience refinancing fund, he added.

Mohammad Saifullah, head of business for ACI Agrolink, Masudur Rahim, CEO of Omera Renewable Energy, and Nancy Nguyen, the PFAN Asia network support manager, also spoke on the occasion.

## Tk 8,000cr Islamic bond for safe water supply

**FROM PAGE B1**  
The central bank will hold an auction next week when Tk 4,000 crore will be mobilised through the sale of the certificates. If the bidding amount surpasses the targeted fund, the auction committee will allocate the certificates proportionately among the bidders.

The central bank will raise the rest Tk 4,000 crore in May.

In Bangladesh, there is a concern over high morbidity and mortality related to water-borne diseases, according to the prospectus.

The government has installed more than 1.4 million tube wells in rural areas, and 88 per cent of people have been brought under the safe water supply coverage.

"However, the situation is yet to improve," the paper said.

Under the project, the government will build infrastructures such as arsenic iron removal plant, rain water harvesting unit, and hydrological characterisation.

The DPHE will also set up submersible pumps, deep tube wells, hand pumps and multiple hand pumps as part of its efforts to supply safe water at every upazila.

**HOW THE SUKUK WILL OPERATE**  
The government will hand over

the ownership of the project to the central bank, which will mobilise funds by issuing sukuk certificates.

The government will rent the project for the time being and provide a particular amount of rent regularly to the BB.

The central bank will use this rent to give the 4.69 per cent profit every six months to the investors.

The government will purchase the whole project once the implementation is complete. The principal fund will then be provided to the investors from the amount given by the government.

The BB has formed two committees - trustee and Shariah - to issue the bond.

The trustee committee headed by a deputy governor will ensure the rights and benefits of sukuk certificate holders and mitigate disputes.

The Shariah advisory committee headed by an executive director will give decisions (fatwas) and suggestions on various issues related to sukuk compliance in light of Shariah principles.

The government plans to float more sukuk to implement large projects, said a central bank official. Although the earnings from the

sukuk will not be spent to manage deficit financing as per the Shariah laws, the new tool will give respite to the government from shelling out a considerable amount of money to implement infrastructure projects.

This will ultimately help the government manage the deficit financing efficiently.

**DIFFERENCE BETWEEN SUKUK AND T-BONDS**

Since the traditional interest-paying bond structure is not permissible under Islamic law, the issuer of a sukuk essentially sells a certificate to a group of investors and then uses the proceeds to implement a project where the group has a direct partial ownership interest.

Although the government, through the central bank, will borrow from individuals and business entities using the sukuk, there are many differences between the Islamic bond and the Treasury bonds.

For instance, the government now issues six T-bonds with tenures ranging from two to 20 years to finance deficits. It pays interest to clients based on the rate set by auctions from time to time.

But several sukuk can be introduced as each of them will

be designed considering the characteristics of a project.

The tenure of the profit-based instruments will depend on the implementation and operational period of the projects.

Any resident or non-resident person or organisation will be allowed to invest in the Islamic securities, and they have to embrace the profit or loss stemming from the projects.

Although the central bank has set a fixed profit rate for the first sukuk, the same profit structure may not be applicable for the upcoming Shariah-based securities.

The safe water supply project will be implemented under the ijara (lease) sukuk, so there is a scope of fixing an interest rate.

According to a central bank study, around 28 per cent of the country's investors shy away from investing in the interest-bearing T-bills, bonds and other government securities.

So, the new investment tool will open a window for the clients who prefer Shariah-based securities.

Some of the Islamic banks have been sitting on excess liquidity for years and are unable to invest the funds in the T-bills and bonds. The sukuk will give an excellent option to them, says a central bank official.

## PPP to offset Covid shocks

**FROM PAGE B1**  
Seppo reiterated the UN's commitment to supporting the development aspirations of Bangladeshi people and discussed the importance of PPPs in advancing the 2030 Agenda.

Referring to the cost of financing the SDGs, she highlighted the role

and potential of PPPs in bridging these financing gaps.

The secretary discussed the current initiatives of the PPP Authority in PPP project implementation and capacity building. She emphasised the importance of small-sized social and economic infrastructure

projects to meet the SDG target and particularly focused on projects in food and agriculture sector.

She stressed the need for focusing on selected projects that are in alignment with the UN's Sustainable Development Goals (SDGs), such as dialysis centres,

hospitals, urban water supply and waste water treatment, which are already in the PPP pipeline.

Office of the UNRC and PPP Authority showed their commitment in forming strong partnership for overcoming the SDGs related PPP implementation challenges.

## Displaced workers of three sectors to get cash assistance

**FROM PAGE B4**  
The state minister went on to say that the total number of beneficiaries will increase in time.

She also hoped for more international organisations to come forward and cooperate with the government to provide support for workers in all sectors.

Factories can submit a list of eligible workers in a structured management information system format to the BGMEA, which can then forward it to the labour ministry and the Department of Inspection for Factories and

Establishment (DIFE).

The government might extend this service beyond its time limit for social safety net purposes if it is noticed that the workers could not return to their jobs and on the basis of the availability of funds from the government exchequer and donor agencies. So, the government also called for increased donations from donor agencies.

Many workers lost their jobs due to the two-month nationwide shutdown between March 26 and May 30 while others were laid-off for a lack of work orders from

international retailers and brands amid the Covid-19 fallout, which has severely jolted the global economy.

Millions of workers at the corporate level, mills and factories lost their jobs because of the pandemic and neither the country's workers, exports, imports or corporations were immune to the economic fallout.

As a result, a good number of workers lost their jobs. Of those recently unemployed, some may get jobs in another factory but not at substantial rates, according to

industry insiders.

However, many workers who could not complete a one-year tenure in their position will still be allowed to avail the fund.

Presided over by AKM Mizanur Rahman, director general of the directorate of labour, the programme was also addressed by Begum Shamsu Nahar, a lawmaker; KM Abdus Salam, secretary for labour and employment; Constanza Zaehring, charge de affairs of the German embassy, and Maurizio Cian, head of cooperation of the delegation of the European Union.

## High taxes to stymie sukuk market in corporate sector

**FROM PAGE B1**  
"It is hopeful though that the government plans to issue sovereign sukuk bonds. After their issuance, the problem will be eventually solved since they will face the same problem," he added.

Sovereign sukuk is the main contributor of the global sukuk market.

The amount of sovereign sukuk issued stood at \$606.3 billion, or around 55 per cent of the sukuk issued worldwide, by the end of 2018, according to the IMF sukuk database.

In Bangladesh, the bond market size is \$37.5 billion. Of that amount, corporate bonds account for \$2.5 billion, according to data from City Bank Capital Resources.

Shariah-based banks and many entrepreneurs have demanded a sukuk bond market for many years in order to meet their financing demand and have a sharia-compliant tool to invest with.

The Bangladesh Securities and Exchange Commission (BSEC) formulated the rules regarding

sukuk bonds in 2019 but there are still problems related to the tax regime, which is preventing the product from flourishing.

Moin Al Kashem, managing director and CEO of the Prime Finance Asset Management Company, echoed the same but added that when the asset is transferred to a Special Purpose Vehicle (SPV), then registration should be free of cost since they are not its end user.

As is the case with Islamic banks in other countries, asset ownership changes without any registration, he said.

"And so, sukuk needs the same policy to avoid double taxation while the stamp duty should be waived to popularise the bond," Kashem added.

If the sukuk can be used to its full extent, then local Islamic financial institutes and fund managers will have the opportunity to invest as well.

"So, if the cost for sukuk comes down to around 9.5 per cent, then what would be the yield rate and

how would investors make profits from the sukuk," Kashem said.

Islamic banks cannot buy traditional bonds like their conventional counterparts since bonds are interest based.

So, they have a huge demand for sukuk, according to Md Moniruzzaman, managing director of IDLC Investments.

"Sharia-based products have inherent demand in our country as evinced by Islamic banking, he said, adding that many people with a high net also seek such investment tools.

Islamic banks have a market size of about 35 per cent of the total banking sector.

Out of the 57 banks operating in Bangladesh, eight private commercial banks are full-fledged Islamic banks with a total of 1,273 branches as of December 2019, according to data from City Bank Capital Resources.

Besides, nine conventional banks operate 19 Islamic banking branches collectively and eight conventional banks have 88 Islamic

banking windows in total, the data shows.

Due to its convenience and popularity, sukuk is witnessing a higher growth rate worldwide. In 2018, the cumulative issuance of sukuk crossed the \$1 trillion mark since the first issuance in 1996.

Global sukuk issuance has shown a modest increase of 5 per cent from \$116.7 billion in 2017 to \$123.15 billion in 2018, according to data from the Islamic Finance Development Report 2019.

BSEC Spokesperson Rezaul Karim said the stamp duty has been waived but registration fees for transferring underlying assets to the SPVs are still considered as normal asset transfers.

"But we need to address the gain tax, registration and other costs just as Malaysia, Indonesia and other countries have," he said.

The BSEC has already informed the National Board of Revenue about the costing issue as if it is left the way it is, sukuk will not gain significant popularity in the country, Karim added.

**Government of the People's Republic of Bangladesh**  
Office of the Executive Engineer  
Education Engineering Department  
Mymensingh

Memo No. XEN/EED/Mym-2982 Date: 22-12-2020

**e-Tender Notice No. 11/EED/M-2020-21**

e-Tender is invited in National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of following works, details are given below.

Sl No.	Tender ID No.	Description of works	Procurement method
01	528875	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Kandania High School, Fulbaria, Mymensingh	LTM
02	528874	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Shahid Sobur High School, Fulbaria, Mymensingh	LTM
03	528868	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Bir Batagor JB High School, Nandail, Mymensingh	LTM
04	528864	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Majhati High School, Gouripur, Mymensingh	LTM
05	528859	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Bandia Ideal High School, Bhaluka, Mymensingh	LTM
06	528843	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Chamiadi Jr. Secondary School, Bhaluka, Mymensingh	LTM
07	528837	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Aska High School, Bhaluka, Mymensingh	LTM
08	528827	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Shahid Nazim Uddin High School & College, Bhaluka, Mymensingh	LTM
09	528816	Construction of Single Storied Academic Building with 4-Storied foundation including Sanitary, water supply & electrification works at Rouha High School, Gaffergaon, Mymensingh	LTM
10	528814	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Fajlul Haque Ideal High School, Gaffergaon, Mymensingh	LTM
11	528813	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Modhupur Bhumumi High School, Iswarganj, Mymensingh	LTM
12	528810	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Patgudam High School & College, Iswarganj, Mymensingh	LTM
13	528809	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Charjitor High School & College, Iswarganj, Mymensingh	LTM
14	528799	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Shuktara Biddaniketon, Trishal, Mymensingh	LTM
15	528794	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Purabari High School, Trishal, Mymensingh	LTM
16	528791	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Patgudam High School, Sadar, Mymensingh	LTM
17	528789	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at K.B College, Sadar, Mymensingh	LTM
18	528786	Construction of Single Storied Academic Building with 4-Storied Foundation including Sanitary, water supply & electrification works at Bonpara Ideal School & College, Halaughat, Mymensingh	LTM

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 through any registered banks branches up to **one hour before tender last selling time**. 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. Yusuf Ali**  
Executive Engineer  
Education Engineering Department  
Mymensingh  
E-mail: [xeneedmym@gmail.com](mailto:xeneedmym@gmail.com)

GD-2041

# Displaced workers of three sectors to get cash assistance

REJAU KARIM BYRON

The workers who lost their jobs due to the Covid-19 fallout across three sectors -- garments, leather and footwear -- are about to finally receive Tk 3,000 per month as financial assistance.

In the first phase, 1,794 people will get cash assistance of Tk 3,000 each month for a three-month period starting from September.

Begum Mannujan Sufian, state minister for labour and employment, inaugurated the social security programme for unemployed and hardworking workers in export-oriented garments, leather products and footwear at Shrama Bhaban in the capital's Bijoy Nagar area yesterday.

The grants are being financed by Germany and the EU.

The workers of export-oriented factories, which closed down, received financial assistance from this package and so the labour and employment ministry has sent a list of unemployed workers of the industrial units in these sectors for the grant as well.

According to the ministry, it submitted a list of 7,390 workers, of which 1,894 have been finalised, while selections are going on among the rest.

"But in the meantime, the financial aid meant for workers that have been made redundant by the current situation will continue to remain idle," Sufian said.

The government aims to disburse Tk 3,000 per month for



Many workers lost their jobs due to the nationwide shutdown imposed to rein in the spread of the coronavirus disease while others were laid-off for a lack of work orders from international retailers and brands.

a three-month period to about 10 lakh workers over the next two fiscal years, according to last week's circular from the labour and employment ministry.

Beneficiaries will receive the funds directly through mobile financial services or their bank accounts, he added.

Any worker, including lactating mothers, who were employed in any active member factory of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), Leathergoods and Footwear

Manufacturers and Exporters Association of Bangladesh (LFMEAB) and Bangladesh Finished Leather, Leathergoods and Footwear Manufacturers and Exporters Association (BFLFEA) up until February this year are eligible for the grant.

READ MORE ON B3

# Thought leadership broadcast soon for youth development

STAR BUSINESS DESK

A thought leadership broadcast series featuring interviews of this nation's builders and pioneers was recently launched to inspire the next generation of leaders.

Preronar Kotha' aims to bring out the stories of inspiration, success, learnings and challenges faced by people who played key roles in the nation's progress over the past 50 years.

It aspires to facilitate the many government initiatives on capitalising the demographic dividend and develop the youth, a statement said.

This will also support the fast tracking of Sustainable Development Goals (SDGs) by encouraging the youth to play a more proactive role in building the nation, it added.

Daily Samakal, The Daily Star and MGM Consulting have partnered with Preronar Foundation, which works for marginalised communities under the guiding principles of the SDGs, in this initiative.

All will simultaneously broadcast the digital conversations on their respective Facebook platforms.

The first of four episodes in season 1 will be aired shortly with the following ones to be broadcasted on a fortnight basis.

Four eminent personalities of the country whose contributions played a major role in driving the nation's economic activities since independence have been interviewed in season 1.

All the interviews conducted in this series will later be published in a book, which will be brought out next year, marking 50 years of the country's independence.

"The youth have been active in major national movements, including the

Language Movement and our Liberation War," said Jahangir Alam, director for administration and finance (joint secretary) of the Department of Youth Development.

"One third of our population is youth. So, it is essential to develop our youth population for the greater benefit of this nation," he said.

He also said the government has taken various proactive measures over the last few years for youth development.

"Over the decades, the youth have played a pivotal role in the development of this nation," said Mustafiz Shafi, editor (acting) of Daily Samakal.

"The success of our youth today is also astounding -- from business and politics, to arts and sports, the youth are making us proud with their achievements," he said.

"And now we need to create a collaborative platform to connect the vision of the nation builders with the aspirations of today's youths.

"We hope this platform will support the ongoing initiatives by the public, private and development sectors to inspire and nurture our youth..." said Shehzad Munim, vice chairman of the governing body of Preronar Foundation.

"...to become the leaders of tomorrow by imbuing them with the knowledge, vision and motivations of the builders of this nation," he said.

The virtual launching ceremony was joined by Mohammad Moinuddin Abdullah, managing director of Palli Karma-Sahayak Foundation, Osama Bin Noor, co-founder of Youth Opportunities, Niaz Morshed Elite, president of JCI Bangladesh, and Anowarul Amin, acting CEO of Preronar Foundation.



## GLOBAL BUSINESS

# Remittance resurgence no cure for sickly emerging economies

REUTERS, London

Larger-than-expected money transfers from migrants overseas have provided a tonic for several sickly economies during the coronavirus crisis, but the outlook for such flows remains fraught with uncertainty even as vaccines are rolled out.

Mexico, El Salvador, Kenya, Pakistan, Bangladesh, Philippines and Sri Lanka are among those enjoying resurgent flows in recent months, helping them narrow current account gaps, stabilise currencies and meet any overseas debt payments.

Such countries have led a surprise recovery in remittances in the second half of 2020, as the slowdown in flows amid the pandemic proved less severe than initially feared.

Migrants have cushioned the pandemic's economic blow, drawing down savings to help out families back home and sending more money via official channels rather than in person, while benefiting from access to state support, including cash handouts, in host countries such as the United States.

While vaccinations should help economic activity to return to normal, the risk of mounting job losses as government support unwinds mean such flows, a source of FX revenue and gross domestic product for many emerging countries, may falter in 2021.

Unemployment in wealthy G20 countries, home to a sizeable proportion of migrants, is expected to reach 10 per cent by the end of 2020 and remain above levels at the end of 2019 next

year, the OECD has forecast.

"Countries like Pakistan, Bangladesh and Philippines, which receive about 9 per cent or 10 per cent of GDP from remittances, have a window of opportunity to invest these flows into productive areas of the economy to help their recoveries because at some point this window may close as people may lose their jobs or decide to go back to their home countries," said Emre Akcakmak, portfolio manager at East Capital, a specialist in emerging and frontier markets.

Record flows to Pakistan have helped it accumulate a \$1.2 billion current account surplus at a time when it is paying back a \$3 billion loan to Saudi Arabia.

Strong remittances and subdued imports should help Sri Lanka to service its July Eurobond maturity, said Tellimer economist Patrick Curran. Beset with surging debt and collapsing tourism revenues, the island nation has been assessed at growing risk of default by rating agencies.

Mexico's currency depreciation has helped put the country on course for its largest current account surplus in more than 30 years, Goldman Sachs estimates.

Remittances are relatively stable compared with other financial flows. That includes foreign direct investment, which remittances overtook in 2019. Meanwhile portfolio flows, set to surge in the last quarter of 2020 to their highest since the first quarter of 2013, are prone to sharp reversals as they did during the taper tantrum.

But the outlook is uncertain. The World Bank in October revised its 2020

estimated drop in flows to low- and middle-income countries to 7 per cent from 19.7 per cent previously, but predicted a further 7.5 per cent dip next year. That is a deeper and longer downturn than during the global financial crisis, when flows shrank 4.9 per cent in 2009, before rebounding 11.8 per cent a year later.

For the first time in recent history, the stock of international migrants is expected to fall in 2020. Those remaining in host countries face an uncertain future.

In the United States, in a reversal of pre-pandemic trends, the unemployment rate for immigrants was now 2 percentage points higher than the rate for natives, according to the OECD.

"We are expecting a strong recovery in global growth as vaccination is rolled out and we begin to see a normalisation in economic activity.

This should support global remittances," said Farouk Soussa, senior economist at Goldman Sachs.

"On the other hand, we think there have been a number of one-off factors that have held up remittances this year, and these may not come into play next year."

The Gulf, accounting for around 40 per cent of total outward remittances, may see a push to replace foreign workers with locals in 2021, Soussa said.

That be bad news for countries that rely on transfers from the Gulf, such as Bangladesh, Philippines, Egypt and Lebanon. Lebanon's financial crisis and dwindling economy mean remittances are seen rising to more than a third of GDP in 2020.

# US Congress approves \$892b Covid-19 relief package



REUTERS/FILE

Speaker of the House Nancy Pelosi walks from the Senate floor as both chambers of Congress were aimed to pass the coronavirus disease package in a marathon session on Capitol Hill Washington.

REUTERS, Washington

The US Congress on Monday approved an \$892 billion coronavirus aid package, throwing a lifeline to the nation's pandemic-battered economy after months of inaction, while also keeping the federal government funded.

President Donald Trump is expected to sign the package into law.

Following days of furious negotiation, both legislative chambers worked deep into the night to pass the bill - worth about \$2.3 trillion including spending for the rest of the fiscal year - with the House of Representatives first approving it and the Senate following suit several hours later in a bipartisan 92-6 vote.

The virus relief bill includes \$600 payments to most Americans as well as additional payments to the millions of people thrown out of work during the COVID-19 pandemic, just as a larger round of benefits is due to expire on Saturday.

The stimulus package, the first congressionally approved aid since April, comes as the pandemic is accelerating in

the United States, infecting more than 214,000 people every day and slowing the economic recovery. More than 317,000 Americans have died.

House Speaker Nancy Pelosi, a Democrat, said she supported the virus relief bill even though it did not include the direct aid for state and local governments that Democrats had sought.

She said they would try for it again after Democratic President-elect Joe Biden takes office on Jan. 20.

The bill, she said, "doesn't go all the way but it takes us down the path."

Republican Representative Hal Rogers, who also supported the package, said "it reflects a fair compromise."

At 5,593 pages, the wide-ranging bill that also spends \$1.4 trillion on an array of federal programs through the end of the fiscal year in September, is likely to be the final major piece of legislation for the 116th Congress that expires on Jan. 3. Congress included a measure continuing current levels of government spending for seven days, ensuring no interruption to federal operations.



REUTERS/FILE

People wearing protective face masks work at a residential construction site following the outbreak of coronavirus disease in Dubai, the United Arab Emirates.

# Stocks recover on US stimulus

REUTERS, London

Stocks rebounded on Tuesday, with Washington's approval of an \$892 billion pandemic relief package helping them recover some of the losses caused by fears over a highly infectious new strain of COVID-19.

The Euro added 0.8 per cent, its biggest one-day jump in over five weeks in sight. German and French indexes added 1 per cent and 0.8 per cent respectively.

London's blue chips turned positive, too, recovering early losses even as Britain adjusts to strict lockdowns imposed to curb the spread of the new strain of coronavirus. Wall Street futures also edged into the black.

Fuelling the optimism, in part, was the US Congress's approval on Monday of a coronavirus aid package after months of

inaction.

The first such aid since April came as the pandemic accelerated in the United States, infecting more than 214,000 people every day and slowing the economic recovery. The bill includes \$600 payments to most Americans and additional payments to millions of people thrown out of work during the pandemic.

Market players also took stock of the damage from a new COVID-19 variant, with investors betting that vaccines would still be effective against the new strain.

On Monday, countries across the world shut their borders to Britain because of fears over the new strain, snarling one of Europe's most important trade routes just days before Britain is set to leave the European Union.