

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DXSE	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY
1.43%	1.67%	\$1,187.60	\$64.46	0.56%	0.27%	0.19%	0.37%	77.15	81.63	114.41	0.64
4,192.20	7,815.00	(per ounce)	(per barrel)	27,735.02	20,187.65	3,502.75	4,414.88	BUY TK	SELL TK	78.15	85.63
								STANDARD CHARTERED BANK			

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Star BUSINESS

DHAKA FRIDAY APRIL 24, 2015, e-mail:business@thedailystar.net

RANA PLAZA, TWO YEARS ON

Fair progress after tragedy

REFAYET ULLAH MIRDHA

Bangladesh has made significant progress in workplace safety since the Rana Plaza building collapse two years ago, as a result of broader reforms undertaken by the government and international communities, analysts and industry insiders said.

"The country needs a continuation of the momentum in improvements so that no more tragedy like the Rana Plaza incident takes place," said Srinivas B Reddy, country director of International Labour Organisation.

The Accord, a platform of 190 retailers -- mainly European, and Alliance, another platform of 26 North American retailers and brands, have already completed preliminary inspections of 2,087 factories in September last year and found more than 98 percent of the factories safe.

Only 29 factories were closed after the inspections. "Bangladesh needs to own the workplace safety improvement as the foreign inspection agencies will leave the country after 2019," Reddy said.

The government has also inspected 650 out of 2,000 factories, which are not members of the Accord and Alliance, under an ILO managed project to address structural, fire and electrical safety issues.

The government should strengthen the capacity of three important agencies -- the Department of Inspection for Factories and Establishments, the Department of Fire Service and Civil Defence, and Rajuk -- to continue addressing the safety issues after the departure of the foreign agencies in 2019, he said.

The ILO has been coordinating the safety improvement efforts and disbursement of compensation after the deadliest industrial accident on this day in 2013 that claimed the lives of 1,138 workers and injured many.

Following the incident that also tarnished the image of the country's apparel sector, the US government in June the same year suspended a trade privilege for Bangladesh -- the generalised system of preferences (GSP). The US also gave Bangladesh 16 conditions to get back the status.

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Diplomats, government high-ups, business leaders and rights activists observe moments of silence to show respects to the victims of Rana Plaza tragedy, on the second anniversary of the country's worst industrial accident, during a seminar organised by the ILO, at Sonargaon Hotel in Dhaka yesterday.

Complete compensation without delay

European diplomat calls for fast-track fund disbursement

STAR BUSINESS REPORT

A European diplomat yesterday called for completion of compensation disbursement to Rana Plaza victims without further delays.

"First and foremost, we need to close the chapter on the compensation for the Rana Plaza victims with great urgency and transparency," said Martine van Hoogstraten, charge d'affaires of the Netherlands Embassy in Dhaka.

While close to 3,500 Rana Plaza victims and their dependants have received at least 70 percent of the compensation through the trust fund, much work is still needed before there can be full closure, she said.

Furthermore, more than 80 missing victims still need to be identified, efforts need to be coordinated to ensure that the discrepancies in the awards are minimised, long-term health care for the injured needs to be resolved, and, an overall compensation framework needs to be institutionalised.

"While we recognise the progress made over the past years, significant efforts are still needed, and, as development partners, it is our responsibility to ensure that we take them forward and keep the momentum going," Hoogstraten spoke at a programme, "Rana Plaza two years on: Towards a safer RMG sector for Bangladesh," at the capital's Sonargaon Hotel in Dhaka yesterday.

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CRP gives hope to Rana Plaza survivors

STAR BUSINESS REPORT

With the collapse of the factories they toiled for and resultant life-threatening injuries, they had thought that their lives had come to an end or at least they would be left to die a painful death as they could not afford treatment.

But two years after the deadly Rana Plaza disaster, the survivors who took treatment at the Centre for the Rehabilitation of the Paralysed (CRP) have started dreaming a new life again thanks to the services provided by the centre.

"I was feeling helpless after losing my left leg in the tragedy," said Rehana Akter, one of the survivors.

"But after coming to the CRP and getting artificial leg attached to my left leg, I am now hopeful that I will be able to build my life again," she said.

The 24-year-old former garment worker was speaking at a programme organised to commemorate the victims of the building collapse at the CRP's Mirpur campus in the capital yesterday.

The CRP organised the event on the eve of the second anniversary of the country's worst-ever workplace disaster, to be observed nationally and internationally today.

Rehana is one of the 509 Rana Plaza survivors who have been helped out by the CRP. Of them, 169 were in-patients and 340 out-patients. Of the in-patients, 36 received treatment for amputations and 38 for spinal injuries.

Ashraf, another survivor, said it had seemed to him that there would be no life, after his left side got almost paralysed. He has come around after taking therapy at the CRP.

The CRP also trained him on how to manage a shop, and set up a shop for him in his village home.

"I now run it. I want to expand the shop and earn more money so my two children receive proper education," said the former worker of Ether Tex, which was housed in the Rana Plaza building.

The CRP's support has gone beyond medical treatment. It has trained 390 survivors on various vocational trades such as tailoring, animal husbandry and electrical mechanics.

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Rehana Akter



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Tax real value of property: CPD

STAR BUSINESS REPORT

Tax authorities should find ways to collect property taxes by considering the actual transaction value of the assets, according to a study by the Centre for Policy Dialogue (CPD).

Property taxes on the actual transaction value will help the tax administrator receive more revenue, and the government is already planning to reintroduce property taxes.

In Bangladesh, the official land price list is not updated regularly and prices are shown lower than the actual transaction prices only to dodge tax and fees, according to the CPD study unveiled at a programme in Dhaka yesterday.

"Tax officials may find out the location specifics, real transaction value of real estate at regular intervals and update it regularly," said Towfiqul Islam Khan, research fellow of CPD, while presenting the findings.

Property tax rates are low in Bangladesh and are collected in the form of 'land tax' or 'holding tax', according to the study.

Ahsan H Mansur, executive director of Policy Research Institute, said property tax is an untapped potential for Bangladesh. "A major overhaul in this area is needed."

The money collected from property taxes should go to the local government for development, he added.

The CPD in collaboration with Governance Institutes Network International (GINI) organised the dialogue on 'SME development in South Asia: how conducive are the tax policies?'

M Syeduzzaman, former finance minister and a member of the CPD's trustee board, moderated the discussion.

Speakers at the dialogue said the forthcoming VAT (value added tax) policy should be friendly to small and medium enterprises to boost the thrust sector.

They also recommended setting a unique definition for SMEs, considering its financial criteria, instead of the number of employees.

"The tax law cannot be a burden on the SMEs," Mansur said, emphasising a balanced relationship between SMEs and taxation policies.

There should be a standard threshold mechanism to determine the SMEs. "The definition criteria should be based on a small enterprise's turnover, not by the number of its employees," he said.

He also suggested the government automate the VAT registration system and introduce electronic payment systems to avoid hassles and unauthorised intervention of tax officials.

Kazi Akram Uddin Ahmed, president of Federation of Bangladesh Chambers of Commerce and Industry, said he is confused by the upcoming VAT policy, especially on the issue of SMEs.

"I am fighting with the finance minister on VAT policies related to SMEs," he said, recommending the introduction of multiple tax and VAT rates, as per the capacity of taxpayers.

Syed Nasim Manzur, president of Metropolitan Chamber of Commerce and Industry, said there are too many tax laws that are complicated and detrimental to SMEs.

Citing the provision of 0.3 percent tax on sales receipts, he said there should not be any tax on sales receipts as it is not an income or profit.

He also advised the government to provide tax incentives for those who will submit tax returns much earlier than the scheduled time.

Abdul Mazid, a former chairman of National Board of Revenue, also agreed that a single VAT rate is not appropriate. "The VAT rate should be different for different sectors of the economy."

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Officials of Bangladesh Garment Manufacturers and Exporters Association pray for the victims of the Rana Plaza disaster to mark its second anniversary, at the Jurain graveyard in Dhaka yesterday.

Food ministry finally calls for rice import duty

SOHEL PARVEZ

The food ministry has at last asked the National Board of Revenue to slap duty on rice imports in a last ditch move to arrest the downward spiral of prices of the grain and prevent farmers from racking up unsustainable losses.

Millers and analysts termed the initiative to be 'too late' as the harvest of boro paddy has already begun and the grain is trading at Tk 100 per maund (40 kilogram) below last year's prices.

The rice prices are also lower than those that prevailed at this time last year, according to Trading Corporation of Bangladesh.

The government should have imposed the duty much earlier as many farmers and millers have already incurred losses for rising imports from India, said Bappi Saha, a rice miller from Netrokona district.

Farmers get as low as Tk 450 for each maund of BRRI Dhan 28, the most popular rice variety during the boro season. The lowest price of the same variety was Tk 550 per maund during the harvesting period last year, he said.

The present price of paddy is much below the government estimate of farmers' production cost of Tk 20 each kilogram during the current boro season.

"The demand for paddy remains lukewarm among millers. Because of that, we are suffering from losses. We cannot clear our stocks for the imports," Saha said the farmers will be unable to recover their investment unless the government takes steps immediately.

Acknowledging the downward trend of rice prices owing to imports, the food ministry finally sought the NBR's help yesterday -- a move that comes four months after the parliamentary standing committee on the food ministry advised for discouraging imports.

Between July 1 last year and April 21 this year, rice imports stood at 12.91 lakh tonnes, which is more than three times the total imports last fiscal year, according to food ministry data. In fiscal 2013-14, 3.74 lakh tonnes of rice were imported.

Earlier, some millers and importers said the zero duty buoyed rice imports. The imported rice traded in the domestic market for household consumption has affected farmers and millers, they added.

But the government continued to ignore the concerns of millers and farmers, with some top government functionaries such as Food Minister Md Qamrul Islam maintaining that low-quality rice was being imported for 'cattle feed'.

Some aromatic rice was also imported but the amount of import was not so high compared to domestic production and consumption, Islam told The Daily Star last month.

A month later, the food ministry in its letter said huge quantities of rice are being imported from India, causing a downward trend in rice prices on the domestic market.

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Not even a single factory fully safe yet: IndustriALL

STAR BUSINESS REPORT

Bangladesh still cannot claim that even one of its 4,000 active garment factories is 100 percent safe two years after the Rana Plaza disaster, a global labour group said yesterday.

"It is an unacceptable reality that not a single factory can yet be called 100 percent safe," said IndustriALL Global Union on the eve of the second anniversary of the country's worst-ever industrial disaster.

In a statement, it said important progress has been made but the fact that remediation works are behind schedule -- with some over six months behind -- is a serious problem.

The Geneva-based group called upon the garment industry to show that it has the leadership to stay the course and change the global supply chain permanently.

"The global garment industry needs to show to its consumers that it has learned its lesson and is able to move on to addressing another burning question: the poverty wages paid to workers."

IndustriALL also rued the lack of funds needed to compensate the injured workers and the dependants of the deceased.

The compensation fund is still missing \$6 million out of the targeted \$30 million.

IndustriALL Global Union General Secretary Jyrki Raina said: "Two years after this industrial homicide, the victims of Rana Plaza are still waiting for full compensation."

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