

# Western retail giants restrict travel to Bangladesh after attacks

REUTERS, Dhaka  
Business executives from global clothing giants H&M, Inditex and GAP cancelled trips to Dhaka this month after the killings of two foreigners, industry sources said, causing anxiety for Bangladesh's \$25 billion garment export sector.  
Bangladeshi suppliers to the world's top brands said they didn't expect the disruptions to hurt their orders for the year-end Christmas season.  
But the attacks, claimed by the Islamic State, increase the pressure on an industry which faces competition from other low-wage countries and is trying to repair its safety image after several fatal accidents.  
The United States and Canada have asked their diplomats to restrict their movements, and Britain warned of more attacks after an Italian aid worker and a Japanese man were shot dead a few days apart. Australia cancelled a cricket tour.  
Bangladesh's government, however, rejected the claim by the Islamic State and blamed the growing violence in the country on its domestic political opponents trying to show it in poor light. The attacks on foreigners, while rare, follow the killings of four

Bangladeshi bloggers this year by machete-wielding assailants, and have spawned fear among the foreign community.  
"Our Western buyers panicked after the killing of the two foreigners within five days. Some buyers cancelled their visits during this peak time when they are supposed to place more orders," said Siddiqur Rahman, chief of the Bangladesh Garment Manufacturers and Exporters Association.  
Shahidullah Azim, a garment exporter who supplies to Sears, Loblaws and Perry Ellis among others, said one of his buyers asked him to come to Dubai instead, along with the clothing samples.  
Other foreign business executives asked for video conferences with their Bangladeshi counterparts, saying they couldn't travel to Dhaka because of the warnings issued by their governments.  
"We are monitoring the situation in Bangladesh closely and we are taking the appropriate security measures. We are also in close dialogue with other brands regarding the situation," H&M spokeswoman Anna Eriksson said.  
Marks & Spencer said the firm stopped travel to Bangladesh for seven days a few weeks ago. Travel has since resumed, a spokeswoman said, and added there was

no impact on business orders.  
GAP declined to comment on a change in its travel plans. Tesco said it had not stopped business travel to Bangladesh, but had asked its employees to be vigilant and consider their movements carefully.  
Japan's Fast Retailing, which owns the Uniqlo casual wear brand, said it suspended business travel for Japanese employees to Bangladesh this month, and warned employees against going out alone except when necessary. It said its local stores were operating as usual.  
Bangladesh has deployed paramilitary soldiers on nighttime patrols in the diplomatic quarter of Dhaka and issued a nationwide ban on people riding pillion after the two attacks were carried out by masked men riding bikes.  
Home Minister Asaduzzaman Khan, who has dismissed claims that the Islamic State was operating in the Muslim majority country of 160 million, said on Wednesday that police were close to a breakthrough on the killings.  
"We have taken these attacks very seriously. We won't spare the killers," he said.  
Prime Minister Sheikh Hasina has blamed the rising tide of violence on the opposition Bangladesh Nationalist Party and its key ally,

Jamaat-e-Islami, many of whose leaders are being prosecuted for war crimes during the 1971 war of independence.  
The opposition denies any involvement.  
A Dhaka-based garment manufacturer said the government had increased security in the area where foreigners lived, police had spoken to them and confidence was returning. Business was strong, but if there is another attack on a foreigner, it could hurt the sector.  
Azim warned of an even broader impact. "If this Islamic State issue persists for long it will not only hurt our business, it will destroy the country's image," he said. "The government should act promptly to bring the perpetrators to justice and let the world know that Bangladesh is safe."  
The readymade garments industry is the economic lifeblood of the country, employing around four million people, most of them women. It is in the midst of a massive safety overhaul after the collapse of the Rana Plaza in 2013 in which more than 1,100 workers were killed and exposed the unsafe working conditions.  
In recent years, Bangladesh has also faced competition from Vietnam, Cambodia and Myanmar, although its wages remain low.



**Jahangir Bin Alam, chief executive of India-Bangladesh Chamber of Commerce and Industry, speaks at a plenary session on value chain, at the South Asia Economic Conclave organised by the Confederation of Indian Industry in India.**

## Bangabandhu satellite may miss deadline

FROM PAGE B1  
The project implementation committee has already extended the tender validation date to November 30, from the previously fixed date of October 15, a top executive of a bidder company said. "The date will need to be extended further."  
Officials of the project implementation committee have also voiced concern about meeting the deadline, especially because the decision is complex as three of the four bidders do not even have their own launching pads.  
The satellite is so far the most sophisticated technological project undertaken by Bangladesh, worth about Tk 2,967.96 crore. Of the amount, some Tk 1,652.44 crore will be from foreign loans and the government will supply Tk 1,315.51 crore. Of the loans, 85 percent will have to be brought in by the winning bidder.  
All the bidders agree that it will be difficult to launch the satellite in time. "None can maintain the December 2017 deadline under the current circumstances," said Zakir Hossen, a local consultant of the Great Wall Industry Corporation.  
"Only Great Wall has a chance of meeting the deadline as we have our own launching pad," he said.  
Great Wall is currently the fourth choice out of the bidders, as it has the highest stipulated costs, and MDA is the first choice for its lowest bid of \$222.75 million, officials said. Thales Alenia Space of France is the second lowest bidder with \$248 million.  
However, financial aspects are not the only criteria to select the best bidder, as the technical sides also have to be considered, officials said.  
Currently Bangladesh's satellite-related needs are met by renting bandwidth from different operators, for almost \$14 million a year, with the costs increasing every year.  
Once launched, Bangabandhu-1 will save this annual cost, and bring in foreign currency by leasing out half its capacity to Saarc nations, as well as countries like Indonesia, the Philippines, Turkmenistan, Kyrgyzstan and Tajikistan, if the frequencies are properly coordinated.  
The telecom regulator hopes to break even in seven years. The satellite will narrow the digital divide, as it will help take broadcast and telecom services to rural areas, and allow the launch of some lucrative ventures like direct-to-home services throughout the country.



**Aziz Al Masud, managing director of Partex Fashion; Jina Masud, director of Partex Fashion; Aziz Al Mahmood, managing director of Partex Star Group; Rubel Aziz, managing director of Partex Group, and Adil Hossain Noble, an artist, pose at the launch of the fourth showrooom of RED by Partex at Gulshan in Dhaka yesterday.**



**Mohammed Saiful Alam, chairman of First Security Islami Bank, and Syed Waseque Md Ali, managing director, hand 1.1 lakh blankets to Prime Minister Sheikh Hasina as donation to her relief fund, at the premier's office in Dhaka on Wednesday.**

## Call for TIN verification gets poor response

FROM PAGE B1  
The NBR official said they received nearly 120 applications, mainly from banks. However, all were not given access to the e-TIN database for an absence of adequate documents.  
"We are advertising in the media to create awareness about using valid TINs."  
More than 17 lakh taxpayers signed up so far for e-TINs since the revenue authority introduced the portal in July 2013. The law permits the tax authority to fine Tk 50,000, along with three months' imprisonment, for the use of fake TINs.  
When contacted, Md Nurul Islam, BRTA director (engineering), said his office now receives TIN certificates and records the number. "But we are yet to start verifying TINs."  
Md Moshir Rahman, BRTA director (administration), said the BRTA and NBR are in the process of signing a deal soon so that both the offices can access each other's databases.

## India issues new guidelines for Uber-like services

AFP, New Delhi  
India published new guidelines for web-based ride-hailing firms including US-based Uber and its local rival Ola on Wednesday, after months of legal battles and bans over rising concerns for the safety of women passengers.  
The federal Ministry of Road Transport has advised ride-booking services, which connect customers directly with drivers through smartphones, to obtain permits from state administrations to conduct business, the rules posted on its website showed.  
The new guidelines, which are reportedly not binding, suggest the "vehicle should be equipped with emergency safety buttons" as well as in-app features that will allow passengers to make calls to police.  
They also call for extensive criminal background checks of drivers, specifying they "must be of good character" -- measures aimed at better safety for female passengers, after one of Uber's drivers was charged with raping a woman in New Delhi last December.  
Following the rape scandal, the company was accused of failing to conduct adequate background checks after it emerged that the driver had previously been accused of assaulting women.  
The new regulations are seen as a boost for Uber and Ola which have been fighting for legal status and license approvals in court after their operations were halted in some cities including New Delhi.  
The bans were, however, never effectively enforced.  
The latest rules were welcomed by Uber which has expanded rapidly worldwide in recent years despite facing hurdles from regulators in many countries and protests from traditional taxi services.  
"The guidelines are a significant step in the right direction," Amit Jain, Uber India president, said in a statement on Wednesday.  
According to the six-page advisory, ride-hailing companies must not represent themselves as taxi services unless they are registered as regular taxi operators.

## Petrobangla asked to put aside funds for Niko arrears

FROM PAGE B1  
The funds in the account will be used for compensation if the tribunals find Niko liable for the damage resulting from the 2005 blowouts. Otherwise, the escrow arrangement will ensure that funds are made freely available to Niko.  
Now the question of whether Niko is liable for the damage remains to be seen. An ICSID hearing on the compensation is scheduled to take place next month.  
Ahmad hopes the verdict on the compensation case will come in favour of Petrobangla, as international experts found damage to the gas field was caused by negligence on the part of Niko.  
Petrobangla said the blowouts destroyed the upper layer of the gas field completely. As a result, Bangladesh has been deprived of discovering commercially viable gas from the field. In 2008, a case against Niko was filed with the Joint District Judge 2 Court in Dhaka seeking compensation. The trial is still pending.  
On Wednesday, the ICSID tribunal presided over by Michael E Schneider of Germany said Petrobangla owes Niko \$25.31 million (Tk 196 crore) and about Tk 14 crore as per invoices for gas delivered from November 2004 to April 2010. Besides, it has to pay interests of \$5.93 million and about Tk 4.98 crore.  
Additionally, Petrobangla will have to pay at the six-month London interbank offered rate-plus 2 percent for the dollar amounts and 5 percent for taka amounts, compounded annually from September 12, 2014.  
Niko welcomed the decision, terming it a favourable one.

## Poverty rate will fall to 18.6pc in 5 years: minister

FROM PAGE B1  
Mashur Rahman, the prime minister's economic affairs adviser, said income disparity is decreasing gradually.  
He said wages have gone up in the extreme poverty-stricken areas of Rangpur. Skills development institutions have to be set up throughout the country to increase manpower exports, Rahman said.  
Shamsul Alam, member of the General Economics Division, presented the features of the five-year plan and said it would soon be placed at the NEC meeting for approval.

## Stocks slide to 3-month low as confidence ebbs

FROM PAGE B1  
Investors backtracked in the face of risks to safeguard their position amid a depressed market, it added.  
Turnover, another important indicator of the market, however jumped up 30.9 percent to Tk 404.49 crore with 11.50 crore shares and mutual fund units changing hands on the DSE. Of the traded issues, 98 advanced and 176 declined with 46 securities closing unchanged on the premier bourse.  
Debutant KDS Accessories dominated the turnover chart with 53.68 lakh shares worth Tk 45.77 crore changing hands, followed by Lafarge Surma Cement, Beximco Pharma, Grameenphone and United Air.  
The cement sector took the highest hit, falling 4.28 percent in market capitalisation, followed by telecom that lost 3.96 percent, fuel and power 0.88 percent, banks 0.87 percent, textile 0.5 percent and mutual funds 0.42 percent. Conversely, food and allied and pharma sectors were up 0.17 percent and 0.12 percent respectively.  
IPDC was the day's best performer with 9.79 percent gains, while Apollo Ispat Complex was the worst loser, shedding 12.5 percent.  
Chittagong stocks fell with the bourse's benchmark index, CSCX, declining 77.08 points or 0.87 percent to finish the week at 8,711.71 points. Losers beat gainers as 132 declined and 65 advanced, while 31 finished unchanged on the Chittagong Stock Exchange.

## Trade deficit narrows 40pc as imports drop

FROM PAGE B1  
On October 14, foreign currency reserves stood at \$26.75 billion, which was \$25.02 billion at the end of June.  
Since the reserves are at a satisfactory level now, the BB is in a comfortable position regarding exchange rate management.  
The average exchange rate in the inter-bank foreign exchange market in the last five months was Tk 77.8 against a dollar.  
In recent times, a crisis of dollars has emerged, and one of the reasons is that a huge number of people bought dollars for Hajj. The banks are now selling the dollar for Tk 81-82.

## Container terminal deals face legal barrier

FROM PAGE B1  
But allegations of massive irregularities were raised against the CPA since the floatation of the tenders to appoint the terminal operator.  
The allegations include violation of Public Procurement Act, and Public Procurement Rules, misuse of port ordinance, avoidance of taking the higher authority's approval and revising tender conditions to favour Saif Powertec.  
The Daily Star tried to reach CPA Chairman Rear Admiral Nizamuddin Ahmed by phone for comment, but he did not take calls.



**G Hari, president of Tafe Group, and Sadif Jamil, managing director of The Metal, pose at the launch of two new models of Tafe tractors at Brac Learning Centre in Comilla yesterday.**



**ATM Mustafa, managing director of Hamko Corporation, and Mahesh Gupta, chairman of Kent RO Systems, pose at the launch of Kent Mineral RO water purifier in Dhaka.**