

Coastal shipping team to meet in India in March

PALLAB BHATTACHARYA, New Delhi

A joint taskforce on coastal shipping between India and Bangladesh will meet in New Delhi in the first week of March to increase cooperation in the sector, M Shahidul Haque, foreign secretary of Bangladesh, said yesterday.

The visiting official made the remark after talks with his Indian counterpart S Jaishankar and meetings with India's National Security Advisor Ajit Doval and Special Secretary in Water Resources Ministry Amarjit Singh.

Coastal shipping is a new area identified by the two countries during Indian Prime Minister Narendra Modi's visit to Dhaka in June last year, Haque told reporters, adding that the forthcoming meeting of the taskforce would take forward bilateral cooperation.

The taskforce will identify the

Indian and Bangladeshi ports and sea routes which are to be opened for coastal shipping for goods and passenger services, he said.

The two countries signed a deal on coastal shipping comprising movement of cargo and cruise liner services late last year.

Haque said there "has been very good progress" in securing Indian assistance for development of Chittagong port.

The two sides had "very fruitful discussions," he said, on various aspects of bilateral relations including terrorism, water resources management, trade, investment, power and energy, regional cooperation, connectivity, regional and multilateral cooperation and people-to-people contact.

"We went through the progress in implementation of the decisions taken during Prime Minister Modi's visit and the progress has been very fast," Haque said.

Replying to a question on Teesta water-sharing deal, he said, "The Indian side has been very open to discussions on joint water resources management."

Both sides are working on a meeting of the ministerial-level joint river commission, he said. The previous meeting of JRC was held more than five years ago.

Asked if there has been any progress in efforts toward the Teesta water-sharing deal, Haque merely said: "Let us wait and see."

Haque said the issues of Bangladeshi-Bhutan-India-Nepal Corridor and Bangladesh-China-India-Myanmar connectivity came up in the bilateral meeting and both sides expressed satisfaction over the progress on the two fronts.

The third meeting on the BCIM project is expected to be held this year in India, he added.



Muhammad A (Rume) Ali, chief executive officer of Bangladesh International Arbitration Centre, and Shah Alam Sarwar, managing director of IFIC Bank, pose after a discussion on the need and use of alternative dispute resolution method, at the bank's head office in Dhaka.

The looming threat of income inequality

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The inequality challenge needs to be addressed forcefully, he said. "International experience suggests that income inequality can mainly be addressed with a very strong and focused redistributive fiscal policy."

In his book, Ahmed highlighted the need for progressive and universal personal income taxation, and substantial increases in public spending on health, education and social protection to reduce the income inequality.

Finance Minister AMA Muhith along with Prime Minister's Political Affairs Adviser HT Imam, Economic Affairs Adviser Mashiur Rahman and Bangladesh Bank Governor Atiur Rahman unveiled the book -- "Growth with equity: contemporary development challenges of Bangladesh".

Former finance minister M Syed-uzzaman moderated the programme. The book is a compilation of research papers written between 2012 and 2014. It is a dispassionate analysis of the phenomenal growth of Bangladesh and an incisive enquiry into what extent the equity issues were tackled.

The author said Bangladesh is one of the few countries in the world that achieved an average GDP growth of more than 5 percent over the last 30 years.

"The growth rate is stable and on an upward trend, despite lots of international and domestic turmoil. This shows the resilience of the people and a hope that further progress is possible under the seventh five-year plan and beyond," Ahmed said.

The ability to achieve the target for 7-8 percent growth hinges critically upon the ability to increase the investment rate from an existing 28 percent of GDP to 34 percent by 2020, he added.

On the equity front, he said, the record is also impressive. "Poverty has come down steadily and consistently. Human development indicators show sustained long-term improvements and progress with gender empowerment has drawn international attention."

"Some 60 percent of the population consumed at 1.5 times the poverty level and 80 percent of the population consumed at 2

times the poverty level."

The huge concentration of the poor around the poverty line suggests that there is a large number of near-poor who are vulnerable to shocks related to weather, health or political turmoil, and can easily cause many to slide back into poverty, he said.

Ahmed also highlighted several policies that will be required to address the growth constraints, including investment, infrastructure, skilled workforce and social security.

Muhith said one of the main targets of the government is reducing income inequality by focusing on poverty alleviation.

On infrastructure, he said the situation is worse in Bangladesh than in other regional countries. "It's mainly because of the quality of infrastructure that is very poor in the country."

The government's focus is also on improving infrastructure, especially the roads, according to Muhith.

"No new roads will be constructed right now."

Governor Atiur Rahman said the country is entering a new phase of growth amid multiple transitions: from lower- to higher-middle income country, with increasing trade and financial integration and amid a difficult global environment.

"The resilience of our economy has been deeply linked to the equitable nature of our growth drivers -- agriculture, labour-intensive manufacturing and remittance."

"But as Sadiq Ahmed reminds us, we cannot take this for granted. We need to emphasise growth with equity so that our growth continues longer, touching more lives," said Rahman.

Employment serves as a bridge between growth and equity, he added.

"Human capital formation by investing in health and education, and social safety net policies is essential to promoting a virtuous cycle of growth, poverty reduction and equity."

Aamra to create 1,500 Wi-Fi hotspots

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Most of the hotspots will be set up in Dhaka, Chittagong, Sylhet, Khulna and Rajshahi, said Muntasir Ahmed, an assistant general manager of the company.

"Currently we are establishing our networks at all public and private universities, hospitals, restaurants, airports and railway stations, where people need to stay for a long time," said Ahmed.

The company also plans to bring coffee shops, shopping malls and regular hangout places under their Wi-Fi networks with at least 10 Mbps speed.

Aamra will also take steps to create such hotspots in rural areas and all district headquarters, according to Ahmed.

As of January 2016, cafeterias of 10 public and private university campuses in Dhaka and Chittagong have been connected with Aamra's Wi-Fi service, and 25 more are in the pipeline, the company said in a statement.

"We understand the importance of ensuring continuous accessibility to the internet," said Intekhab Mahmud, chief executive officer at Aamra Smart Solutions.

The company is working relentlessly towards achieving that goal, he said.

he said, adding that its annual export receipts cross \$50 million.

"Our buyers have started contacting with us and we assured them that production in the factory will start very soon for the shipment of goods."

Hossain said both the foreign factory inspection agencies, Accord and Alliance, have inspected the factory previously for fire, structural and electrical safety.

Traffic on the busy Dhaka-Mymensingh Highway was severely disrupted as those were halted for two hours between 9am and 11am to facilitate fire fighters to douse the flame, police and witnesses said.

During the incident, transport communication on the Bhushirmil link road in the area was also disrupted for around half an hour due to the operations of fire fighters.



Muhammad Zahirul Alam, deputy managing director of Bank Asia, and Shoeb Ahmed, chief operating officer of Rangs Ltd, exchange documents of a memorandum at a programme yesterday. Bank Asia will provide its clients with auto loan at special rates and zero processing fee along with special discounts at Rangs.

Dragonair becomes Cathay Dragon

STAR BUSINESS DESK

Dragonair, Cathay Pacific's wholly-owned sister airline, has been rebranded as Cathay Dragon, the Cathay Pacific Group said in a statement yesterday.

The two will remain active as separate airlines under their own licences, according to the statement.

The rebranding aims at more closely aligning the two brands and capitalising on Cathay Pacific's high international brand recognition and leverage on Cathay Dragon's unique connectivity into Mainland China.

Since Dragonair became a subsidiary of Cathay Pacific in 2006, it has added 23 new destinations and the number of passengers travelling across both carriers has grown five times to more than 7 million in 2015.

The combined annual passenger number of the two airlines grew from 22 million to more than 34 million last year, Cathay said.

"We are very proud of what we have achieved together. Cathay Dragon is a brand that will be recognisably part of the Cathay Pacific Group for our customers from different parts of the world," said Ivan Chu, chief executive of Cathay Pacific.

"The rebranding will enable us to capture the fast-growing passenger flows across the two carriers by creating a more seamless travel experience."

"We are building on what is a true Hong Kong success story that has made our city a leading international aviation hub and gateway to and from Mainland China markets."

"This rebranding will sharpen our competitive edge by offering an attractive

Cathay-led brand package that carries the assurance of a consistently high-quality customer experience," he said.

The rebranding will see a new livery created for Cathay Dragon that features a Cathay-style brushwing logo, the statement added.

This livery will appear for the first time on one of Cathay Dragon's Airbus A330-300 aircraft in April and will be progressively introduced to the rest of the airline's fleet, Cathay added.

"We can assure our customers that Cathay Dragon will continue to provide the same high level of products and services that made us a four-time winner of the World's Best Regional Airline award," said Algernon Yau, chief executive officer of Cathay Dragon.

"We will have the same dedicated team continuing to offer their friendly and caring service style."

Alphabet vaults past Apple as most valuable firm

AFP, San Francisco

Google-parent Alphabet snatched Apple's crown late Monday as the world's most valuable firm based on the value of shares that leapt with better-than-expected earnings.

At the official close of trade, Alphabet was worth \$530.1 billion based on its share value, compared to \$534.7 billion for Apple, but shares in the Internet search colossus soared in after-hours trading to reach \$791 shortly before 0400 GMT.

If those gains hold in official trading when the Nasdaq opens in New York City on Tuesday, Alphabet would officially

overtake Apple as the world's biggest company by market value.

Alphabet's reported quarterly profit rose five percent to \$4.92 billion on the back of strong online advertising revenue, particularly from searches done by holiday season shoppers using smartphones or tablets.

"This holiday season, we found that shopping moments replaced shopping marathons," Google chief executive Sundar Pichai said during an earnings call.

People made purchases online when time allowed, with Google powering many of their searches and serving up related ads.

GDP growth revised up

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In fiscal 2013-14, GDP grew 6.06 percent.

The BNP-led opposition alliance enforced a strike from January to March last year and the World Bank and various local think-tanks estimated that the unrest will cause a heavy loss to the economy.

In April 2015, the WB said the country lost \$2.2 billion (approximately Tk 17,150 crore), or 1 percentage point of GDP, due to the prolonged political turmoil.

Without the political turmoil, GDP growth could have been 6.6 percent.

But due to the political unrest, the Washington-based multilateral lender projected 5.6 percent GDP growth for fiscal 2014-15, down from fiscal 2013-14's 6.01 percent.

Although people were killed in the political unrest economic activities did not

stop, said Planning Minister AHM Mustafa Kamal while releasing the final figures of the BBS yesterday.

Exports continued amid the transport blockade. With the help of the law-enforcement agencies, export consignments were escorted from Dhaka to Chittagong, he said.

There was no dearth of goods in the kitchen markets in Dhaka either as supply was normal during the unrest.

Both industrial and services sectors saw growth, but agriculture contracted. In fiscal 2014-15, growth in agriculture decreased 1.04 percentage points to 3.33 percent.

In the services sector, growth increased 0.18 percentage points to 5.8 percent. The growth in the industrial sector was 1.51 percentage points to stand at 9.67 percent.

Taxpayers to file returns online from July

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NBR said taxpayers will be able to file their tax returns online by using the electronically generated taxpayer identification numbers (e-TINs) launched in 2013.

Electronic tax return filing will increase accountability and transparency in the tax administration and ensure higher compliance.

Under the scheme, all tax offices will come under a network, allowing the headquarters to monitor their activities.

"Our target is a paperless tax system. If we can avoid man-to-man contact, the extent of logical and illogical allegations against tax offices will go down," Halder said.

NBR will first run the system at tax zone 8 on a pilot basis, according to a presentation by FPT Information System, a Vietnamese firm, which is developing the system for NBR.

The company will provide support services to NBR from 2015 to 2018.

NBR said the online tax system will interface with other IT-based initiatives, such as online VAT administration and Customs' Asycuda World system, to enable taxmen to gather and exchange information among departments.

The tax administrator plans to develop the system in a way that allows people to pay taxes using debit or credit cards of any bank.

State Minister for Finance MA Mannan and NBR Chairman Md Nojibur Rahman also spoke.

Mobile banking sees stellar growth

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Last year, the sector saw Tk 27,879.56 crore in person-to-person money transfers, and the amount was only 17.67 percent of the total transaction. The figures for business transaction, salary disbursement, and bills payments were also nominal.

Saha said entrepreneurs have to work in these areas.

However, the market leader in mobile financial services -- bKash -- said customer-centric products along with the trust and confidence of common people have helped the sector grow.

"Besides fund transfer services, we are offering 'buy airtime' for mobile top-up, merchant payments at shops, salary disbursement and different collection solutions for corporate customers, which have contributed to our growth," said Zahedul Islam, the spokesperson for bKash.

Earlier in a report USAID said Bangladesh has a rapidly growing mobile financial service industry, accounting for more than 8 percent of the total registered mobile money accounts globally.

The country launched such products in 2011 and in five years, the market hit the highest position in the world so far.

Currently, 28 banks have approval for offering mobile financial service although 20 launched operations so far. Two leading operators hold around 90 percent market share.

Sweater factory counts losses as fire breaks out

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The factory has announced closure for two days for repair works.

"I hope we can reopen the factory within the next three or four days as only one floor was damaged by the fire," Hossain told The Daily Star by phone.

The factory employs 2,500 workers and ships about seven million sweaters to retailers in Europe and the US,