

# BASIS to organise NASA's space apps competition

STAR BUSINESS REPORT

Bangladesh Association of Software and Information Services (BASIS) will organise the world's largest hackathon competition—NASA Space Apps Challenge 2016—in April this year.

BASIS will hold the event in Bangladesh as the local host of US space agency National Aeronautics and Space Administration (NASA), and it will be held at over 100 other cities around the world. The three-day event will be organised in Dhaka, Chittagong and Sylhet, BASIS officials said at a press meet at their office in the capital yesterday.

Total six teams, two from each city, will be selected to compete at the final challenge at NASA, and BASIS will award selected participants with certificates.

To create awareness on the competition, BASIS Students' Forum will organise seminars in 100 universities in the country, and all participants will have special

mentoring, said Ariful Hasan Opu, BASIS director and convener of the competition.

This year Space Apps participants will create solutions to mission-related challenges defined under six categories: aeronautics, international space station, solar system and beyond, information technology, earth and the journey to Mars.

BASIS President Shameem Ahsan said they are delighted to be organising the global competition for the second year in a row.

"We hope to get solutions to global challenges involving information technology and science through this challenge. It will create scope of employment and engagement in NASA and other international agencies for Bangladeshis. Participants need to register online, individually or in teams at studentsforum.basis.org by March 20.

Pbazaar.com and Bagdoo.com will be the sponsors of the event while Rajshahi University, Independent University of Bangladesh and Chittagong Independent University are the academic partners.

# IMF chief urges Gulf states to bring in taxes

AFP, Abu Dhabi

The International Monetary Fund chief urged on Monday oil-exporting Gulf countries to introduce taxes, warning that low crude prices are likely to stay for an "extended period".

Gulf economies "need to strengthen their fiscal frameworks and reengineer their tax systems by reducing their heavy reliance on oil revenues and by boosting non-hydrocarbon sources of revenues," Christine Lagarde told a forum in Abu Dhabi.

Lagarde, who was named to a new five-year term Friday at the global emergency lender, called for the introduction of value-added tax, "ideally a harmonised regional VAT".

"Even at a low single-digit rate, such a tax could raise up to 2 percent of GDP (gross domestic product)," she said.

Lagarde also called for a "greater emphasis" on corporate income taxes, as well as property and excise taxes.

The IMF chief pointed out that oil exporters in the Middle East and North Africa lost last year more than \$340 billion in oil revenue from their budgets, amounting to 20 percent of their combined GDP.

"Not only have oil prices fallen by around two-thirds from their most recent peak, but supply and demand-side factors suggest that they are likely to stay low for an extended period," she warned.

The price of oil has dropped from over \$100 a barrel in July 2014 to around \$30 today.

# New chairman for Asian federation of advertisers



Raymond So

STAR BUSINESS DESK

Raymond So has been elected as the chairman of the Asian Federation of Advertising Association (AFAA) at its 19th general body meeting in Taipei, the association said in a statement yesterday.

Representing the Taipei Association of Advertising Agencies, So will preside over the executive committee of AFAA for four years.

Srinivasan K Swamy of the Advertising Council of India has become the vice chairman of AFAA, according to the statement.

# Closing borders would cost EU 470b euros over 10yrs

AFP, Berlin

Ending Europe's open-borders Schengen agreement would cost EU economies at least 470 billion euros (\$520 billion) over a decade, according to a German study published Monday.

The impact on trade flows would also cost major trade partners the United States and China tens of billions of euros each, said the study by the Prognos institute on behalf of the Bertelsmann Foundation.

The study was published as several European countries have reintroduced provisional border controls to stem a mass influx of refugees, the greatest wave of people seeking asylum since World War II.

"If Europe's borders are closed again, this would put even more pressure on Europe's already weak growth," said Aart De Geus, chairman of the Bertelsmann Foundation. "In the end it's the people who would pay the bill."

Longer delays at borders would force up warehouse storage and personnel costs for companies as just-in-time deliveries and reliably speedy goods flows could no longer be assured, the study said.

Under an "optimistic" scenario, production costs in the EU would rise by one percent, driving down gross domestic product (GDP) for the EU by 470 billion euros from 2016 to 2025, it said.

The bill would be 77 billion euros for Germany and over 80 billion euros for France.

The downturn in trade and rising prices would cost the US economy 91 billion euros over 10 years, and China 95 billion euros by driving up import prices under this scenario, it said.

Under a "pessimistic" scenario, production costs would rise by an average of three percent. This would result in extra costs to the EU of 1.4 trillion euros, including of 235 billion euros for Germany and 244 billion for France, said the study.



BANK ASIA

M Irfan Syed, a director of Bank Asia, poses with the recipients of Bank Asia Higher Studies Scholarship from Tarail upazila in Kishoreganj on Saturday. Aminul Islam, additional managing director, was also present.



RAK PAINTS

SAK Ekramuzzaman, chairman of RAK Paints, and Quamr-Uz-Zaman, managing director, attend an awards ceremony for its partners, at the International Convention City in Bashundhara, Dhaka.

# Businesses call for an end to harassment by taxmen

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Regarding the necessity to collect a huge amount of revenue, Ahmad said the government need money as it has been implementing some mega-infrastructure projects.

"We need to raise money from domestic resources for implementation of those projects, as the government will not beg money from others. So, the businessmen should pay the taxes properly."

But, at the same time, the government should also introduce simple solutions for VAT payment system and collection such that the businessmen can fill the national coffers easily, Ahmad added.

Mohammad Hatem, former vice-president of the Bangladesh Knitwear Manufacturers and Exporters Association, said the NBR officials have been collecting VAT from the garment factories housed in rented structures, although taxes on such factories have been withdrawn earlier.

The officials also demand VAT on trade licences, although there is no system of VAT collection on such licences.

MS Siddiqui, president of the Bangladesh Indenting Agents' Association, said the proposal of deploying the Rapid Action Battalion for collecting VAT from the businessmen is insulting.

Recently, the RAB proposed assistance to the NBR for VAT collection, but the proposal was turned down by the tax administrator.

While replying to the queries of the businessmen, Jahangir Hossain, an NBR member, said the new VAT law will come into effect from July.

The new law will put an end to the harassment by the best practices in VAT collection have been incorporated in the law, he said.

Once the new law takes effect, the businessmen will not need to go to the divisional customs offices to declare the prices of their goods. The businessmen will have the authority to declare their goods by themselves, according to Hossain.

There will be no factory visits from the NBR officials for audit, which will be done automatically by way of software, he said.

"But the NBR officials will pay advisory visits to the factories. The NBR officials will enforce their full authority on factories that fail to comply with the rules," he said.

Hossain urged the businessmen to stop the abuse of bonded warehouse services for the greater interest of the domestic industries.

# Turkey PM unveils plan to boost struggling tourism sector

AFP, Ankara

Turkish Prime Minister Ahmet Davutoglu on Monday announced a multi-million-dollar aid package for the country's struggling tourism industry which has been hit by a crisis with Russia and security concerns.

Davutoglu said that a total of 255 million Turkish lira (\$86.5 million) in financial aid would be given to Turkish tourist agencies while there would also be measures to help firms restructure debt.

"These measures will be implemented quickly and we think that the package will rejuvenate the tourism sector," Davutoglu told reporters in Ankara.

"We are in a sensitive time but we will overcome the difficulties of the tourism sector and we will defend our positions as one of the most attractive destinations," he added.

Davutoglu denounced what he said was a campaign of "black propaganda" carried out from abroad against Turkey's tourism industry which was being helped by opponents of the ruling party.

The industry has been shaken by security concerns as Turkey wages a two-pronged offensive against Islamic State (IS) jihadists and Kurdish militants.

A suicide bombing on January 12 blamed on jihadists killed 11 German tourists in the heart of Istanbul's tourist district.

Last week, 28 people were killed in the

capital Ankara in an attack on buses carrying military staff. The radical Kurdish group that claimed the attack then threatened to attack tourist sites.

TUI, the world's biggest tourism group, said earlier this month it had seen bookings to Turkey drop by 40 percent while several prominent cruise operators have cancelled lucrative port calls in Turkey this summer.

The sector is key to the economy: according to official statistics, foreign tourism brought in almost \$31.5 billion in revenues in 2015.

Turkey's tourism industry also suffered a huge blow with the crisis between Ankara and Moscow which began when Turkish jets shot down a Russian war plane on the Syrian border on November 24.

The Russian foreign ministry recommended that its citizens do not visit Turkey and Russian agencies stopped selling package tours to the country.

The number of Russians visiting Turkey almost halved in December from the same period a year earlier, official statistics showed.

But Davutoglu expressed confidence that Russians would return and emphasised they were still welcome.

"Russian tourists have not been coming to Turkey for a short time. They came, liked it, and came again. You won't change this with a political decision."

# Nokia 5G pickup could begin as early as 2017

REUTERS, Barcelona

Mobile equipment maker Nokia sees the shift to the next generation of 5G wireless networks kicking off well ahead of 2020, the year when many in the industry consider mass-market upgrades will begin, its chief executive said on Sunday.

Chief Executive Rajeev Suri said the company plans to pick up investment in 5G technology in 2016 and that sales of 5G-ready equipment capable of future upgrades could begin as early as 2017.

"5G will happen faster than expected. This may surprise some of you," Suri declared to an audience including investors ahead of the Mobile World Congress in Barcelona this week.

Suri said that in contrast to past "big bang" rollouts of older mobile equipment cycles, 5G will require plenty of equipment upgrades to occur before some of the key 5G standards are expected to be formalised in 2018 and 2019.

"2020 is probably where we see global volume deployments," Suri said, but added: "We will start to see a lot of action ahead of 2020 - in 2017, 2018, 2019."

Demand for current 4G equipment peaked in 2015 after massive rollouts were completed in China, the world's biggest mobile market, and some analysts are concerned Nokia could suffer years of flat or declining sales until 5G picks up later this decade.

Unlike the previous 2G, 3G and 4G cycles which delivered mobile voice calling, text, pictures and video to phones and computers, 5G will also hook up

cars, cities, manufacturing plants and agriculture, or the so-called "Internet of Things".

Earlier this month, Nokia warned investors to expect "flatish" capital spending from network operators in 2016 and to brace for a possible decline in its mobile network business.

Nokia, which closed its 15.6 billion euro acquisition of Alcatel Lucent in January, is looking to stronger growth in fixed line equipment from the recently acquired business, as well as 900 million euros in cost savings through 2018 to help it shore up profits in the near- to medium-term.

The company has said it will not provide an outlook for 2016 for the newly combined companies until May.

During his speech, Suri highlighted SK Telecom's ambition to have 5G-ready networks running in time for the 2018 Winter Olympics in South Korea and Japan's NTT DoCoMo's similarly aggressive timeframes for moving to 5G.

Another unnamed customer will use 5G to solve its "last mile" problem of reaching local customers without making further investments in broadband cabling, he said.

"5G will happen faster than expected because these customers are already running fast," Suri said.

Pre-standard "5G-ready" gear using software defined network (SDN) technology will allow network operators and enterprise customers to move to upgrade to full 5G once radio airwaves are allocated and they acquire licences to operate there, he said.

# BB presses banks to incentivise borrowers

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The move to incentivise good borrowers came nearly two months after the central bank approved a restructuring policy for large borrowers, giving them a maximum of 12 years to repay loans above Tk 500 crore.

Besides, the bad borrowers have a long history of not paying their loans on time and receiving interest waiver on their loans along with rescheduling.

But the good borrowers do not get any such incentive.

The BB last week issued a clarification

letter to all banks, which stated that a separate provision has to be kept for those who will be entitled to incentive from March 19, 2015 through to December 2015.

After preparing a list of the good customers, the incentive money has to be paid this year.

Zaid Bakht, chairman of Agrani Bank, said the bank has decided to give back a larger amount than what the BB has stipulated.

Agrani will give rebates of up to 20 percent to its good borrowers, according to Bakht.



MIDLAND BANK

M Moniruzzaman Khandaker, chairman of Midland Bank, opens the relocated premises of the bank's Uttara branch on Jashimuddin Avenue in Uttara, Dhaka. Md Ahsan-uz Zaman, managing director, was also present.

# Stocks open week in the red

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Referring the central bank data, the stockbroker said banks' deposit grew aggressively last year in spite of the declining returns. As of December last year, the banks' deposits stood at Tk 803,512 crore, up 13.1 percent year-on-year.

The private banks, where the rate of interest is even lower than that of state banks, saw their deposits swell the most, 14.45 percent.

Turnover, another important indicator of the market, however, rose 6.3 percent to Tk 468.68 crore, with 11.12 crore shares and mutual fund units changing hands on the DSE.

Of the traded issues, 95 advanced, 181 declined with 42 securities closing unchanged on the premier bourse.

BSRM dominated the turnover chart with 21.78 lakh shares worth Tk 38.74 crore changing hands, followed by Lafarge Surma Cement, Ifad Autos, United Power Generation and Distribution Company and Beximco Pharma.

Among the major sectors, non-banking financial institutions declined 2.53 percent in market capitalisation, followed by bank that lost 0.83 percent, pharma 0.38 percent, textile 0.29 percent and fuel and power 0.22 percent.

Conversely, cement and food and allied increased by 3.29 percent and 0.79 percent respectively.

Tallu Spinning was the day's best performer with 10 percent in gains while Prime Finance and Investment was the worst loser, shedding 20.58 percent. Chittagong stocks also closed lower yesterday with the bourse's benchmark index, CSCX, declining 10.79 points or 0.12 percent to finish the first day of the week at 8,599.07 points.

Losers beat gainers as 143 declined, 56 advanced and 38 finished unchanged on the Chittagong Stock Exchange.

The port city bourse traded 91.47 lakh shares and mutual fund units worth Tk 29.78 crore in turnover.