

**এসআইবিএল রিটেইল ব্যাংকিং**  
 জীবনের জন্য, জীবন যাপনের জন্য

এসআইবিএল ইসলামিক বনজুয়ার ফাইন্যান্স  
 এসআইবিএল হোম ফাইন্যান্স  
 এসআইবিএল অটো ফাইন্যান্স

\* ফ্রি অনলাইন সেবা  
 যে কোন প্রয়োজনে ০৯৬৯২০০৯২২



# star BUSINESS

DHAKA MONDAY MAY 16, 2016

## Put pressure on Rizal Bank to return stolen funds

*Parliamentary committee advises govt and Bangladesh Bank to make a combined effort*

**REJAUL KARIM BYRON**

The parliamentary standing committee on the finance ministry has called for global pressure on Manila-based Rizal Bank to retrieve the \$81 million fund wired illicitly to the Philippines from Bangladesh Bank's account with the New York Fed.

"The government should also open talks with the World Bank and the Asian Development Bank to put pressure on the Philippines government to get back the stolen money," Abdur Razaq, chairman of the committee, said after a meeting yesterday.

The suggestions came after the BB presented a detailed report on the measures taken since the cyber heist took place in early April -- to recover the stolen money at the meeting.

The standing committee members sought to know from Finance Minister AMA Muhith how the cyber heist took place and who were involved.

"Investigations are still ongoing. At the moment, nothing can be said conclusively about the matter," a meeting source said quoting Muhith.

Many foreign nationals were involved in the crime, Muhith told the

**BB SAYS TO PARLIAMENTARY COMMITTEE**

Bangladesh Financial Intelligence Unit asks 151 countries to freeze the accounts of suspects in BB heist

BFIU has requested CID to issue a red alert through the Interpol

**DECISIONS MADE AT MEETING IN SWITZERLAND**

Proper investigation into the incident

Bringing criminals to justice

Initiative to save global financial sector from cyber threats

meeting, adding that he would give a detailed statement on the heist in parliament.

The Bangladesh Financial Intelligence Unit or BFIU has sent a list of suspected persons and institutions of the Philippines to 151 member countries of the Egmont Group, an informal network of national financial intelligence units.

The BFIU has requested them to freeze the accounts and identify any

suspicious transactions on them.

Besides, it has sent the list of the suspects to the CID for issuing a red alert through the Interpol.

BB Governor Fazle Kabir has already sent special letters to a host of related officials informing about the heist and seeking cooperation in retrieving the money laundered to the Philippines.

The letters were sent to the chairman of the Federal Reserve System in Washington; the Philippines' central bank governor; executive secretary of the Asia-Pacific Group on Money Laundering; country director of the World Bank in Dhaka; and president of the Federal Reserve Bank of New York.

Furthermore, on March 30, Kabir sought the APG's cooperation in bringing back the stolen money from the Philippines. In response, the APG will send a high-level team this month.

On May 10 at Basel in Switzerland, the central bank governor held meetings with the top management of NY Fed and SWIFT, the platform through which the hacking occurred, on the matter, the report said.

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## Garment factory reforms halfway through

*Accord completes three years in Bangladesh*

**STAR BUSINESS REPORT**

About 56.6 percent of the recommended remediation works have been completed by the member garment factories of Accord, a platform of 210 mostly Europe-based retailers.

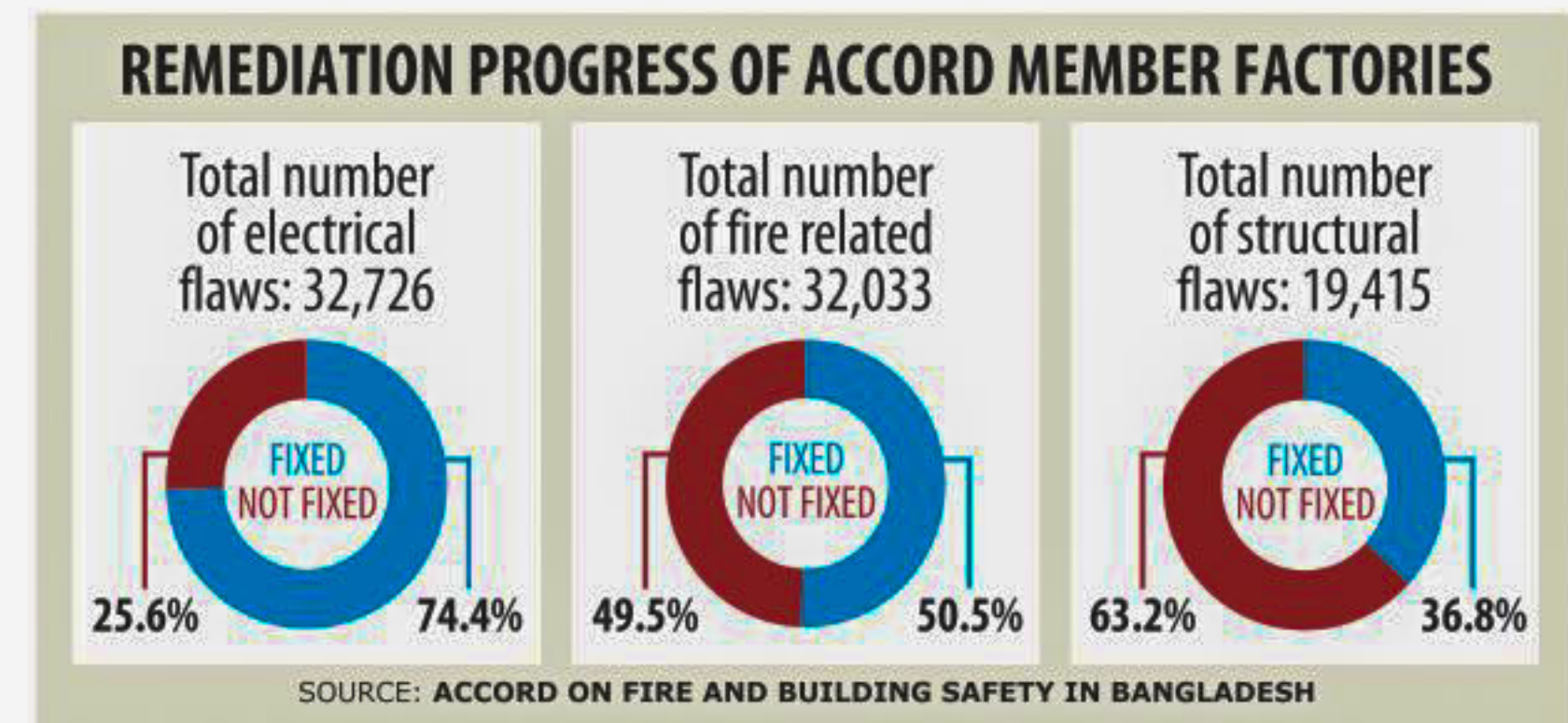
The engineers and experts of the Accord found more than 84,000 electrical, fire and structural faults in the 1,550 garment factories during their preliminary inspection, which ended in September 2014. Fire and electrical faults were the most common.

The owners of the garment factories were asked to rectify the faults, said Rob Wayss, executive director of Accord, at a press briefing on the progress made in the three years since the legally binding five-year agreement was signed.

Wayss said the remediation process of all the factories could be completed within the scheduled time of June 2018 as the progress rate is higher.

The Accord has severed business relations with 26 factories for their non-cooperation in remediation. "No Accord member will do business with those factories as they did not agree to repair their faults."

So far, the Accord has published a progress report of 1,452 factories. Seven factories have already com-



pleted their corrective action plans, while 57 more are close to completion, he said, adding that 1,388 factories are lagging behind.

Some 453 factories were given additional time for remediation.

About the complaints by factory owners about the lack of financial support from Accord for remediation works, Wayss said: "No owner has demanded financial assistance yet. Every owner has been conducting the remediation with their own financing."

The Accord has been inspecting the factories with the members' fees and a total of \$30 million has been spent for inspection purposes over the last three years, Wayss said.

"I hope the Accord would be able to

complete the inspection and remediation with the allocated budget at \$50 million for five years."

Once the work of Accord is done, a functioning and capable labour-management safety committee at the factory level would be critical for monitoring and maintaining safety compliance.

The Accord has successfully run a safety committee training programme at 65 of its supplier factories that have registered trade unions, and now has designs to expand the coverage.

"The pilot work done thus far makes us optimistic that safety committees will be developed that will be capable of, and would be permitted to, performing their functions."

## Beza meets firms keen on operating Sylhet economic zone

**INTERESTED FIRMS THAT WANT TO OPERATE SRIHATTA ECONOMIC ZONE**

Orion Infrastructure	United Group
EnergyPac Power Generation	Bengal Group
Power Utility Bangladesh	Abdul Monem
NC Construction	China Bangla Friendship JV
Heir	Ipcod Development
	Riverstone Capital

**STAR BUSINESS REPORT**

Eleven firms have expressed their intention to operate the 352-acre Srihatta Economic Zone in Moulvibazar that is being developed by Bangladesh Economic Zones Authority (Beza).

Beza officials sat with the interested firms from both home and abroad for a pre-bidding meeting yesterday and expect to award the operating licence after completing the bidding process by December.

The economic zone will be suitable for gas-based industries, as Beza is working with Jalalabad Gas Transmission and Distribution System in the region for industrial gas connections, said Beza Executive Chairman Paban Chowdhury.

"The economic zone will contribute to the development of Sylhet region," a Beza statement said, quoting Chowdhury. Srihatta is one of the four economic zones that Beza is setting up under government initiatives. The three others are: Mirsarai Economic Zone in Chittagong, Mongla Economic Zone in Bagerhat and Sabrang Tourism Park in Cox's Bazar.

Mustak Ahmed, general manager for planning at Beza, said Srihatta Economic Zone will create employment opportunities for 30,000 people in the region.

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## Political unrest may arise from discontent over new VAT law

*FBCCI writes to prime minister, says small and medium enterprises will be hit hard*

**STAR BUSINESS REPORT**

Political unrest may arise from the discontent among small and medium businesses for the implementation of a new VAT law from July, the Federation of Bangladesh Chambers of Commerce and Industry has said.

The apex trade body also called for amendments to the law in line with the recommendations of a joint panel.

"We apprehend that prices of consumer goods will rise while small and medium businesses will be hurt if the new law is implemented without revision in light of the recommendations of the joint committee. It may affect the economic advancement of the country," the FBCCI said in a letter sent to the prime minister yesterday.

"Besides, there might be an ill attempt to create political instability cashing in on the anger among small and medium businesses," according to the letter.

In the face of opposition from businesses to the new VAT and Supplementary Duty Act 2012, the government had formed a committee in 2014 with representatives from the National Board of Revenue and the FBCCI.

The committee, among others, suggested the government impose multiple value added tax rates, instead of the universal 15 percent in all areas, to help flourish micro and small businesses and protect consumers.

The FBCCI said it has been demanding a revision of the VAT law in line with the recommendations of the joint committee.

"We are yet to see any positive initiative in this regard," the trade body said.

Framed in the prescription of the International Monetary Fund, the new law, which will replace the present VAT Act 1991, envisages a flat VAT rate of 15 percent.

The NBR, in a paper sent to government high-ups, said the enforcement of the new law will bring an end to VAT exemption for nearly 2,000 goods and services as well as the privilege of reduced VAT rates now applicable to various sectors.

Once the new law comes into effect, the prices of many goods and services will soar, while various local industries will face increased competition with imported goods.

People might have to spend more on items such as electricity, edible oil, paper and MS rod as the benefit of

reduced VAT rates will end.

The government may also require increasing allocations for mega projects, such as Padma bridge and metro rail, owing to the price spike of rod as the reduced VAT rate for the item will no longer be available, the NBR warned earlier.

The trade body, citing various meetings with the finance minister, commerce minister and NBR chairman since April 28, said it raised the issue of the amendments based on the recommendations from the joint panel.

The FBCCI also sent letters to the prime minister, finance minister, industries minister and the commerce minister on April 24, calling for amendments to the VAT and supplementary duty law before making it effective.

On the revision of the VAT law, NBR Chairman Md Nojibur Rahman yesterday said Finance Minister AMA Muhith is working on it.

"He (Muhith) solves the problems if there is any," said Rahman, talking to reporters after a meeting with the finance minister on budget preparations at the NBR headquarters.

Local businesses will get protection in the upcoming fiscal year, Rahman said.

## Compensation for call drops from next month

**STAR BUSINESS REPORT**

Mobile phone subscribers will get a free minute for each call drop as compensation from next month if they experience the disruption more than once a day.

The decision came yesterday in a joint meeting of the telecom division, telecom regulator and mobile phone operators at the secretariat.

"I am not happy with the call drop issue and subscribers will not pay for it," said Tarana Halim, state minister for telecom, after the meeting.

If subscribers face more than one call drop a day, they must be compensated for it and the operators will also have to inform them via SMS, she added.

"Customers' rights cannot be compromised."

In October last year, Tarana directed all mobile phone operators to improve their service quality, or they would have to compensate their customers. In January, Bangladesh Telecommunication Regulatory Commission made compensation for call drops mandatory.

However, operators ignored the issue and sent letters to the BTRC, asking for more discussion on call drops.

According to the International Telecommunication Union, 3 percent of call drops are moderate and mobile operators said they are far better than ITU's standards, which the BTRC also acknowledged.

Tarana said they would be strict about the implementation this time. Recently, the BTRC sent a proposal to the telecom division where it mentioned that subscribers will get compensation from the second call drop each day.

However, operators said there should be a limit to the amount a subscriber will be compensated for any single day.

As per the decision, the BTRC will form a committee that will monitor the implementation.

Tarana also asked operators to stop SMS-based telemarketing services.

## Court grants more time for Robi-Airtel merger

*Govt gets three more weeks to submit recommendations*

**STAR BUSINESS REPORT**

The High Court yesterday gave the government three more weeks to submit its recommendations on the proposed merger between Robi and Airtel.

The order comes after the telecom division sought more time to submit its recommendations.

This is the fifth time that the government has got time extension from the HC for submitting its opinions on the proposed merger, which will create the country's second largest telecom operator.

The next hearing on the matter will be on June 6, said Barrister Tanjib-ul-Alam, a lawyer for the two operators.

The recommendations will be sent to Prime Minister Sheikh Hasina for her approval before forwarding them to court. One of the recommendations that the ministry is preparing is an additional payment of Tk 700 crore as spectrum fees from the merged entity to adjust the spectrum price of Airtel.

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