

Orion moves to implement coal power project

STAR BUSINESS DESK

A connecting road and a bridge will be made from Meghnaghat to Hosendi union for the sake of the villagers under the coal-based ultra super-critical thermal power project to be implemented by Orion Power Unit-2 Dhaka Ltd.

The project will use ultra-supercritical technology, which will decrease fuel consumption and keep pollution and emissions at the lowest level, Orion Group said in a statement yesterday.

The information was shared at a public consultation meeting, organised by Orion, at a place close to Orion Power Meghnaghat Ltd in Narayanganj.

Local people, government and public-private officials among others took part in the meeting, Orion said.

Orion has been selected to implement the project through a competitive tender process. The implementation agreement and power purchase agreement of the project have been signed between Bangladesh Power Development Board and Orion Group on April 21.

The project will install bag filter with 99.9 percent efficiency which will capture all the particulate materials, the company said.

The project will use low sulfur coal (around 0.6 percent), imported from Indonesia, Australia and South Africa.

The project will use the river water only for cooling purpose and no contamination will be added to adjacent river, according to the statement. The construction of the plant will start in full swing after the completion of the



Orion Group organised a public consultation meeting at a place close to Orion Power Meghnaghat Ltd at Sonargaon upazila in Narayanganj yesterday.

environmental impact assessment.

The company has already purchased land at Gozarai in Munshiganj for the implementation of the project.

At the meeting, the sponsor and their environment

consultant—ACCOM of USA—confirmed that a specific environmental management plan has been developed to ensure the environmental management during project's construction and operation phase.

PowerChina to build economic zone in Ctg

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An economic zone is a designated area in a country with special economic regulations that differ from the rest of the country. An entrepreneur can enjoy various benefits, including tax incentives from the authorities, by setting up an industrial unit in an economic zone.

Mohammed Ayub, secretary of Beza, and Xiong Lixin, executive vice-president of PowerChina, signed the preliminary agreement on behalf of their respective organisations.

PowerChina also submitted a proposal to set up two renewable energy projects in Bangladesh to produce 1,000 megawatts of power using sun and wind.

"As the projects are related with the power generation, PowerChina will need to receive approval from the Power Division first," Chowdhury

said.

Asked about the PowerChina's investment proposal, he said the details will be announced after finalisation of the deals.

PowerChina provides services in planning, investigation, designing, consulting, civil works construction to M&E installation and manufacturing services in the fields of hydropower, thermal power, new energy and infrastructure.

Its business also extends into real estate, investment, finance and operations and maintenance services. Total assets of PowerChina stood at \$77.1 billion at the end of 2015, with annual revenue of \$43.6 billion, according to its website.

PowerChina participated in 1,863 overseas projects in 116 countries in engineering construction, design consultation and

equipment manufacturing. It was ranked 253 among the Fortune 500 companies in 2015.

Another Chinese firm, China Harbour Engineering Company, is also developing an economic zone in Chittagong for Chinese investors.

The economic zone, which will be ready in the next two years, is expected to bring foreign investment of about \$2 billion and create employment opportunities for 100,000 people. It is the first ever economic zone that is being built under a government-to-government initiative.

Industrial units from various sectors including pharmaceuticals, garments, telecom, electronics, medical devices and IT will be set up at the 774-acre economic zone.

Mirsarai Economic Zone is one the four economic zones that is being set up by Beza under public sector.

Hanjin Shipping puts Asia-US shipping network up for sale

REUTERS, Seoul

South Korea's Hanjin Shipping Co Ltd is selling major businesses, including its Asia to US route network, and will receive letters of intent by Oct. 28, the company said on Thursday.

The sale comes as creditors line up claims less than two months after the company applied for court receivership as the first major shipping line to be dragged down by global industry overcapacity and comparatively low freight rates. The firm had total debt of 6.03 trillion won (\$5.41 billion) as of the end of June, according to its court filing.

Hanjin Shipping received court approval to seek buyers for assets in order to pay back creditors now in the process of making claims until Oct. 25. Its container ship capacity had shrunk to 17th place in global rankings as of Oct. 9, according to shipping data provider Alphaliner.

A spokesman for the Seoul Central District Court overseeing Hanjin Shipping's receivership said assets currently set to be put up for sale include the entire operations of Hanjin Shipping's US to Asia routes such as manpower systems, five container ships, and 10 overseas businesses. He declined to comment on the potential price or interested parties for the assets.

The Port of Long Beach said Wednesday that container volumes in September fell 16.6 percent from a year ago, as the effects of the Hanjin bankruptcy reached West Coast ports.

China's ranks of super-rich rise despite economic slowdown

AFP, Beijing

More Chinese joined the ranks of the super-rich this year, a survey showed Thursday, bringing the total to an all-time high despite dragging growth in the world's second-largest economy.

A total of 2,056 people have a net worth of two billion yuan (\$297 million) or

more, Shanghai-based luxury magazine publisher Hurun Report said in its Richest People in China report, up from 1,877 last year.

That rise defied the grinding slowdown in China's economic miracle, which saw growth slip to 6.9 percent in 2015 -- its lowest rate in a quarter of a century -- and which has slowed further this year.

7 Chinese firms look to invest in Bangladesh

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The investments will be made with their Bangladeshi partners, either in the form of joint ventures or through new companies or by expanding existing operations in Bangladesh, he said.

The companies did not reveal the details of their investment plans yet, he said.

"We want to see more Chinese private investment in Bangladesh, especially in the jute and jute goods sector," Ahmad said.

The Indian government has allowed a duty-free facility to all Bangladeshi goods, except 25 alcoholic and beverage items.

"We want a duty-free facility for all Bangladeshi goods to the Chinese markets as well," he said.

Mafruha Sultana, vice-chairman of the Export Promotion Bureau, has urged the Chinese businesses to invest more in the export processing zones or special economic zones as the government provides different benefits to investors of these areas.

Moreover, being a least developed country, Bangladesh enjoys duty benefits from developed countries like the US, the EU, Canada, China, Japan and Australia, she added. "If the Chinese businesses invest in Bangladesh, they will be eligible to enjoy the duty benefit to those countries," Sultana said.

South Asia economic summit begins tomorrow

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However, over the next decades, it is expected that the region will have faster urbanisation growth and may outpace the rest of the world. More than 60 participants, including policymakers, experts and academics, trade and industry leaders, representatives of the civil society and grassroots groups, and development partners from the region and beyond will attend the summit. It will take place at Hotel Le Méridien in Dhaka.

Five leading think-tanks of South Asia took the initiative of organising the summit in 2008 to discuss socio-economic issues in the region.

The think tanks are CPD of Bangladesh, Institute of Policy Studies of Sri Lanka, Research and Information System for Developing Countries of India, Sustainable Development Policy Institute of Pakistan and South Asia Watch on Trade, Economics and Environment of Nepal.



City Bank Chairman Rubel Aziz accompanied by the bank's Independent Director Barrister Tanjibul Alam pose with the "Best Bank in Bangladesh" award, at a ceremony in Washington DC. Global Finance, a North America-based leading global financial publication, gave the award.

PGCB signs \$1.1b deal with China firm to upgrade power network

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The government-to-government concessionary loan carries an interest rate of 1.8 percent to 2 percent, said another official of PGCB.

Etern produces mainly cables and communications equipment and has had other deals in Bangladesh, including a winning bid for a power plant project for \$304 million in August, according to Reuters.

The government is seeking to produce more power as nearly two-fifths of the country's 160 million people do not have access to electricity despite more than doubling the generation in the last eight years, according to the World Bank.

Sonali Bank UK fined £3.25m for money laundering offences

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Following the 2010 Visit, the FCA had alerted SBUK about the deficiencies in its customer due diligence (CDD) processes.

Despite this, when the FCA examined 16 files during the 2014 visit, it found a failure to carry out adequate CDD, including a lack of documented evidence of the purpose and intended nature of the business relationship and information relating to the expected turnover or transactional activity.

The FCA said SBUK operated two separate systems for money remittances throughout the primary investigation period.

However, the MLRO department was unaware that it only received daily reports of one of the systems. As a result, a significant number of transactions were not subject to monitoring.

In 2012, the internal auditors recommended that the parameters for the daily reports be reviewed and that

all transactions on the reports investigated. However, SBUK did not follow the recommendation.

SBUK's systems were unable to detect linked transactions or transactions from a number of remitters to a single beneficiary.

Moreover, individual branches could not access the remittance history of a customer from other branches and the MLRO department could not access remittance histories from branches other than the head office.

For example, an expert appointed by the FCA examined a remittance transaction of £10,000.

When assessing the risk of the transaction and of the customer, SBUK did not document any considerations regarding the fact that the customer's stated income was £28,000 and that, in less than 18 months, he/she had remitted over £25,000.

As a result, the transaction was not considered by SBUK to be suspicious

and no documented assessment of the risk posed by the customer was made.

In 2010, as part of the remediation plan, SBUK informed the FCA that it had appointed an external firm to carry out its internal audit functions and that it will pay close attention to whether the AML procedures are being correctly followed.

The FCA said the firm failed to comply with its operational obligations in respect to CDD, the identification and treatment of politically exposed persons, transaction and customer monitoring and making suspicious activity reports.

"SBUK's failures are particularly serious because they left the firm open to the risk that it might be used to further financial crime," the FCA said in the final notice issued on Wednesday.

Seeking anonymity, a senior official of the banking division in Dhaka said the government would pay the fine.

He said the implementation of the

remediation plan has already been started. Once it is completed all issues will be solved, he added.

Steven Smith, SBUK's former MLRO, was fined £17,900 and has been prohibited from performing MLRO or compliance oversight functions at regulated firms.

The FCA said it acknowledges that SBUK has invested in improving its AML systems and controls and has appointed an independent non-executive director who has specific AML skills.

In addition, it has retained the services of external consultants to assist it in its review of AML systems and controls, updated the AML staff handbook and other AML policies and procedures, and revised the risk assessments for the on-boarding of its retail customers, politically exposed persons and high risk accounts.

The FCA said SBUK and its senior management have cooperated and engaged with the investigation and

India's finance minister warns against rising protectionism

AFP, Mumbai

Indian Finance Minister Arun Jaitley warned Thursday that growing opposition to globalisation and free trade in Western countries would hurt the world economy, echoing concerns by the IMF and others.

Jaitley told a gathering of officials from the BRICS group of emerging nations ahead of a summit this weekend that he was concerned about protectionist movements in parts of the developed world. "(The) world is indeed moving towards protectionism and the worries are real," Jaitley said during a speech in India's financial capital Mumbai.

"The spillover effect of these policies on other parts of the world could be extremely adverse," he added.

Jaitley cited Britain's decision earlier this year in a referendum to leave the European Union -- a vote which analysts attributed to anti-globalisation sentiment and will see the country leave the EU's single market.

He also expressed concern at anti-free trade rhetoric being expressed in the US presidential election.

Republican candidate Donald Trump has threatened to withdraw the US from global trade pacts, including the North American Free Trade Agreement, if elected next month, striking a cord with people worried such deals cost jobs.

"We hope the tenor (tone) of free trade returns back once the heat of elections are over," Jaitley told BRICS delegates.

The comments come days after the International Monetary Fund (IMF) warned that protectionist political trends risked "turning back the clock" on free trade, threatening an already fragile world economy.

BRICS is a bloc comprising Brazil, Russia, India, China and South Africa and was formed in 2011 with the aim of using its growing economic and political influence to challenge Western hegemony.

It will hold a summit on Saturday and Sunday in India's tourist state of Goa to be attended by the five countries' leaders.