EU, Canada sign long-delayed trade deal after Belgian drama

AFP, Brussels

Canadian Prime Minister Justin Trudeau and European Union leaders on Sunday finally signed a landmark trade deal seven years in the making, after it was nearly being torpedoed by a small region of Belgium.

The ceremony in Brussels had been pushed back from Thursday after French-speaking Wallonia, with just 3.6 million people, initially vetoed an agreement affecting more than 500 million Europeans and 35 million Canadians.

Cheers and applause erupted as Trudeau signed the pact alongside EU President Donald Tusk, European Commission head Jean-Claude Juncker and Slovak Prime Minister Robert Fico, whose country holds the rotating EU presidency.

Protesters earlier burst through riot police lines and hurled red paint at the European Union's headquarters, while activists banged drums and chanted slogans against the Comprehensive Economic and Trade Agreement (CETA).

"Well done, well done," Trudeau said as he hugged and kissed Tusk and Juncker on his arrival amid tight security. "Things were difficult but we managed to succeed in the end."

"What patience," replied Juncker, adding: "This is an important day for the EU and for Canada too because we are setting an international standard that will have to be followed by others."

The start of Sunday's summit was further delayed when Trudeau's plane was briefly forced to turn back due to mechanical problems, capping two weeks of chaos over what was meant to be a symbolic sign-off.

CETA removes 99 percent of customs duties between the two sides, linking the single EU market with the world's 10th largest economy.

The Belgian drama had sparked dire warnings for the EU's credibility as a trading partner as it wrestles with Britain's shock vote to leave, a huge migration crisis and the threat of a resurgent Russia.

After years of negotiations the deal almost collapsed, with Trudeau only agreeing late Friday to fly to Brussels after Wallonia finally agreed to join the rest of Belgium and the other 27 EU member states in approving the deal.

The pact required all EU member states to endorse it and in some cases such as Belgium's for regional governments to agree too, giving tiny Wallonia an effective veto.

The Walloons had for two weeks resisted huge pressure from all sides until it won concessions for regional farming interests and guarantees that international investors will not be able to force governments to change laws.

The concerns in the declining industrialised region in Belgium's south reflected wider concerns in Europe about globalisation, as well as fears among activists that such deals erode consumer, social and environmental protections.

Belgian Foreign Minister Didier Reynders said "nothing is simple in Belgium but few things are impossible" as he officially signed up to the deal on Saturday.

Belgian Prime Minister Charles Michel insisted that the marathon talks with Wallonia "did not change a comma" in the deal.

But Walloon government head Paul Magnette said he received assurances from the federal government of strengthened social and environmental protections.

The EU-Canada deal has also drawn widespread protests from anti-globalisation "Stop CETA" activists who say it undermines local industries and standards for healthcare and other issues.

On Sunday around 100 protesters banged drums and shouted slogans outside the European Council building while Belgian riot police backed by water cannon looked on, AFP reporters said.

The glass front doors of the building were also daubed with red paint after some protesters briefly managed to break through police lines.

The activists also see CETA as a Trojan horse for an even bigger and more controversial deal between the EU and the United States.

Negotiations for that deal, known as the Transatlantic Trade and Investment Partnership (TTIP), have however stalled in recent weeks with the goal of approving it by the end of President Barack Obama's term of office now having been abandoned.

The troubles with the Canadian deal have meanwhile been seen as a possible harbinger of things to come for Britain as it tries to negotiate a new trade pact with the EU after it leaves the bloc -- most likely in 2019.

Madoff trustee reaches $277m accord with money manager's family

REUTERS

The court-appointed trustee liquidating Bernard Madoff's firm said on Friday he has reached a settlement with the family of late Beverly Hills money manager Stanley Chais that will provide more than $277 million to victims of Madoff's Ponzi scheme.

Irving Picard, the trustee, said victims will receive at least $232 million of cash, and the rights to $30.7 million of assets that are expected to be sold.

A separate $15 million fund will pay claims by California investors, resolving litigation by that state's Attorney General Kamala Harris, and which had been brought in 2009 by her predecessor, California Governor Jerry Brown.

Friday's settlement requires approval by U.S. Bankruptcy Judge Stuart Bernstein in Manhattan, who oversees the liquidation of Bernard L. Madoff Investment Securities LLC. A hearing is scheduled for Nov. 22.

The cash payout would boost to $11.46 billion the sum that Picard has recovered for former Madoff customers, or 65 percent of their estimated $17.5 billion loss. Picard has said half of the 2,597 accounts with valid claims have been fully paid off.

Madoff, 78, is serving a 150-year prison term after pleading guilty to running a decades-long fraud uncovered in December 2008.

Chais, who died in September 2010 at the age of 84, once handled investments for elite Hollywood clients like Oscar-winning director Steven Spielberg, and had been a close friend of Madoff since the 1960s.

RANGS INDUSTRIES

Farzana Hossain, general manager (marketing) of Rangs Industries, Mahbuba Islam, deputy general manager (finance and accounts), and Naveed Yeakub, head of marketing of Rancon Motorbikes, a concern of Rangs Industries, attend a function in Dhaka recently to hand over motorbikes to the winners of Eid-ul-Azha Scratch & Win Double Joy offer of the company.

Jute packaging must for nine more agro products

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About 50 crore more pieces of sacks may be needed for inclusion of new items in the rule for compulsory packaging, according to Mosleh Uddin.

Public and private jute mills will increase production, he said, citing that 125 jute millers, including public sector mills, are in operation.

A study conducted jointly by the Centre for Policy Dialogue and Bangladesh University of Engineering and Technology in 2012 estimated that the annual demand for jute sacks would rise to 84 crore pieces from 90,000 pieces.

It will require 539,200 tonnes of raw jute a year, equivalent to about 77 percent of the total production of the fibre, according to the study.

Industry insiders said the enforcement of the mandatory packaging law has increased the demand for jute, allowing farmers to get better prices for the fibre.

As a result, the acreage of jute began recovering from fiscal 2014-15, according to the Bangladesh Bureau of Statistics.

Bangladesh produced 75 lakh bales of jute in fiscal 2015-16, up 0.7 percent from a year earlier, according to BBS.

Mills process two-thirds of the raw jute mainly for shipment abroad. Jute yarn and twine account for 65 percent of the sector's annual export receipts of over $850 million, according to data from the Export Promotion Bureau and Bangladesh Jute Spinners Association.

ONE BANK

Sayeed H Chowdhury, chairman of One Bank, opens the 86th branch of the bank at Ashkona Bazar in Dakshinkhan, Dhaka on October 27. Directors Shawket Jaman and Syed Nurul Amin and Managing Director M Fakhrul Alam were also present.

Bangladesh holds potential to attract huge FDI: ICCB

STAR BUSINESS REPORT

Bangladesh can attract huge foreign direct investment if the country can implement major infrastructure projects in time and government agencies become more proactive, said the International Chamber of Commerce-Bangladesh or ICCB.

"With the timely implementation of various projects, Bangladesh will definitely be able to attract more FDIs in the near future," the chamber said in its News Bulletin (July-September).

The government agencies have to be more vibrant and proactive in order to attract FDI, it said.

The recent merger of the Board of Investment and the Privatisation Commission into one single body -- the Bangladesh Investment Development Authority -- hopefully will be able to provide "One Stop" service in real sense to attract FDI, said the chamber.

To achieve the goal of middle-income country status by 2021, accelerate inclusive growth and reduce poverty and income inequality, Bangladesh will require a substantial increase in yearly investments to 34.4 percent of GDP by 2019-20 from 29 percent in 2014-15.

More than $11 billion in external resources will be needed for public sector investment.

"For its strategic location Bangladesh has huge potential to attract more foreign direct investment as the central point of eastern part of South Asia, being a connector between South and East Asia."

The government has given priority to 10 fast-track mega projects in fiscal 2016-17 and allocated Tk 18,727 crore for eight out of the projects. In the first quarter of 2016-17, many fast-track projects have attracted foreign investment.

Three major economies in the region -- China, Japan and India -- proposed to make huge investment, mainly in infrastructure development including energy.

The Asian Development Bank announced a $1.5 billion fund to build a key train line from Dohazari in Chittagong to Cox's Bazar. The new railroad is part of the Trans-Asia Railway network and will improve Bangladesh's access to Myanmar and beyond.

China Rail Group has signed a contract for the Padma rail link project. DP Rail, a British company, has proposed to invest $7.5 billion in the Dhaka-Payra seaport rail link project.

"The rail link between Dhaka and Payra is crucial, as the government plans to build it as the main seaport of the country by 2022," said the ICCB.

The chamber said in the last seven years $8 billion was invested in the power sector in public-private partnerships, and another $13 billion are in the pipeline. The investment has resulted in access to electricity for nearly 80 percent of the population.

"But still there are unlimited opportunities of investment in the power sector, as we will need to generate some 24,000 MW power by 2021."

The chamber said Bangladesh economy is moving on a stable path, despite external and internal challenges.

The country is among the top 12 developing countries which achieved 6 plus percent growth in 2016. Bangladesh's economy grew 7.11 percent in the last fiscal year.

By any standards, Bangladesh economy is doing well and expected to achieve above 7 percent in the current fiscal year, according to the ICCB.

Banks call for easier rules for appointment of directors

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The finance minister said the measure was taken to ensure no loan defaulter or ineligible person is elevated to the position of a bank director.

In response, BAB said there is scope to take action against such persons under other provisions or rules.

As per the amendment to the law, no director can continue for more than six years in two terms. One can become director again after taking a pause for one term.

BAB said the law may be applicable to directors coming from outside, like independent directors, appointed directors or ex-officio directors. If this law is applied in case of sponsor-directors, they will be deprived of their right to wealth or property.

Since the sponsors have invested their money to make up the paid-up capital of the bank, it would not be judicious to deprive them of their position and wealth simultaneously, BAB said.

"We expect that you will kindly agree with us that the legal right of sponsor to his wealth and position should be maintained and protected. We propose that this law should not be applicable for sponsor director," Mazumder said.

When the reporters asked whether the directors want to stay in their position for a lifetime, Mazumder said they did not want that.

The finance minister said BAB wants the timeframe extended to 10 years or 15 years.

BAB also proposed amendment to the definition of family in the Bank Company Act.

Under the act, family means spouse, parents, siblings, children and any person dependent on the sponsor director.

But BAB says if the person is elderly, have separate business or fully independent, he/should should not be counted as family.

The finance minister said at present there are various definitions of family, so a uniform definition is needed.

Representatives of the Association of Bankers, Bangladesh, an organisation of the chief executives of banks, were also present in the meeting.

Citycell licence cancellation awaits PM's nod

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"We are addressing the licence cancelation issue according to procedures, and taking the prime minister's approval is a part of that," said Md Faizur Rahman Chowdhury, the telecom secretary.

If the prime minister gives the nod, it will be the first time a mobile phone operator's licence will be scrapped in the country.

The move comes after the telecom regulator brought down the curtains on Citycell's operations on October 20 by suspending its spectrum.

The spectrum suspension is permanent and there is no scope to reverse it, Tarana Halim, state minister for telecom, said at a press meet recently.

Citycell's dues include spectrum renewal fee of Tk 229 crore, annual licence fee of Tk 10 crore, annual spectrum fee of Tk 27.14 crore, VAT Tk 39.92 crore and late fees of Tk 135 crore, according to the telecom regulator.

However, the operator calculated a different figure and it had requested the regulator to set a meeting before suspending the spectrum. But that meeting was not arranged.

On the nonpayment of dues, the regulator issued a notice on July 31 and asked the customers of the oldest mobile phone operator to switch to other operators by August 16.

After a legal battle, the Supreme Court ordered the operator to pay two-thirds of the due or Tk 318.42 crore by October 19.

However, Citycell paid Tk 130 crore to comply with the apex court's order.

But the regulator took a tough stance and suspended its spectrum on October 20.

Citycell began its operations in 1993, with its subscription reaching a peak of 19 lakh in 2011. For at least 10 years now, it has been a minor player in the market.

In fiscal 2014-15, its total revenue stood at Tk 139.77 crore, while its investment was zero, according to the regulator.

Singapore's SingTel owns 44.54 percent shares in Citycell, Pacific Motors 37.95 percent and Far East Telecom 17.51 percent.

Shareholders had been trying to sell the operator's licence for the last few years but could not find any interested party.

EXIM BANK

Managing Director and CEO of Exim Bank Mohammed Haider Ali Miah opens the 112th branch of the bank at Datta Para of Natore yesterday.

VW says expects five-digit number of job cuts

REUTERS

Volkswagen expects the shift to electric cars to cost a five-digit number of jobs in coming years, the Frankfurter Allgemeine Zeitung newspaper reported, citing the carmaker's human resources chief.

Karlheinz Blessing, who sits on VW group's nine-member top management board, said the carmaker will need to cut jobs in production as assembly of electric engines requires fewer workers than making combustion engines, the newspaper said, citing an interview to be published in Saturday's edition.