

ইচ্ছা থাকবে না অপূর্ণ
এবার নিজের একটা
গাড়ি

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দিকভিশন গাড়ি কেনার অপূর্ণ সুযোগ।

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Star BUSINESS

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WB offers \$100m to fortify insurance, pension sectors

REJAUL KARIM BYRON

The World Bank has offered Bangladesh \$100 million for strengthening the insurance sector and the private pension market so that the financial sector can give better service to the people.

The Washington-based multilateral lender has recently sent a draft proposal to the finance ministry in this regard.

There has been notable progress in financial sector development over the years increasing the depth of the financial sector from 12 percent in 1980 to 70.8 percent in June 2013, the draft proposal said.

Progress has been made in many other fronts as well including the strengthening of banking sector regulation and supervision, financial access to households and recent efforts to fortify state-owned banks.

"But this remains an unfinished agenda, especially with regard to the insurance and pension sector."

Subsequently, it suggested \$35 million for strengthening the Insurance Development and Regulatory Authority and Bangladesh Insurance Academy, \$40 million for the modernisation of state-owned insurance companies and \$20 million for developing a private pension market.

FUNDS FOR DIFFERENT SECTORS

\$35m for strengthening the Insurance Development and Regulatory Authority and Bangladesh Insurance Academy

\$40m for modernisation of state-owned insurance companies

\$20m for developing a private pension market

A WB mission has already visited Bangladesh with the draft proposal and held meetings with concerned officials of various ministries, a finance ministry official said.

The finance division has suggested the WB take separate projects for the insurance and pension sectors, he said.

Direct support for the IDRA from the WB will involve providing advisory and capacity building services as well as equipment to upgrade IDRA's regulatory and supervisory functions.

To increase its capacity, the IDRA has to formulate rules, regulations and guidelines to set up risk-based solvency rules, improve products for life and non-life insurance and market practice including micro-insurance, the

WB said.

Under the project, support to develop new insurance distribution channels such as bank assurance, automation/digitisation of insurance sales/service and improve claim management system will be provided.

Various insurance companies, both life and general, are operating in the country but there are no regulatory authorities for them, said the finance ministry official.

The government has been considering raising the power of the IDRA to international standards with financial and technical assistance from the WB.

Like the state banks, the nationalised insurance companies have various weaknesses, especially in case of digitisation.

Under the project, the WB has proposed strengthening policy and practices on reinsurance mechanism of state-owned Sadharan Bima Corporation and Jiban Bima Corporation.

The WB mission found that state-owned companies do not meet the international best standards, the official said.

The IDRA will regulate the state-owned and private companies in the same manner and ensure that there will be no discrimination, the WB also said.



Mahtab Uddin Ahmed

Robi's Bangladeshi CEO takes charge today

STAR BUSINESS REPORT

Mahtab Uddin Ahmed will take charge of Robi today -- the first Bangladeshi to assume the role of chief executive officer and managing director in the foreign-owned mobile operator.

He is replacing Supun Weerasinghe, who had been at the helm of the mobile operator since January 2014.

"As Robi strengthens its position in the market with the merger of Bharti Airtel, I am confident Mahtab, being the first Bangladeshi, will provide strong leadership and vision for the merged entity," said Jamaluddin Ibrahim, president and group chief executive officer of Malaysia-based Axiata Group.

The appointment is part of Axiata's ongoing efforts towards developing and promoting local talents. "Mahtab's appointment solidifies Axiata's Asian Talent Factory promise," he said.

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BTRC plans to allow tech neutrality in spectrum use

STAR BUSINESS REPORT

The telecom regulator has initiated a move to review the 2G service guideline, in a bid to offer technology neutrality to the mobile phone operators in spectrum use in two bands, which will help them roll out 4G services soon.

Bangladesh Telecommunication Regulatory Commission, in a recent commission meeting, has taken the decision, following the government's plan to allow technology neutrality for the 900MHz and 1800MHz bands.

The meeting presided over by its Chairman Shahjahan Mahmood also formed a technical committee, headed by the spectrum division commissioner, to address the related issues.

"We will go for tech neutrality after the mobile number portability auction," said Mahmood.

"We are committed to offering better connectivity with faster data connections, and there is no option but to allow technology neutrality."

After getting technology neutrality in the 1800 and 900 bands, the operators can offer services through any technology (2G/3G/4G/LTE), using any of the frequencies they have, which will ensure better services for customers.

The mobile phone operators have long been placing this demand, which will help them get technological benefits in both voice and data services.

Spectrum allocation in the country is service specific as the 900MHz and 1800MHz band spectrum is assigned for only 2G services and the 2100MHz band spectrum is for 3G services.

The 2100MHz, however, is also allowed for

4G services, but it will require a separate service guideline, which is yet to be formulated.

BTRC officials said if technology neutrality is allowed, the operators can then start 4G services with 1800MHz, which will be cost-effective for them.

In this region, operators are allowed to take technological neutrality, and all of them are using the 1800MHz band for 4G services. Some countries are also allowed both the 1800 MHz and 900 MHz bands for 4G services, said another senior official of the regulator.

"Actually, only Bangladesh is yet to offer 4G services in South Asia," said the official.

The top two mobile phone operators -- Grameenphone and Robi -- have already requested the regulator for a 4G services guideline. However, allowing technology neutrality can affect the prospects of the 700MHz band, currently specified for 4G services, in the short run as operators might not be willing to buy that spectrum.

BTRC officials said the 2G spectrum price will also be adjusted under the review, as technology neutrality would make the 1800MHz band more lucrative.

Currently, the 10.60MHz spectrum is available in two blocks for auction in the 1800MHz band or 2G services.

The base price was set at \$30 million for 1800MHz in 2015 when BTRC was trying to hold an auction for the remaining spectrum of 2G and 3G (2100MHz).

BTRC, however, could not hold the auction after changing the date three times as the mobile phone operators said they will not participate if the government did not settle a Tk3,000 crore tax dispute with the operators.

Later, the base price of 2G spectrum was readjusted to \$25 million and approved by the finance ministry.

Duty-free access to UK to continue until Brexit: envoy

STAR BUSINESS REPORT

Bangladesh will continue to get duty privilege to the UK under the European Union's Everything But Arms scheme until Brexit formally happens next year in June, said Alison Blake, British high commissioner in Dhaka, yesterday.

"Until we leave the EU, we remain a member of the EU with all the rights and obligations that our membership entails, including our commitments to the existing trade framework," Blake said.

The process of leaving the EU will be invoked no later than the end of March 2017, she said at the monthly luncheon meeting of Foreign Investors' Chamber of Commerce and Industry at the Westin Dhaka hotel.

But Britain will remain open for business for the world.

"There are challenges as well as opportunities but because of the decisions the government has taken our economy is fundamentally strong and there are many reasons to think our economic future outside the EU will be bright."

Until Brexit materialises, Britain will continue to take a leading role in the EU-Bangladesh Business Climate Dialogue, especially on taxation issues.

She praised the Bangladesh government for the measures it has taken in the aftermath of the terrorist attack on July 1 to ensure the safety of the international community, residents and visitors, diplomats, buyers and cricketers too.

"Things have improved, and confidence is coming back, but it is far too early for any of us to relax our guard," the British diplomat also said.

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Second from left, Alison Blake, British high commissioner to Bangladesh, attends the monthly luncheon meeting of Foreign Investors' Chamber of Commerce & Industry (FICCI) at Westin Dhaka hotel yesterday. Second from right, Rupali Chowdhury, FICCI president, is also seen.

Big change in garment sector after Rana Plaza tragedy

An apparel buying consultant from Netherlands speaks on Bangladesh

REFAYET ULLAH MIRDHA

The future of Bangladesh's garment sector is bright as the number of factories has gone up over the years and almost all of them are accredited and audited now, said a garment buying consultant from the Netherlands.

"This is a big achievement for the country," said Dhyana van der Pols, owner of Nash International, which advises 200 European garment retailers who source \$200 million worth of apparel items from Bangladesh a year.

So far, none of the other garment producing countries have been inspected by a third party agency. No other nation has voluntarily audited their factories, she said.

As a result, retailers all over the world now consider Bangladesh to be one of the compliant nations, said van der Pols, who recently visited Dhaka to attend a seminar on sustainable sourcing of garment items. The Daily Star caught up with her on the sidelines of the seminar.

Previously, the European and American buyers thought of China a one-stop shopping mall. But now, they have started viewing Bangladesh in the same light, as all their sourcing demand can be met here, she said.

"It is not true that Bangladesh produces only the low-cost T-shirts and that it is a bottom-feeder. Bangladesh produces a lot of diversified products."



Dhyana van der Pols

The retailers are also shifting orders to Bangladesh from China, which has lost its comparative advantage due to higher costs of production and shortage of skilled workforce.

The experienced garment buyer went on to recommend Bangladesh to work on formalwear, swimwear and outdoor clothing as well as these items have high demand in the international market.

About the transformation of the garment sector following the Rana Plaza collapse in April 2013, van der Pols said: "The changes are a miracle. The industry people have done everything for changing the industry."

Bangladesh has facilitated everything for restructuring of the garment sector, she said, adding that she herself spread the word on the sector's positive transformation.

"I went to different television shows in the Netherlands and spoke a lot on the progresses Bangladesh made after the Rana Plaza building collapse."

The Alliance for Bangladesh Worker Safety, the Bangladesh Accord on Fire and Building Safety, the brands and the Western consumers have also realised the progresses that Bangladesh made is a miracle, according to van der Pols.

Regarding fair wages, fair prices and fair business conduct, she said these are ethical issues that need everybody's cooperation.

In Bangladesh, the manufacturers are in fierce competition for getting more work orders from international retailers. "The internal competition is a problem for not getting fair prices from buyers."

Going forward, one of the big challenges for the sector is scaling up production to meet the higher volumes of work orders that would be diverted from China.

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Tax fair kicks off today

NBR names 300 top taxpayers

STAR BUSINESS REPORT

A countrywide tax fair begins today to facilitate taxpayers to gather knowledge on tax matters and complete tax-related formalities including return submissions.

The fair will take place between November 1 and November 7 in all divisional cities including Dhaka, where it will be held in the under-construction headquarters of the National Board of Revenue in Agargaon.

During the period, the show will also take place in district towns for four days and in 29 upazilas for two days. The NBR will also hold the show in 57 upazilas through mobile vans.

"The income tax fair has already turned into an annual congregation of taxpayers," NBR Chairman Md Nojibur Rahman said at a press meet yesterday.

"It has attracted attention of people not as a symbol of tax collection but as a reflection of people-oriented tax administration."

This year, apart from giving tax-related assistance, the NBR will transport taxpayers by shuttle bus to the venue from 9am through to the evening from four spots in the city: Mirpur 2, Rajlakhmi Uttara, Officers' Club and Dhaka University.

There will be arrangement for taxpayers to file tax returns online, which will be launched today at the show, likely to be inaugurated by Finance Minister AMA Muhith.

This will be the seventh tax fair, which was introduced to motivate people to pay taxes and create a tax culture in a country where less than 1 percent of population submits returns regularly.

The popularity of tax fair has been rising as the show enabled taxpayers to get assistance, submit returns and get receipts.

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ATTRACTIONS OF TAX FAIR 2016

The fair is being held for the first time on NBR's own premises in Agargaon

Wider area: 109 booths
Facility of e-filing for income tax returns

Shuttle bus service to transport taxpayers from four spots

Booths for physically challenged people, elderly, women

There will be a kids' zone at the fair

টাকা পাঠাই ফোনে ফোনে

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