

আপনার সংসার গুছিয়ে দিচ্ছি আমরা। এসআইবিএল ইসলামিক কনজুমার ফাইন্যান্স।

আপনার সংসার গুছানোর আসবাবপত্র, শিফা সামগ্রী, ইলেক্ট্রনিক ও অন্যান্য জিনিসপত্র কেনার সুন্দর সমাধান দিচ্ছি আমরা।

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# Star BUSINESS

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## Wheat imports soar on low global prices

SOHEL PARVEZ

Wheat imports remained strong in the first half of the fiscal year as domestic consumption rose on the back of low international prices, importers said yesterday.

Bangladesh's imports soared 48 percent year-on-year to 29.06 lakh tonnes in July-December of the current fiscal year, according to data compiled by the food ministry.

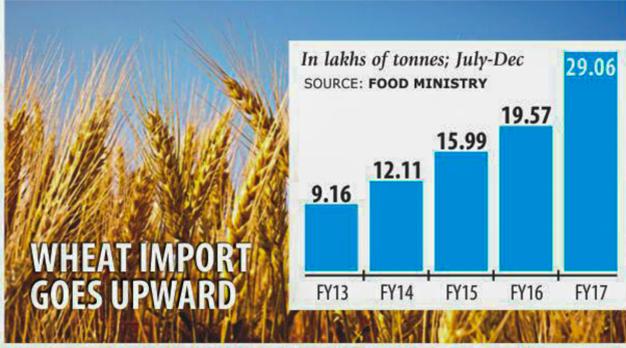
Private sector traders contributed 96 percent to the total wheat imports. "The overall consumption is rising. One of the reasons is the price gap between wheat flour and rice. The flour prices are lower than rice," said Sheikh Wazed Ali, owner of Lakhya Flour Industries at Narayanganj, a trade hub.

Ali, also president of Narayanganj Auto Flour Mills Cooperative, said almost all importers imported wheat to reap the benefit of low international prices.

Wheat prices in the global market are low because of increased production. The US Department of Agriculture in December raised its global production forecast by 2.1 percent to 751 million tonnes for 2016-17 from a year ago.

US hard red winter wheat traded at \$148.1 per tonne in October-December of 2016, down from \$179.6 a year ago, according to World Bank commodities price data.

Prices of soft red winter variety were \$164.3 per tonne in the period, down from \$200.6 a year ago.



Wheat flour sold for Tk 24-Tk 32 per kilogram yesterday in Dhaka, down from Tk 25-Tk 34 a month ago.

On the other hand, prices of coarse rice were Tk 35-Tk 38 each kilogram yesterday, according to Trading Corporation of Bangladesh.

The USDA also predicted wheat exports would rise in 2016-17. "Global trade is boosted to a new record with stronger import demand from Asia and Brazil," said the USDA.

For Bangladesh, the US agency raised its wheat import forecast by 4 lakh tonnes to 51 lakh tonnes during the current fiscal year.

Industry operators said expansion of food processing and confectionary industries and rising health consciousness drive wheat consumption.

Domestic consumption rises 10 percent per year, said Naresh Chandra Deb Barma, director of wheat research centre of Bangladesh Agricultural Research Institute.

"Many new flour mills have started operations in recent years while some existing mills have raised capacity. An increased quantity of wheat is needed to meet the requirements of the mills," said Bishwajit Saha, general manager of City Group, a commodity importer. City's milling capacity was doubled to 1,500 tonnes a day.

Bangladesh's wheat consumption stands at 50 lakh tonnes a year but domestic production can meet only one-fourth of the demand. Wheat production was 13.48 lakh tonnes in 2015-16, according to Bangladesh Bureau of Statistics.

Wheat acreage was 4.43 lakh hectares this winter, according to preliminary data from the Department of Agricultural Extension, slightly down from 4.44 lakh hectares last year.

## Internet disruptions to continue

STAR BUSINESS REPORT

Users have been experiencing slow internet since Wednesday as an Indian undersea submarine cable connection went out of order, the Internet Service Providers Association of Bangladesh said yesterday.

The slow speed of internet will continue for the time being as the association expects the connection to be re-established by January 20.

Bangladesh imports 280 Gbps out of the country's total bandwidth consumption of over 400 Gbps from India while the rest comes from state-owned Bangladesh Submarine Cable Company Ltd, said Md Emdadul Haque, general secretary of ISPAB.

The submarine cable of Tata Indicom Cable, which provides around half of the internet bandwidth that comes from India to Bangladesh, stopped working on January 20, he said.

Bangladesh Submarine Cable Company is connected with six Indian cables, and three of those went out of order in the last three weeks.

## BTRC moves to assess telcos' service quality

MUHAMMAD ZAHIDUL ISLAM

The telecom regulator is set to inspect the mobile operators' service quality on a regular basis in an effort to improve customer experiences.

Until now, Bangladesh Telecommunication Regulatory Commission had to rely on reports prepared by the mobile operators themselves on their quality of service.

Under guidance from the BTRC, Anite Finland Ltd, a leading supplier of wireless air interface tools for measurement and analysis, will conduct independent assessment of the mobile operators' service quality.

The equipment has arrived at the Chittagong port and is now waiting to be released from the customs, said BTRC Chairman Shahjahan Mahmood.

"As soon as we get them in our hands, testing will begin."

Anite will provide periodical reports on call drops, call generation time, call clarity, quality of the data transferring process and time, and other aspects of service quality, said senior BTRC officials, adding that the Finnish company will be paid \$293,000 for the entire service.

The operators will be ranked in terms of their service quality and the reports will be made public. BTRC officials said they will be able to get the real picture as a result and take action accordingly.

For instance, Tarana Halim, state minister for telecom, tried several times to make compensation mandatory for call drops. In the absence of authentic data, the regulator could not enforce the matter.

The mobile operators maintained that their call drop ratio is close to 1 percent, which is within the International Telecommunication Union's acceptable level.

The ITU is a specialised agency of the United Nations responsible for issues that concern information and communication technology.

The telecom watchdog has also decided to amend some parts of the guideline to better define what constitutes the acceptable level of service.

"It was a long pending decision, but this time we are serious. When we start to get this information, operators will certainly try to improve their service quality and that is our main goal," Mahmood said.

While the mobile operators welcomed the initiative, they have to be consulted before the regulator sets the parameters for what constitutes acceptable service quality.

"We believe setting service parameters in consultation with the telecom operators before the initiation of the inspection will make it more realistic and logical for a meaningful outcome," said Asif Ahmed, head of corporate communications of Banglalink.

Market leader Grameenphone called for the rankings be based on common and standard guideline with adequate statistical samples, according to Hossain Sadat, its acting chief corporate affairs officer.

Robi, the country's largest mobile operator, called for the findings be benchmarked on the basis of guidelines provided by the ITU, according to Ekram Kabir, its vice-president of communications and corporate responsibility.

"We also hope that the quality ranking would not be arbitrary, which may have the potential of affecting the market competition."

The quality of service depends on spectrum availability and investment on networks. The operators will be encouraged to invest more if spectrum availability and the operators' return on investment are ensured, Kabir added.

## WTO's trade facilitation deal getting ready to take effect

REFAYET ULLAH MIRDHA

The trade facilitation agreement (TFA) under the World Trade Organisation will come into force once six more countries ratify the deal meant for reducing the cost of doing business globally, according to the WTO.

A total of 104 countries have already ratified the agreement that was adopted by the member countries at the ninth ministerial conference of the WTO in December 2013 in Bali.

The agreement will come into force automatically once it is ratified by 110 countries.

Ghana is the latest country that ratified the TFA, while Bangladesh gave its approval in October last year.

Mustafizur Rahman, executive director of Centre for Policy Dialogue, said TFA is important for Bangladesh -- both for raising export competitiveness worldwide and ensuring efficient import of goods.

As the TFA will reduce the cost of doing business, it will have a positive impact on the prices of goods, he said.

The agreement will mainly boost digitisation of customs clearance and documentation both in export and import business, he added. The TFA contains provisions for expediting the movement, release and clearance of products, including goods in transit, the WTO said.

It sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues.

The treaty also contains provisions for technical assistance and capacity building in this area, the WTO said.

According to a 2015 study carried out by WTO economists, the full implementation of the TFA would reduce members' trade costs by an average of 14.3 percent, with the developing countries having the most to gain.

The deal also has the ability to reduce the time to import goods by over a day and a half while also bringing down the time to export by almost two days, representing a reduction of 47 percent and 91 percent respectively over the current average.

The TFA has the potential to increase global merchandise exports by up to \$1 trillion.

It broke new ground for developing countries and least-developed countries in the way it will be implemented.

For the first time in WTO history, the requirement to implement the agreement was directly linked to the capacity of the country to do so. In addition, the agreement states that assistance and support should be provided to help them achieve that capacity.



Visitors flock to Dhaka International Trade Fair 2017 that began at Sher-e-Bangla Nagar on January 1. The fair is expected to draw a huge weekend crowd today.



PABRIR DAS

## Development spending rises 41pc in six months

STAR BUSINESS REPORT

The government's development spending leapt 41 percent year-on-year in the first six months of the fiscal year.

Between July and December last year, total expenditure under the Annual Development Programme stood at Tk 33,444 crore, according to statistics from the Implementation Monitoring and Evaluation Division.

The government has set aside Tk 123,346 crore for implementing various development projects this fiscal year.

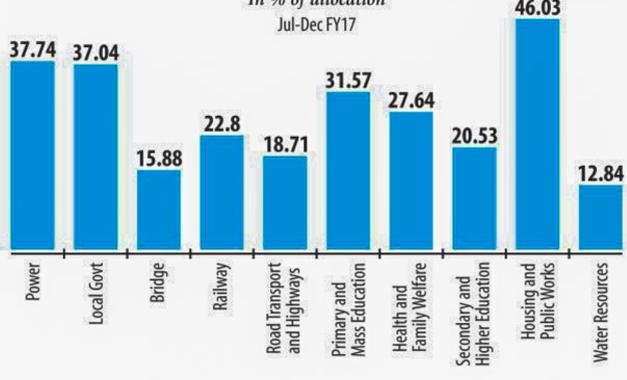
However, implementation in terms of percentage is still in the slow lane as only 27 percent of the total outlay could be spent in the first half of 2016-17. Last year, it stood at 24 percent of the ADP budget of Tk 100,977 crore.

In fact, the development spending has been on a downward trajectory since fiscal 2012-13 in terms of percentage of the total outlay.

In the first six months of fiscal 2012-13, the total ADP implementation was 30 percent, with the rate of implementation progressively declining since.

Usually, the ADP amount increases every year, but its performance is evaluated by calculating the rate of implementation in compari-

### LARGE 10 MINISTRIES' ADP IMPLEMENTATION



son with the total outlay.

And the latest implementation rate showed that the government would have to spend about 73 percent of the total outlay in the remaining six months of the fiscal year.

Previous records also showed that 40-50 percent of the total ADP is implemented during the last quarter of a fiscal year.

Planning ministry officials said the historical trend is that the ADP is implemented less in the first three quarters and gets momentum in the last quarter.

The reason is that construction works take place all throughout the year but the payments are made at the end of the year, said Planning Minister AHM Mustafa Kamal.

Of the total spending in the first six months, the implementation rate of the government's own fund was 30.71 percent, foreign fund utilisation 21.97 percent and state-owned enterprises' funds 23.28 percent.

Ten ministries and divisions got 73 percent of the total allocation, of which only five ministries and divisions spent higher than the average implementation rate.

## Govt sets land tariff for economic zones

STAR BUSINESS REPORT

The governing body of Bangladesh Economic Zones Authority yesterday fixed the land tariff of its economic zones by slashing the proposed leasing and renting fees by 25 percent.

For example, \$0.8 was proposed as leasing fee for per square metre developed land in an economic zone, but the governing body finalised it at \$0.6 by reducing 25 percent from the recommended tariff.

The land tariff, however, varies depending on the types of infrastructure -- developed, undeveloped and specialised.

The service charge has been set at 5 percent, instead of proposed 10 percent, of the amount of any utility bills such as gas, electricity, water, recycling, purification and effluent treatment. It is necessary to fix the tariff for allocating lands in the economic zones to entrepreneurs for setting up industrial units.

The meeting chaired by Prime Minister Sheikh Hasina also discussed a draft policy for creating Economic Zones Welfare Fund and asked Beza to place the policy again after scrutinising it, according to a press statement.

The governing body also approved a draft on One Stop Service Act, 2016 and decided to send it to the cabinet for approval.

Apart from Beza, the act will also be applicable for Bangladesh Investment Development Authority, Hi-Tech Park, and Bangladesh Export Processing Zones Authority, according to the statement.

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.

Beza plans to set up 100 economic zones by 2030, which will create jobs for one crore people and produce goods and services worth \$40 billion.

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