

Govt moves to improve business climate

Roadmap to be finalised for govt agencies

STAR BUSINESS REPORT

The government has taken steps to ease the process of doing business in an effort to jumpstart the stagnant investment situation.

By the end of this month, a roadmap will be finalised for every government agency, which would specify how many days it would take an investor to start his/her business, get the relevant permits and electricity connection.

"We will start implementing the plan of action from the first day of February," said Kazi M Aminul Islam, executive chairman of Bangladesh Investment Development Authority or BIDA at a press conference held at the capital's Sonargaon Hotel.

BIDA organised the briefing after a review meeting on the plan of action with senior officials of agencies under various ministries.

Through improving the investment climate, the government wants to send a positive message to invest-

ors, Islam said.

The move is expected to help in moving the country's ranking to double digits from its existing position of 176.

Bangladesh moved two notches up to 176 in the World Bank's Doing Business 2017 report. However, its position in terms of starting a business dropped seven notches to 122 this year.

It takes 19.5 days to complete procedures for starting a business in Bangladesh, which is higher than the South Asian average of 15.4 days, according to the report.

Bangladesh's ranking in terms of getting electricity connection remained unchanged, with businesses requiring 404 days -- much higher than the South Asian average. It takes 244 days to register property in Bangladesh.

Abul Kalam Azad, principal coordinator of sustainable development goals affairs at the Prime Minister's Office, said the government aims to

reduce the time cost for starting a business.

The government will build 100 economic zones and many hi-tech parks. To attract investments, it is necessary to improve climate, he said.

As many as 10 areas ranging from investment permit, land purchase and registration, environmental clearance, loan and tax issues, utility connections as well as transportation and shipping were identified that have ample scope for improvement.

Some 18 ministries are working to identify areas in order to ensure quick services to investors.

About the much discussed issue of getting new electricity lines, Azad said the Power Division plans to provide connections in 60 days.

Md Eunusur Rahman, secretary of Bank and Financial Institutions Division, and Md Nojibur Rahman, chairman of the National Board of Revenue, were also present at the briefing.



Rawshan A Rahman, president (in charge) of Bangladesh Public Relations Association, presides over an extraordinary general meeting of the association, at the National Press Club in Dhaka on Saturday.

British PM looks to boost technology industry as she eyes life after Brexit

REUTERS

The government's plan to reshape Britain's economy to adapt to Brexit will be announced next week, Prime Minister Theresa May said on Sunday, highlighting technology as one growth sector and setting out a new technical education strategy.

May has made rebalancing the heavily services-based economy one of her top priorities since coming to

office last July, as a way to deal with the economic impact of Britain's exit from the European Union and re-engage with disillusioned working class voters.

On Monday, she is due to publish an outline of the government's plans for a "modern industrial strategy" in a consultation document which will seek the views of industry.

"What the modern industrial strategy will be about will be saying 'What

is the shape of the economy that we want for the future?'" she told the BBC on Sunday.

"Where are the successful sectors that we can help to encourage to grow? But also, what are the sectors that we need to look to for the future too?"

She cited examples such as battery technology, where she believed Britain had a competitive advantage, but said there was a lot more that could be done to boost science and innovation.



Md Ahsan-uz Zaman, managing director of Midland Bank, opens the 21st branch of the bank at Laxmipur on January 19.



Chairman of South Bangla Agriculture and Commerce Bank SM Amzad Hossain attends the annual business conference 2017 of the bank at its head office in Dhaka. Managing Director Md Rafiqul Islam was also present.

Crumbling lira pressures Turkish retailers as economy slows

REUTERS, Istanbul

Turkish businessman Tekin Acar has contracts to open branches of his leading cosmetics chain in ten new shopping malls this year. A few days ago he cancelled nine of them after sharp falls in the lira meant he would struggle to afford the rents.

Turkey's currency has lost around a quarter of its value since the middle of last year, causing havoc for retailers selling imported goods or paying rent pegged to the U.S. dollar.

Many were already suffering from a sharp economic slowdown and dwindling tourism numbers after a spate of deadly bombings.

Foreign brands in Turkey are also suffering. Dutch clothing chain C&A, Britain's Topshop, German cosmetics firm Douglas and U.S.-based dietary supplement retailer GNC have disappeared from shopping centres in recent months.

Retail spaces in some of Istanbul's biggest malls stand empty.

"Since many brands have closed up stores one by one, people don't notice it," said Acar, who founded the cosmetics chain that bears his name in 1979 and has 76 stores across Turkey.

"In my 46-year career, it's the first time I'm having trouble paying my rent, utilities and salaries. I've put all my income from other businesses into this, I've increased capital but it isn't enough. I'm not George Soros, this is it for me."

Hundreds of malls sprung up across

Turkey in the past two decades, symbols of the rapid consumption-led growth that helped build President Tayyip Erdogan's reputation when he was prime minister from 2003-2014.

But that growth has left structural weaknesses in the economy, and the suffering retail sector and wider economic malaise come at an awkward time for Erdogan. He is expected to seek popular support in a spring referendum for bolstering the powers of his office and can ill-afford a sharp slowdown.

Acar's business has been further hit by a hike last week in import taxes on some cosmetics and by restrictions on the products for which credit card payments can be taken in instalments, part of a drive to boost Turkey's savings rate.

Many of the new malls were financed with dollar and euro loans and their owners, who have seen their debt burden rise as the lira fell, charge rent in hard currency to offset the risk.

The payback period for shopping mall developers in Istanbul has risen in recent years to an average of 22 years from 15-16, largely due to exchange rate risk and uncertainty about rental incomes, according to Hulusi Belgu, head of the Turkish Council of Shopping Centres (AYD).

His association estimates that \$53 billion has been invested in the country's 377 shopping malls over the past few decades, 70 percent of it financed through debt, much of it dollar and euro-denominated.

More TV networks follow Netflix to binge-watching model

REUTERS, Los Angeles

Traditional TV networks are following Netflix Inc's lead by releasing all new episodes of a series at the same time, a step to win over binge viewers who do not want to wait a week for the next installment.

The move poses a direct challenge to Netflix and a way for more traditional networks to reach for younger, digital-savvy consumers who insist on watching on their own schedules.

Walt Disney Co network Freeform, which targets a younger audience, put the entire 10-episode season of new sci-fi drama "Beyond" on digital and on-demand platforms on Jan. 2, a first for the channel. By Jan. 10, it was ready to order a second season.

"There are moments when it's really hard to make a decision about a pickup,"

Freeform President Tom Ascheim said, announcing the renewal at a Television Critics Association event. "This is not one of those moments."

Roughly 14 million people watched "Beyond" on TV and online during the first week. About 745,000 have finished the season on various platforms, the network said.

In its earnings report this week, Netflix highlighted growing competition from rivals that are adopting the strategy. Britain's BBC, for example, announced earlier this month it would distribute full seasons of major series on its digital platform before the episodes run on traditional linear television.

"We presume HBO is not far behind the BBC," Netflix added. A spokesman for HBO, owned by Time Warner Inc, had no comment.

BB opposes plan to amend banking law

FROM PAGE B1

As per the original Banking Companies Act, the shareholders should elect the directors from among themselves at annual general meetings.

But according to the new law approved in 2013, the banks must take approval from the central bank for the appointment of the directors.

The BAB said the law regarding the six-year tenure of a director may be applicable to the directors coming from outside, like independent directors, appointed directors or ex-officio directors. The sponsor-directors will be deprived of their right to

wealth or property if the law is applied for them as well, the association said.

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.

The BAB also proposed amendments to the definition of family in the law.

Under the act, family means spouse, parents, siblings, children and any person dependent on the sponsor director. But the BAB says if the person is elderly and fully independent or has separate business, he/she should not be counted as family.

MIDAS Investment sets foot to boost stockmarket

FROM PAGE B1

"Small borrowers return the credit on time. But it's the big borrowers who fail to do so," she added.

The finance minister said MIDAS started its journey as a non-governmental organisation in the 1980s and then it was run by foreign assistance.

"But now MIDAS has become self-dependent. It is laudable," Muhith said.

There are many companies that do not want to get listed on the stock exchanges for various reasons, said Shafiqueul-Azam, managing director of MIDAS Financing.

But the non-listed companies can reduce their dependency on bank loans by raising capital from the stockmarket.

MIDAS Investment will work to bring the non-listed companies to the capital market, he added.

At present, 55 merchant banks operate in the stockmarket.

Among the banks, 51 are full-fledged merchant banks, which simultaneously perform the functions of an issue manager, a portfolio manager and an underwriter. The remaining four merchant banks carry out the functions of either an issue manager or a portfolio manager or both.

People not much aware of tribunal for energy sector

FROM PAGE B1

Aggrieved people can come to the BEREC if they are not happy with the order, technically known as award, from the tribunal. The commission's decision is final, said Mahmud.

He said the good thing about the tribunal is that it is run by experts and it is a specialised court dealing with the specialised sector.

Of the cases received so far, most are related to disconnecting power and gas connections, ghost bills and disputes between Bangladesh Power Development Board and rental and quick rental power plants.



Mohammad Moinuddin Abdullah, agriculture secretary and chairman of Horticulture Export Development Foundation, presides over the 10th and 11th annual general meetings of the foundation at Hortex's conference room in Dhaka on January 21.

Edison Group Chairman Aminur Rashid speaks at the annual conference 2016 of the group at Cox's Bazar. Managing Director Jakaria Shahid was also present.



Muhith sees a strong capital market

FROM PAGE B1

"Massive reforms in the last 3-4 years have brought in stability in the market. The foundation has been built and we can move forward based on this development," he had said.

Analysts forecast that the market, which passed tough days since the price debacle almost six years ago, will go from strength to strength this year.

And the stockmarket has already got back its rhythm. The premier bourse's key index reached the 5,500-point mark with the turnover crossing Tk 2,000 crore for the first time in more than six years. The pace continued yesterday too.

DSEX, the benchmark index of Dhaka Stock Exchange, jumped up 68.78 points, or 1.24 percent, to finish the day at 5,602.84. The turnover stood at Tk 1,668.38 crore, up from Tk 1,408.74 crore the previous day.

Gainers beat losers as 224 advanced and 78 declined, while 26 finished unchanged.