

# FBCCI to continue process for holding election until Thursday

STAR BUSINESS REPORT

The Supreme Court yesterday extended until Thursday its order that allowed the authorities concerned to continue the process for holding the elections of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

The apex court also asked the FBCCI authority to file a leave to appeal petition by March 30 against the High Court order that stayed the

election process for two months.

A three-member bench of the Appellate Division headed by Chief Justice Surendra Kumar Sinha passed the order after hearing a petition filed by the FBCCI authorities seeking stay on the HC order.

FBCCI lawyer Barrister Imtiaz Moinul Islam told The Daily Star that there is no legal bar for continuing the election process for the FBCCI following the SC order.

Following a writ petition filed by Mymensingh Chamber of Commerce

and Industry President Aminul Haque Shamim, the HC on March 21 stayed the process for holding FBCCI election for two months.

The FBCCI authorities on March 23 submitted a petition to the SC seeking a stay on the HC order.

The SC chamber judge the same day allowed the authorities till yesterday to continue the election process and send the stay petition to the full bench of the Appellate Division for its hearing.

## Gulf Arab states push for UK free trade deal after Brexit

REUTERS, Doha

Gulf Arab states are pressing for an early deal on free trade with Britain to secure preferential arrangements after Brexit, and could have a draft agreement ready within months, Gulf officials say.

Britain cannot formally sign trade agreements while it remains a member of the European Union, but the British government has said it is keen to start preparatory work so deals can

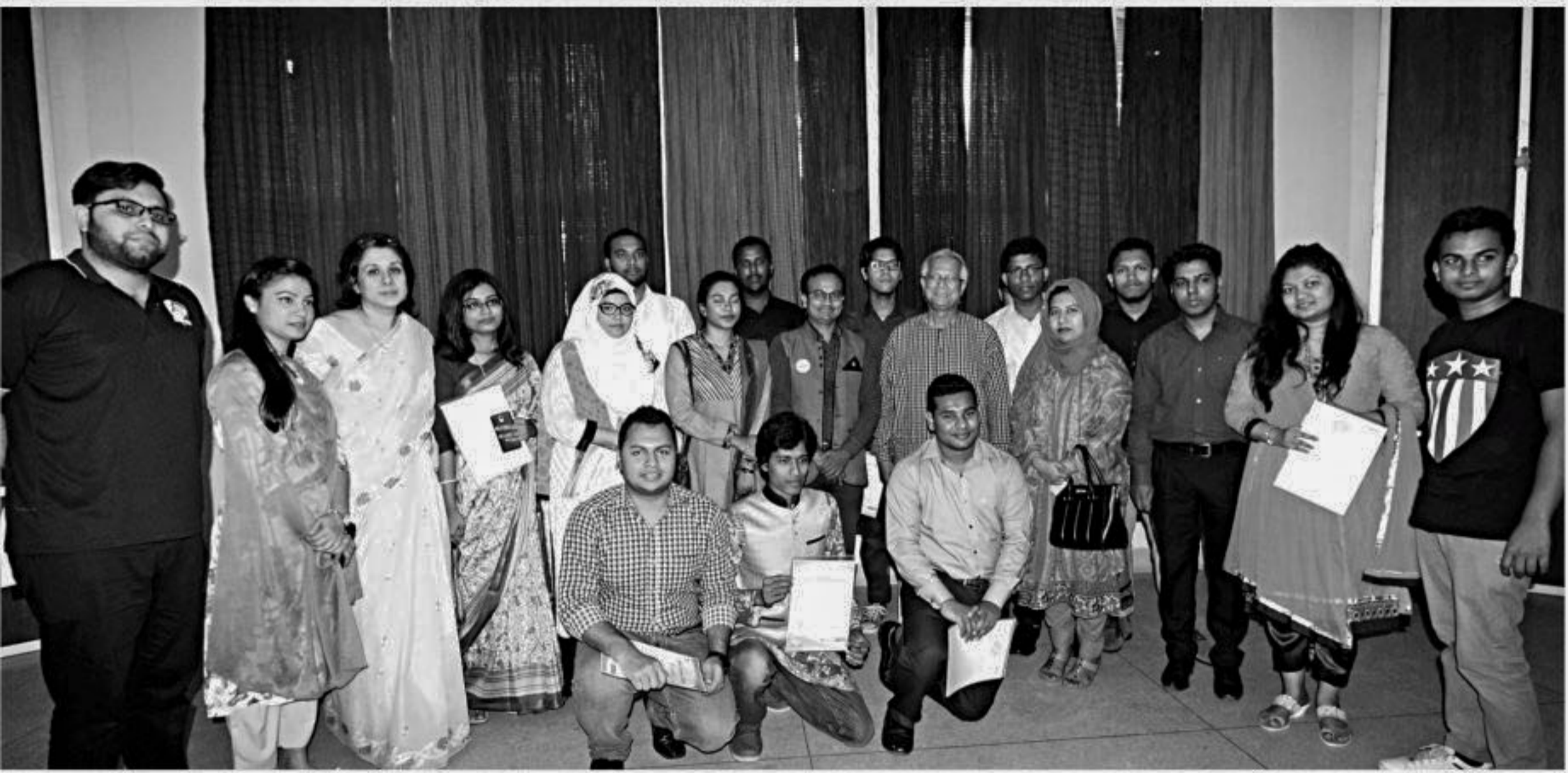
be reached quickly after it leaves.

One of the first agreements could be with the six-nation Gulf Cooperation Council, which includes Qatar and the two biggest Arab economies, Saudi Arabia and the United Arab Emirates, as well as Kuwait, Bahrain and Oman, according to the officials. Trade between Britain and the GCC totals about 30 billion pounds (\$37.5 billion) annually.

In a meeting in December with Britain's Chancellor of the Exchequer

Philip Hammond, Qatari finance minister Ali Sherif al-Emadi discussed a partial draft of a free trade deal, a Qatari official said, declining to be named under briefing rules.

GCC states envisage preparing a "signature-ready" deal that could be signed immediately after Brexit, the Qatari official said. "A free trade agreement with the UK... This is something we would like to encourage and support," another Gulf official said.



Nobel Laureate Professor Muhammad Yunus poses with the students of Daffodil University, who took part in a social business course, at the 531st Social Business Design Lab organised by Yunus Centre at Grameen Bank auditorium in Dhaka yesterday.

## Multilateral, regional cooperation should be discussed: analyst

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"It is high time for Bangladesh to realise the regional benefit from countries including India and China by enhancing cooperation," said Bhattacharya.

The public policy analyst said Bangladesh needs to make various regional blocs more effective by gaining political support from the member countries.

India and China are major players in all regional blocs with which Bangladesh is connected.

"We hope multilateral issues will get importance during the prime minister's state visit," Bhattacharya said.

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (Bimstec) includes Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal as members.

Its headquarters is in Dhaka and Bangladesh should take the opportunity to make it effective by giving it full institutional shape, said Bhattacharya.

The economist said some countries have not appointed their director to the bloc yet. "The appointment of director reflects a country's political support for the organisation."

During his presentation, SM Nazmul Hasan, director of the Bimstec, said full-fledged transport connectivity between South Asia and Southeast Asia would help Bangladesh save \$390-688 million annually by way of enjoying duty-free trade with Myanmar and India.

He said river and road connectivity with Myanmar would increase bilateral trade upto \$500 million by 2020.

Bangladesh needs \$14.27 billion to upgrade roads, rail networks, ports and energy infrastructure for economic integration, according to Hasan.

## MFS accounts soar

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But now, they have to make do with Tk 15,000 for cash-in and Tk 10,000 for cash-out, after an order of the central bank came into effect on February 1.

Md Mahbubur Rahman Alam, associate professor of the Bangladesh Institute of Bank Management (BIBM), said it is clear that the rise in the number of accounts is a result of lowering the ceiling.

"Initially, it seems like a positive outcome, but we have to wait a couple of months to see the real results." When contacted, Bangladesh Bank spokesman Subhankar Saha said the rise in the number of MFS accounts seems unusual.

"A drop in the transaction ceiling might be a reason behind that, but we have to wait further to draw a conclusion," he said.

An MFS agent on Iqbal Road in the capital's Mohammadpur area said the limit has inconvenienced mobile money users, but it led to the opening of more accounts to offset the fallout.

"Both the value and volume of mobile money transactions dropped 40 percent in the first week of February. But it later recovered after new accounts were opened," said the agent, requesting anonymity.

In January, the daily average MFS transaction value was Tk 840.20 crore, which fell to Tk 797.40 crore in February.

The Bangladesh Bank report also mentioned that the number of agents declined 3.65 percent to 696,722. The MFS providers became stricter on compliance after the directive, said officials of MFS providers.

Many agent affiliations were cancelled in the case of irregularities, they added.

Of the different categories in MFS pay-

ments, salary disbursement was affected the most. In January, Tk 349.21 crore was disbursed as salaries through the MFS channel, which fell to Tk 260.23 crore in February, according to central bank data.

A good number of companies that disbursed their workers' salary through mobile money cannot do so now, as the new ceiling does not cover their salaries, said a top executive of an MFS provider.

Students, garment workers and small entrepreneurs were affected the most by the central bank's directive, according to the MFS providers. One of the main objectives of reducing the transaction ceiling was to bring remittance in through the formal banking channel.

However, remittance through that channel did not increase, rather, it declined 17.6 percent year-on-year to about \$936 million in February, which was the lowest this fiscal year.

Shirin of Dutch-Bangla Bank earlier suggested that the central bank block cash-out from the MFS accounts. According to his proposal, customers could use their mobile wallets for purchases and to pay bills, but not to take out as cash.

"If the regulator considers our recommendation, it will help the industry become more mature and help us move to a cashless society," said Shirin.

Alam of BIBM said it is simply impossible to stop fraudulent activities by only bringing down the transaction limits. "The banking regulator has to think optimistically."

Currently, there are 19 MFS licence holders and 17 of them are offering the service. However, two operators -- bKash and Rocket -- have 99 percent of the market share.



Arne Lietz, third from left, member of the Group of the Progressive Alliance of Socialists and Democrats in the European Parliament, and Siddiquir Rahman, third from right, president of Bangladesh Garment Manufacturers and Exporters Association, attend a discussion between the EU parliamentary delegation and the garment makers' platform, at the Westin Dhaka hotel yesterday.

## Profit-taking pulls down stocks

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The banking sector, which took the hardest blow, lost 1.2 percent in market capitalisation.

Daily turnover dropped more than a quarter to Tk 777.15 crore, with 24.94 crore shares and mutual fund units changing hands on the DSE.

Of the traded issues, 97 advanced and 189 declined with 39 securities closing unchanged.

LankaBangla Finance dominated

the turnover chart with 67.85 lakh shares worth Tk 42.69 crore changing hands, followed by Beximco, ICB, RSRM Steel and AB Bank.

Among the major sectors, non-bank financial institutions gained the most - 2.11 percent, followed by textile that edged up 0.38 percent. Cement and pharmaceuticals declined 0.89 percent and 0.38 percent respectively.

Premier Leasing & Finance was the day's best performer with 7.4 percent

gain, while Padma Life Insurance was the worst loser, shedding 4.46 percent.

Chittagong stocks also fell with the bourse's benchmark index, CSCX, declining 47.3 points or 0.43 percent to finish the day at 10,711.17.

Losers beat gainers as 142 declined and 79 advanced, while 18 finished unchanged on the Chittagong Stock Exchange. The port city bourse traded 2.18 crore shares and mutual fund units worth Tk 68.86 crore.



Rezaul Hoque Sirajee, director for finance at Suvastu Development Ltd, and Nazmul Haque Khan, managing director, attend a programme at Lakeshore Hotel in Dhaka on March 23 when the realtor handed over commercial spaces of a project—Suvastu Ittehad Square—of the company to its owners.

## EU calls for single labour law for all workers

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The EPZs have more than \$3.74 billion of investment from home and abroad locked in. Nearly \$7 billion worth of goods were exported in 2015-16 from the EPZs.

Lietz said the rights of the workers have to be acknowledged in a much bigger and important way.

The fact-finding mission has already talked with the government and the intellectuals in the European Union on the issues of labour rights in Bangladesh.

He urged the government and the garment factory owners to continue dialogue under the tripartite agreement that was signed among the government, trade unions and businessmen to resolve the labour crisis in Ashulia in December last year.

Some countries including the Netherlands, the UK and Canada have shown keen interest for more and better labour standards or of the ILO standards, Lietz said.

Bangladesh made very successful progress in labour rights and the country has accomplished a lot through the last decade, he said, while lauding the country's successes in poverty alleviation and implementation of the Millennium Development Goals.

"We have been working together for further development of the labour situa-

tion. We have highlighted our progresses we made in workplace safety and labour rights after the Rana Plaza incident," said Siddiquir Rahman, president of the BGMEA.

The EU delegation demanded amendment of the labour law, particularly the requirement of signatures of 30 percent of the workers in a particular garment factory to form a trade union, said a BGMEA leader after the meeting.

Signatures of 10 percent of the workers suffice, the delegation said at the meeting, while also demanding the amendment of some clauses of the labour laws of 2013.

Recently, the EU also sent a letter to the commerce ministry threatening the withdrawal of the trade benefits for Bangladesh if the labour rights situation is not improved further.

The withdrawal of the trade benefits would mean Bangladesh will have to pay 12.5 percent duty on the export of goods to the EU.

Bangladesh raked in \$18.68 billion from its exports to the EU in fiscal 2015-16, which was 54.57 percent of the total receipts for the year.

Of the \$18.68 billion, \$17.15 billion came from apparel shipments. The EU currently accounts for over 62 percent of all Bangladesh's garment export receipts in a year.



Radisson Blu Dhaka Water Garden observed Earth Hour on the premises of the hotel on March 25. Earth Hour is sponsored by World Wildlife Foundation.

RADISSON BLU DHAKA



Ahmed Kamal Khan Chowdhury, managing director of Prime Bank; Md Touhidul Alam Khan and Syed Faridul Islam, deputy managing directors, attend the annual business conference 2017 of the bank's commercial banking division, at Royal Tulip Sea Pearl Beach Resort & Spa in Cox's Bazar.

PRIME BANK