Qatar Airways chief accuses US carriers of 'bullying'

AFP, Dubai

The chief of Qatar Airways on Monday accused American carriers complaining over alleged subsidies to Gulf airlines of "bullying", as he announced new US routes in defiance of mounting airport restrictions.

US carriers Delta, United and American Airlines have accused Qatar Airways along with Dubai's Emirates and Abu Dhabi's Etihad of benefitting from government subsidies to expand their transcontinental networks.

They have urged US President Donald Trump to take action against the Gulf airlines, who deny any form of subsidy.

Speaking to reporters at the annual Arabian Travel Market in Dubai, Qatar Airways chief Akbar al-Baker said he didn't expect any action from Washington. "President Trump is a wise individual and a very good businessman, and I don't think he will buy into bullying by the three American carriers," Baker said.

Qatar Airways was among the airlines affected by the ban imposed last month on electronic devices larger than a smartphone on flights to the United States from 10 airports in the Middle East and Turkey.

Baker, whose carrier is offering free laptops to premium passengers in response to the ban, said Qatar Airways has faced some drop in business to US destinations. "There was some decline. Something manageable. We did not have massive declines," he said.

"We still have robust business in the United States... and we will continue our expansion," he added.

Baker announced San Fransisco as a new route to be added to its 10 US destinations early next year. A route to Las Vegas will be launched in the second quarter of 2018, he said.

Emirates, the Middle East's largest carrier, said last week it was reducing flights to the United States in response to "weakened travel demand."

The US ban went into effect on March 25 on nine airlines in Turkey, Morocco, Jordan, Egypt, Qatar, Saudi Arabia, Kuwait and the United Arab Emirates.

Britain followed with a similar ban from five countries from the Middle East, northern Africa and Turkey.

The fast-growing Gulf carriers have turned their home airports into major hubs for international travellers, capturing a sizable chunk of travel between the West and Asia and Australasia.

NRBC BANK

The fourth annual general meeting of NRBC Bank was held in Dhaka on Sunday. Farasath Ali, chairman of the bank, presided over the meeting, where shareholders approved 12 percent dividend for 2016. Managing Director Dewan Mujibur Rahman and directors were also present.

Tk 950cr tiles factory starts production in Bagerhat

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The factory will have an initial capacity of 25,000 square metre tiles, equivalent to 2.69 lakh square feet, per day. The capacity will rise to 40,000 square metre per day within five months, said Bashar.

S M Amzad Hossain, chairman of the factory and South Bangla Agriculture & Commerce Bank, said the group would use coal for the plant to ensure stable and safe energy supply as gas is not available in the region.

"Ceramic products produced at factories run by coal are also the best in the world. In China, most of the ceramic industries are run on coal," he told reporters at the group's office at the Katakhali industrial area in Bagerhat on Friday.

Raw materials, including coal, will be imported from China, Malaysia, Indonesia, Vietnam and India.

The factory has created jobs for 1,050 people including 50 technical staff from China. About one-third of the workers are women, said the company.

Set up in 1986, Lockpur Group has footprint in sea food, fish processing, printing, packaging, plastics, jute, ceramics, fashion, agriculture, bricks, and hospitality industries.

CRYSTAL INSURANCE COMPANY

The 17th annual general meeting of Crystal Insurance Company was held in Dhaka on Saturday. Abdullah Al-Mahmud (Mahin), chairman of the company, presided over the meeting, where shareholders approved 12 percent cash dividends and 50 percent stock dividends for 2016.

Kuwait court backs govt over petrol price hike

AFP, Kuwait City

Kuwait's appeals court ruled Sunday that a government decision to raise petrol prices was in line with the constitution, overturning a decision by a lower court.

It said the decision to raise prices was within the cabinet's powers.

Ali al-Ali, one of several lawyers who filed the suit against the government, said on Twitter the group intends to challenge the latest ruling in Kuwait's supreme court, whose decisions are final.

Like other Gulf states that are heavily dependent on oil revenues, Kuwait has been hit hard by a sharp drop in crude prices since June 2014.

The Opec member recorded a budget shortfall of $15 billion in the fiscal year to March 2016.

It was the first deficit since the fiscal year to March 1999.

National strategy a must for inclusive growth: analysts

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The development partners, the central bank, ministries and other organisations of the financial system need to help formulate a strategy for financial inclusion, he said. Such strategies already exist in many countries, said Ahmed, speaking at a discussion titled "financial inclusion and the banking sector: some critical issues" at Lakeshore Hotel, Dhaka.

Bangladesh Institute of Development Studies (BIDS) organised the discussion as part of its two-day annual event called BIDS Critical Conversations 2017 with the theme 'The Bangladesh Journey: Accelerating Transformations'.

A wide array of institutions, along with the banks, must come together and play a role in financial inclusion activities, said Baqui Khalily, adviser and former executive director of Institute for Inclusive Finance and Development.

He said the no-frill accounts, including the Tk 10 accounts for farmers, student accounts, and banking for street children, may not have much contribution to inclusive growth, but these initiatives have increased access to financial systems and financial literacy among the people.

The Tk 10 accounts will help grow a habit among the marginal groups of people to maintain accounts, said Biru Paksha Paul, former chief economist of Bangladesh Bank.

The capital market, a key driver of the economy, can play a role in financial inclusion, he added.

"If we deepen internet penetration, it will enable people to invest in the capital market, even sitting at home in the villages. It will have a significant impact on financial inclusion."

Mustafizur Rahman, distinguished fellow of Centre for Policy Dialogue (CPD), moderated the session while Fahmida Khatun, executive director of CPD, and Syed Mahbubur Rahman, managing director of Dhaka Bank, were present.

Bay economic zone eyes $3b in foreign investment

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"We now emphasise creating a favourable investment culture by meeting all the preconditions."

Many big foreign companies are now looking to Bangladesh as their investment destination, Chowdhury said, adding that Beza has so far selected 76 sites for economic zones.

As of now, Beza has awarded prequalification licences to 10 other local private companies to set up 13 economic zones. It is also setting up four economic zones in the public sector.

The authority is aiming to create jobs for one crore people in 100 economic zones by 2030 and produce goods and services worth $40 billion.

Business community still worried about new VAT law

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He went on to recommend the revenue authority to take measures such that the transition from the existing VAT Act 1991 to the new VAT and Supplementary Duty Act takes places smoothly.

"It is natural there will be some problems during the transition," he said, while urging the NBR's field offices to extend cooperation to businesses so that the law can be complied with easily.

Rahman said it may take 3-4 months for smooth transition. Problems and the number of complaints will be high during the period. "It will be business as usual after 3-4 months if smooth transition can be ensured."

Rahman, who is also the vice-chairman of Beximco Group, said the new law is more favourable to big companies than the existing one.

"We did not get credit in the old law -- this law addresses the issue."

One of the main objectives of the new VAT law is to increase the existing VAT net, he added.

Currently, only 35,000 businesses out of 8 lakh registered firms submit VAT returns, according to the NBR.

At the programme, NBR Chairman Md Nojibur Rahman said steps will be taken to ensure smooth and seamless transition to the new law.

At the discussion, representatives of businesses urged the NBR for taking measures so that businesses get refunds easily.

They also requested the revenue board to notify them at least two months prior to implementation of the new VAT and Supplementary Duty Act so that they can complete their preparations including customisation of the automated system.

Jahangir Hossain, member of VAT policy of NBR, said firms will get time to prepare as the first return will have to be submitted in August.

Rezaul Hasan, project director of VAT Online Project, said registration under the new law is going on.

The system is being prepared so that businesses can submit returns online from August. "We are hopeful of completing the tasks for online payment within May," he added.

LTU VAT Commissioner Matiur Rahman said LTU deals with 170 firms operating in areas ranging from cigarette, gas, mobile, bank and financial institutions, pharmaceuticals, cement, beverages and cosmetics.

These firms under the LTU VAT accounted for 56 percent of total VAT collected from domestic businesses in fiscal 2015-16, he said.

Social barriers block growth of women entrepreneurs

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She said rural women with the help of microfinance are getting solvent. Still they need more support. "When a woman comes out of home it gives her mobility," said the former caretaker government adviser.

Gulshan Nasreen Chowdhury of the Bangladesh Women Chamber of Commerce and Industries said women need to boost their self-confidence and cherish creativity to do something.

Referring to the Economic Census 2013, BIDS Senior Research Fellow Nazneen Ahmed said only 7.21 percent enterprises in Bangladesh are female-headed.

She said although banks have been directed to disburse 15 percent of their SME loans to women, only 3.6 percent was lent to them between 2010 and 2015.

"Women entrepreneurship is limited to a few sectors. It triggers the question whether financing is a major obstacle to women entrepreneurs."

Simeen Mahmud, head of the gender studies cluster at the BRAC Institute of Governance and Development, said women entrepreneurship is yet to be well-addressed while many female entrepreneurs take support from their male family members to run businesses.

"We should think about how women can take the lead," she said.

Graduates of 'internet of things' lab get certificates

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Of the graduates, eight are now working on a project for Saudi Arabia, four are working on a project for Japan and the rest are working for Dhaka Wasa, said Jaman, who is also a former president of Bangladesh Association of Software and Information Services.

The ongoing projects include automatic water metre screening to check the misuse of drinking water, water vessel protection, internet of things medicine systems, anti-theft for vehicles, vehicle monitoring, river pollution detection, fire safety at garment units and other factories, according to a statement. Michael Wang, a Columbia University professor, is coordinating the course. He joined yesterday's programme through video conferencing. He also formulated the course curriculum in IoT at Columbia University in the US.

The lab is a result of collaboration between the US, Japan and Bangladesh. DataSoft is running the 16-month scheme under a project titled Leveraging ICT of the ICT Division. The next batch will begin in May where 45 students will receive training, Jaman added.

Project Director of Hi-Tech Park Shafiqul Islam, Project Director of Leveraging ICT Rezaul Karim, Pro-Vice Chancellor of University of Liberal Arts M Zahirul Haque, The Daily Star Editor and Publisher Mahfuz Anam, and Innovation Director of A2I Mustafizur Rahman were also present.

Sovereign wealth fund, taka bond plans scrapped: Muhith

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The government has the blessings of the IFC to issue the bond on its own and it has also offered to provide advisory service on the matter.

"The IFC is very good on the subject. Of course, we can receive the service. We may take it as we have not tried it in Bangladesh before."

Now, the government will seek ways to raise funds through state-run non-banking institution Bangladesh Infrastructure Finance Fund, which has been quite active in recent years, according to Muhith.

"We have given it several hundred crores of taka and it has almost exhausted the money."

Probably, the government will give BIFFL some more money by raising funds, the finance minister said.

Operating since 2011, BIFFL has the mandate to invest in large infrastructure projects, including power and energy, ports, connectivity, tourism and economic zones.

Muhith also talked about the IFC's investment plan in Bangladesh, saying the WB arm's activities in the country have been "quite good" in the last eight years.

The IFC creates a link between a foreign investor and parties in Bangladesh and brings foreign investors to the country.

In Bangladesh, the IFC mainly works in power and to some extent in the transport sector. It is keen on expanding to logistics, financial services and agriculture.

"The IFC also thinks that it should get into transport in a big way," Muhith said, while advising the WB arm to target at least $1 billion worth of investment for the sector.

"Mr Philippe has accepted it, saying maybe it will not be possible in a single year but the IFC can pick up projects once they roll out to take the investment to $1 billion within one or two years."

EXPRESS LEATHER PRODUCTS

Kazi Jamil Islam, managing director of Express Leather Products, the licensee of Lotto brand in Bangladesh, and Md Zulfiker Ali Siddique, managing director of Route to Market International (RTM), shake hands after signing an agreement for the distribution of Lotto's personal care products.

Mohammad Shams-Ul Islam, managing director of Agrani Bank, receives the Arabian Banker Award as the best public sector bank of Bangladesh for its dedication and innovative banking services. Abdul Hakem Al-Afiry, director of Arabian Banker's Council, handed over the award in Jeddah, Saudi Arabia.

AGRANI BANK