

Ticfa talks today in Dhaka

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The third round of bilateral talks under the Trade and Investment Cooperation Forum Agreement between Bangladesh and the US is set to be held today in Dhaka, with the overhang of hope of reinstatement of trade privileges to the American market.

At the meeting, Bangladesh will highlight the progresses made since the Rana Plaza collapse in improving workplace safety and labour rights under the guidelines of the US-provided 16-point action plan.

"We will mainly discuss the labour rights issue at the Ticfa meeting," said Mikail Shipar, secretary to the ministry of labour and employment.

Of the major progresses, the government has amended the labour law with full freedom of association and created the Directorate of Inspection for Factories and Establishments for monitoring workplace safety.

The other major progresses are recruitment of nearly 300 fresh factory inspectors and inspection of nearly 3,800 factories by three agen-

cies -- Accord, Alliance and national initiative -- to fix structural, fire and electrical safety flaws.

The government, with support from the International Labour Organisation, has developed a publicly accessible database of all active export-oriented garment factories.

The database is available at the website of the DIFE, according to the document submitted to the United States Trade Representative, the chief trade negotiation body of the American government.

The commerce ministry has already submitted the progress reports to the USTR twice but on both the occasions the response was the same: while the US government lauded the improvements, a lot more needs to be done to regain the Generalised System of Preferences status.

Also at the meeting issues like market access for local products to the US market, fair prices of goods, technology transfer, infrastructure development and US investment in Bangladesh would be raised, the commerce ministry said

in a statement.

The US side will bring forward issues like tariff and non-tariff barriers faced by American companies for export to Bangladesh, pharmaceuticals exports guideline specification, intellectual property rights, regional connectivity and investment in the energy sector, enforcement of agreements, government purchase and labour issues.

The commerce secretary will lead the Bangladesh side in the meeting and the assistant USTR the American side.

Before the suspension of GSP in the middle of 2013, only 0.54 percent of Bangladesh's total exports in a year were covered by the scheme.

Products like dried fish, ceramics and plastic goods enjoyed the benefit but not the main export earner: apparel.

In fiscal 2015-16, Bangladesh exported goods worth \$6.22 billion to the US, the highest for a single destination.

The first Ticfa meeting was held in Dhaka in April 2014 and the second in Washington in November 2015.

Mercantile Bank gets new AMD



STAR BUSINESS DESK

Mati ul Hasan has recently been promoted as the additional managing director of Mercantile Bank, the bank said in a press release.

Prior to the promotion, he had been serving the bank as deputy managing director.

Hasan started his career as a probationary officer in IFIC Bank in 1984, according to the statement.

He had also served IFIC Bank in its branches in Pakistan and Nepal. He completed his diploma in banking from The Institute of Bankers, Bangladesh, the bank said.



Prime Minister Sheikh Hasina receives a cheque for Tk 4 crore as donation to the Prime Minister's Education Assistance Trust and Shuchona Foundation from Eastern Bank Chairman M Ghaziul Haque and Director Mir Nasir Hossain, at a ceremony at Gono Bhaban in Dhaka on Monday.

New unit formed to carry on garment sector renovation

STAR BUSINESS REPORT

The government has formed a cell to monitor the progress in apparel factory renovation works after the ongoing inspection by three agencies -- the Accord, the Alliance and the National Initiative -- comes to an end.

Initially, the Remediation Coordination Cell (RCC) will work with 1,293 factories that have been inspected under the national initiative. The RCC was launched at a programme at the Sonargaon Hotel in Dhaka on Sunday.

Ultimately, the RCC will take responsibility for relevant workplace safety issues once the work of the Accord, the Alliance and development partners comes to an end, according to a statement from the International Labour Organisation (ILO).

Srinivas Reddy, ILO country director for Bangladesh, said, "The operation of the RCC marks a major step towards improving workplace safety in the Bangladesh garment sector."

"It is a concrete manifestation of efforts to institutionalise safety reforms, which will ultimately benefit all sectors," Reddy said.

The RCC will be based at the Pragati Insurance Ltd Bhaban in Dhaka's Karwan Bazar area.

The RCC has been established through collaboration between the government, Bangladesh Garment Manufacturers and Exporters Association and Bangladesh Knitwear Manufacturers and Exporters Association.

The new unit will be staffed and supported by regulatory bodies, including the Department of Inspections for Factories and Establishments, the Fire Service and Civil Defence, the Rajdhani Unnayan Karttripakkha, the Chief Electric Inspector and the Public Works Department.

It will be supported by private sector engineers hired to provide technical expertise for remediation follow-up. The RCC is supported by the ILO with funding from Canada, the Netherlands and the United Kingdom.

Speaking at the launch, Md Mujibur Haque, state minister for labour and employment, said, "The Bangladesh government is fully committed to ensuring the safety of the garment industry and all who work in it."



Mohammed Nasir Uddin Chowdhury, managing director for capital market operations at LankaBangla; Khwaja Shahriar, acting managing director of LankaBangla Finance, and Khandakar Kayes Hasan, CEO of LankaBangla Investments, attend the launch of LankaBangla Nishchinto, a monthly investment scheme of LankaBangla Investments. The ceremony took place at Dhaka Club on Monday.

LANKABANGLA INVESTMENTS

Yahoo to buy back \$3b shares

REUTERS

Yahoo Inc said on Tuesday it would buy back \$3 billion of its common shares, ahead of the company's pending deal with Verizon Communications Inc.

Shares in Yahoo, which has a 15 percent stake in Chinese e-commerce company Alibaba Group Holding Ltd, were up 0.6 percent at \$50.15 in premarket trading.

Yahoo said it would pay between \$50.79 and \$44.74 per share based on its calculations, Alibaba's share price and timing of the buyback.

Verizon agreed to buy Yahoo's core internet properties last year for \$4.83 billion in cash. It lowered the original offer by \$350 million in February following two massive cyber attacks at the internet company.

After the Verizon deal, Yahoo will be renamed Altaba, a holding company whose primary assets will be its stake in Alibaba and a 35.5 percent stake in Yahoo Japan.

Food inflation almost doubles in 12 months

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Rice stocks at public warehouses stood at 4.90 lakh tonnes at the end of March -- down 43.7 percent from a year earlier, according to data from the food ministry.

However, overall inflation declined in March to 5.39 percent from 5.65 percent a year earlier because of a fall in non-food prices.

The inflation data comes at a time when the prices of various essentials, mainly rice, have risen to new level, hitting the poor and fixed income groups.

The monthly average retail prices of coarse rice, which was Tk 35.84 each kg in January in Dhaka this year, rose to Tk 37.50 per kg in March. In February, it was Tk 37, according to Food and Agriculture Organisation.

Overall inflation has been creep-

ing up since December last year. Inflation rose to 5.31 percent in February from 5.15 percent in January this year, according to BBS.

While unveiling inflation figures, Planning Minister AHM Mustafa Kamal said the food price increase is 'temporary' for crop losses. "But we will not give scope to traders to hike the prices of rice," he said, adding that the government is in the process of importing 2 lakh tonnes of rice.

"How much crops were lost? 2 lakh (tonnes)? 4 lakh (tonnes)? It's not more than that," he added.

The agriculture ministry estimates the rice losses from flash flood and blast would be 7.5 lakh tonnes, said an official.

However, consumers were given a respite from rising costs by way of non-food items.

Non-food inflation slumped to 3.18 percent in March from 8.36 percent a year earlier. But it has risen from 3.07 percent in February this year, shows BBS data.

"The across-the-board decline in non-food inflation is attributable to weakening of demand resulting from a big decline in remittance income and slow credit growth, while the cost-push factors remained largely contained," Hussain said.

He said the headline inflation is pretty much within the range of monetary policy target.

But, there is no room for complacency as signalled by the slight increase in non-food inflation in March relative to February and the sharp increase in food inflation from the second quarter of the current fiscal year, the WB economist added.

Telenor shuts down ekhanei.com

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"As the owner we are constantly assessing our portfolio, and based on this internal evaluation we decided to close down ekhanei."

Telenor, one of the world's major mobile phone operators with 214 million active mobile customers, took the decision recently because of its inability to develop the company into a profitable business, according to a statement of the group.

The group entered the online classifieds market in Bangladesh in 2013 acquiring some sites.

Telenor, together with international media group Schibsted, acquired 50 percent stake in an ecommerce site and 33.33 percent in another.

In 2015, further joint ventures were established with Naspers in four countries, including Bangladesh.

Telenor and Schibsted together held 50.3 percent stake in the new venture, while the rest was owned by Naspers, the parent company of OLX.com.bd.

Ultimately, Telenor had 25 percent indirect ownership in ekhanei.com.

The affected employees will be offered "severance packages" as per Telenor's policies.

About profit and loss, Lessum said, "I can't comment on earnings up until closing, but the company is closing down completely and will not be continued in another form."

Though Telenor has decided to close one of its joint ventures, Grameenphone is doing well with GP Shop, which sells various gadgets.

Telenor Health AS, another e-service of the group in Bangladesh, is also faring well, industry stakeholders said.

Govt to train 1cr women on IT

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Groups with knowledge in technology will also be formed through e-learning system.

An official at the Prime Minister's Office said the large-scale project has been taken based on the success of some pilot projects in recent times. The women and children affairs ministry will implement the project.

The ECNEC also approved seven

other projects involving Tk 2,178 crore. Some Tk 793 crore will come as aid from development partners.

A project involving Tk 66 crore has been approved to enhance the welfare of the workers in the hilly districts. A 10-bed healthcare centre will be set up to cater formal and non-formal workers in the districts.

After the meeting, Planning Minister AHM Mustafa Kamal said:

"The families of the workers will receive healthcare services free of cost from the centres."

He said the women of the hilly districts would be given training to improve their skill in weaving traditional garments.

A five-storey academic building, male hostel, female hostel, dormitory, inspection building, and cafeteria will be set up under the project.



Officials of Pedrollo Bangladesh along with its trading partners pose at a conference, at Bali in Indonesia. Senior officials of Pedrollo Italy, Pedrollo Indonesia and Pedrollo India also attended the event.

PEDROLLO BANGLADESH

Vodafone dials up 6.3b euro annual net loss

AFP, London

Vodafone logged Tuesday a large annual net loss after slashing the value of its troubled Indian division, but underlying earnings soared on a solid European performance.

The British mobile phone giant posted a loss of 6.3 billion euros (\$6.9 billion) for the 12 months to March, after a net loss of 5.4 billion euros in the previous financial year, it said in a statement. The loss was driven by taxation changes and a 3.7-billion impairment at its Indian division -- which Vodafone is spinning off into a joint venture.

However, underlying or operating profit excluding exceptional items almost tripled to 3.7 billion euros on cost-cutting -- and a solid showing in Europe. Vodafone shares rallied four percent after it also ramped up the shareholder dividend by two percent, taking the total payout to 14.77 euros.

"Our focus on excellence in customer experience has enabled further improvements in our overall commercial and financial performance during the year," said chief executive Vittorio Colao. Sales declined 4.4 percent to 47.6 billion euros on adverse foreign exchange movements.

Vodafone is the world's second-largest mobile-phone carrier in terms of subscriber numbers, trailing global leader China Mobile.

In the first half, Vodafone initially took a non-cash impairment of 5.0 billion euros on its Indian activities and blamed a sharp increase in competition.

However in March, Vodafone announced the merger of its Indian unit with Idea Cellular in order to create India's largest telecoms operator and fight ultra-competitive new player Reliance Jio.

Following the deal, Vodafone added Tuesday it had partially reversed the Indian impairment -- but it still stood at 3.7 billion euros. Colao has sought to reshape the business following his appointment in 2008.

The group offloaded its 45-percent stake in Verizon Wireless in 2015 for a colossal \$130 billion, one of the biggest transactions in global corporate history.

Half of bankers ignorant of cyber security: study

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Only 4 percent employees of banks have excellent knowledge about IT and cyber security system, according to the report.

The study result was disclosed at a programme at the BIBM in the capital.

SK Sur Chowdhury, a deputy governor of Bangladesh Bank, attended the programme as chief guest. Debdul Roy, general manager of the information system development department of BB, and Toufic Ahmad Choudhury, director-general of the BIBM, also spoke.