

Mattra wins Golden Globe Tigers Awards

STAR BUSINESS DESK
Advertising agency Mattra has recently won the Golden Globe Tigers Awards 2017 held in Kuala Lumpur in Malaysia. The agency won the award for its "Equality through Dignity" campaign of Manusher Jonno Foundation (MJF). The foundation is a non-governmental organisation that works on gender equal-

ity, the agency said in a statement. With the collaboration of Mattra, MJF started its campaign "Equality through Dignity" in 2013. Under the campaign, Mattra made several campaign contents for television, radio and social media, according to the statement. The main part of the campaign is to focus on women's un-accountable work besides financial efforts.

Volvo Cars says new generation of diesel engines could be the last: CEO

REUTERS
Swedish carmaker Volvo's latest generation of diesel engines could be its last as the cost of reducing emissions of nitrogen oxide is becoming too much, Chief Executive Hakan Samuelsson was quoted as saying on Wednesday. "From today's perspective, we will not develop any more new generation diesel engines," Samuelsson told German's Frankfurter Allgemeine Zeitung in an interview. However, a Volvo Cars spokesman said on Wednesday Samuelsson had been discussing options rather than a firm plan to stop the further development of diesel engines. Samuelsson later said in a statement emailed to Reuters he believed diesel would still play a crucial role in the next few years in helping the company meet targets to reduce emissions of carbon

dioxide, being more fuel-efficient than petrol engines. "We have just launched a brand new generation of petrol and diesel engines, highlighting our commitment to this technology. As a result, a decision on the development of a new generation of diesel engines is not required," he said. In the FAZ interview Samuelsson said Volvo would continue improving the current range, first introduced in 2013, to meet future emissions standards, with production likely to go on until about 2023. And until 2020 he said diesel would be needed to help meet carbon dioxide emission limits set by the European Union, but after that other regulations would come into play, with the costs of making engines compliant with ever higher anti-pollution standards meaning it would no longer be worth it.



Prime Minister Sheikh Hasina receives a cheque for Tk 4 crore from Pubali Bank Vice Chairman Azizur Rahman as donation to the Prime Minister's Education Assistance Trust and Jatir Janak Bangabandhu Sheikh Mujibur Rahman Memorial Trust, at a programme at Gono Bhaban in Dhaka on Monday.



Prime Minister Sheikh Hasina receives a cheque for Tk 4 crore from Mutual Trust Bank Chairman MA Rouf and Vice Chairman Md Hedayetullah as donation to the Prime Minister's Education Assistance Trust and Jatir Janak Bangabandhu Sheikh Mujibur Rahman Memorial Trust, at a programme at Gono Bhaban in Dhaka on Monday.



Prime Minister Sheikh Hasina receives a cheque for Tk 5 crore from Prime Bank Chairman Azam J Chowdhury as donation to the Prime Minister's Education Assistance Trust and Shuchona Foundation, at a programme at Gono Bhaban in Dhaka on Monday.



Prime Minister Sheikh Hasina receives a cheque for Tk 5 crore from Standard Bank Chairman Kazi Akram Uddin Ahmed as donation to the Prime Minister's Education Assistance Trust, Jatir Janak Bangabandhu Sheikh Mujibur Rahman Memorial Trust and Shuchona Foundation, at a programme at Gono Bhaban in Dhaka on Monday.

One Bank re-elects top brass

STAR BUSINESS DESK
Sayeed H Chowdhury has recently been re-elected as the chairman of One Bank for another one-year term. The bank's Board of Directors has also re-elected Asoke Das Gupta as its vice chairman and Zahur Ullah as the chairman of the executive committee. Chowdhury is the founder chairman and CEO of blue chip conglomerate HRC and a member of the British Institute of Management, the bank said in a statement yesterday. He is also the chairman of Media New Age Ltd and Information Services Network Ltd. He is also the honorary adviser of Bangladesh Ocean Going Ship owners' Association, according to the statement.



Sayeed H Chowdhury

VAT-free turnover limit likely to be Tk 36 lakh

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The new VAT law, which will take effect from July 1, will force a large number of retail and wholesale stores to maintain records and pay VAT based on actual sales, said revenue officials. Now, a joint panel of the National Board of Revenue and the Federation of Bangladesh Chambers of Commerce and Industry upon reviewing the new VAT law suggested an increase in ceiling to support the small and medium firms. The reason being, many smaller firms do not have the capacity yet to maintain records precisely, as demanded by the new VAT law. The highest ceiling of turnover tax is also expected to be raised to Tk 1.50 crore a year from Tk 80 lakh, as prescribed in the new VAT law framed in 2012. Raising the VAT-free turnover limit and the turnover ceiling will give respite to more firms, said revenue officials. Last year, many shop owners demonstrated demanding continuation of package VAT under the new law, which the NBR aims to implement by automating the VAT system.

Govt to increase food subsidy

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In the next fiscal year, the power sector will get a subsidy of Tk 5,500 crore against the current year's allocation of Tk 6,000 crore. However, the amount was lowered by Tk 500 crore to Tk 5,500 crore in the revised budget of the current fiscal year. There will be no change in the subsidies for exports and jute in the next fiscal year, which was Tk 4,500 crore for the current year.

Economists slam switch to quarterly inflation data

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"This decision will change the whole process," he said, adding that many countries including China and India release CPI data weekly basis. CPI data was supposed to be weekly instead of monthly, Mansur said. "Just because inflation is rising now, hiding it from public is not going to serve the government." He also criticised the practice of signing off historical data like inflation, which are collected and processed technically, by a minister. "Ministers or politicians have nothing to do with approving historical data," Mansur said, adding that the step 'unnecessarily' creates doubts that politicisation of data is happening in Bangladesh. Instead of delaying release, steps should be taken to plug in loopholes of data collection if there is any problem, said Mustafizur Rahman, distinguished fellow of the Centre for Policy Dialogue. He said inflation is not linked

with consumers' interest only. It is inter-linked with wages, production cost and profitability of entrepreneurs. "Quick release of CPI data will be good for the economy," he added. Timely availability of key economic statistics contributes to sound macroeconomic policies and the efficient functioning of markets, said Zahid Hussain, lead economist of the World Bank's Dhaka office. "There is a saying that if it isn't broke, don't fix it," he said, adding that the CPI data release practice followed by the BBS had been working well. "There is always room for improvement. However, moving from monthly data release to a quarterly release will be a reform of the regressive kind." There needs to be a roadmap to achieving higher data dissemination standards at a pace consistent with the evolving capacity of the BBS, he said. A positive step forward in this

direction would be to announce a CPI release calendar as they do in India, Sri Lanka and the United States, among others, Hussain added. Instead of releasing inflation figures on quarterly data the government should take steps to release quarterly GDP figures, said Selim Raihan, professor of economics at the University of Dhaka. He also called for propping up the BBS's capacity. "We are aware of the imperfections of BBS data, but we are not concerned about them that much. We will be concerned when we will get data belatedly." The delay in the release of data will not only affect researchers but also businesses. Businesses will face difficulty in forecasting prices and taking decisions. Inflation and interest rate are treated as high frequency data, which helps policymakers analysts and others understand the trend of economy, he added.

High land prices deter Chinese investors: envoy

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Bangladesh's low labour cost is the main attraction for foreign investors. "But in Africa, the labour cost is much lower. So, it is time to make the country competitive by improving the investment environment. Otherwise, investors will shift to other markets." The country is growing very fast but inadequate infrastructure and shortage of power are holding it back, said Mingqiang, who has been in the country since 2015. Many foreign investors are running their businesses using captive power because of frequent power

cuts, which pushes up their cost of doing business, according to the Chinese ambassador. The high import duty on raw materials is another obstacle. The diplomat also touched upon the wide trade gap between the two countries. Subsequently, he called upon the Bangladeshi businesspeople to bump up their exports to China such that the trade gap is narrowed and the business growth between the two countries becomes sustainable. In fiscal 2015-16, China's exports to Bangladesh stood at \$10 billion and its imports from the country

\$808 million. He recommended the Bangladeshi exporters to consider food and fruit shipments to China. FICCI President Rupali Chowdhury said there is no significant private investment from China to Bangladesh at present. She called upon the Chinese investors to exploit the investment opportunities in Bangladesh and come forward with large sums. She went on to assure Mingqiang that the local business community would pursue the government to remove the barriers the foreign investors are facing.

Ticfa meeting ends sans GSP talks

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The restoration of the Generalised System of Preferences (GSP) scheme that the US suspended for Bangladesh in June 2013 was the major talking point in the previous two meetings and was expected to be the same in this round too. In the meeting Bangladesh raised issues like the high duty it faces on exports to the US, Bose said at the post-meeting briefing at the state guest house Padma. Bangladeshi garment exporters face 15.62 percent duty on their shipments to the US -- way more than its competitors in global apparel trade, Vietnam and China. As a result, the competitiveness of Bangladeshi garment makers is on the wane in the US market, Bose said. The export growth to the US is on the decline and Germany might become the single largest export destination for Bangladesh, said the senior government official. Bose said Bangladesh called for US investment in the high-end garment sector, telecom and energy sectors. The Ticfa is a platform to discuss bilateral issues between Bangladesh and the US. The outcomes of the discussion are placed at the highest level for resolving trade disputes, if any. Bangladesh signed the Ticfa deal with the US in November 2013 mainly to revive the GSP status. Bangladesh has already submitted the progress reports on workplace safety and labour rights to the United States Trade Representative office twice. The American government also acknowledged that the country has made a lot of progress. At the same time, Washington also maintains that a lot more needs to be done for the revival of the status. Bose said fair prices of goods, technology transfer and infrastructure development were discussed in the meeting. Mikail Shipar, labour and employment secretary, said the government would amend some parts of the labour law to bring more welfare to the workers. The government has formed the tripartite council in the garment sector for resolving disputes and will introduce the standards operation procedures for liberalising the formation of trade unions in the factories, he said. He said the labour ministry will work on how to help for withdrawal of the cases filed against the union leaders for their alleged involvement in the Ashulia labour unrest in December last year. Marcia Bernicat, US ambassador to Bangladesh, said the duty-free access of garment items is an issue of the US Congress. Currently, the US does not allow duty-free access of garment items to any country except some African nations. The duty-free access of Bangladeshi goods is largely depending on the progress of safety and labour law reforms, she said. "Still now, Bangladesh has been performing strongly in the US markets. I hope the US will remain the single largest market for Bangladesh in future as well," Bernicat said. The ambassador said apart from garment items, Bangladesh has a lot of opportunity to export IT and agro-products. Before the suspension of the GSP in the middle of 2013, only 0.54 percent of Bangladesh's total exports were covered by the scheme. Products such as dried fish, ceramics and plastic goods enjoyed the benefit but not the main export earner: apparel. In 2015-16, Bangladesh exported goods worth \$6.22 billion to the US, the highest for a single destination.



Md Hasnath Sudruddin Roomi, chief financial officer of the Palace Luxury Resort, and Md Rezwan Chowdhury, head of the high value segment product department at Grameenphone, attend a deal signing ceremony. The Star subscribers of the mobile operator will enjoy discounted offer at the resort in Hobiganj.



Abdus Salam, chairman of NCC Bank; Khairul Alam Chaklader, director, and Mosleh Uddin Ahmed, CEO (current charge), attend a programme to celebrate the 24th anniversary of the bank at its head office in Dhaka.