

# Raushan happy with 'lively discussion'

## STAFF CORRESPONDENT



Parliament has seen a lively budget discussion for the first time in three years, Opposition leader Raushan Ershad said in the House yesterday.

Noting that the budget for the next fiscal year drew huge criticism unlike the previous three budgets, she said, "I think the budget discussion is a lively this time. I think the finance minister for placing such a budget and creating scope for all to join the lively discussion."

Raushan, however, said the finance minister intentionally included some proposals in the budget to trigger a lively discussion among lawmakers.

Terming food adulteration a national problem, she asked the government to engage the army and Rapid Action Battalion in drives to stop the illegal practice that severely affects public health.

SEE PAGE 10 COL 1

# Out canvassing

FROM PAGE 1

ricketer hopefuls campaigned.

The party ticket hopefuls even distributed food and clothes among their constituents.

Those not MPs expressed their eagerness to run in 2019 while the incumbents told their constituents that it was imperative they get elected again to finish their work.

The leaders sought the voters' blessings.

ECM AL President Sheikh Hasina and BNP Chairperson Khaleeda Zia spoke about the elections in their Eid greeting speeches.

After exchanging Eid greetings at the Gono Bhabna, Hasina said, "We want cooperation from all... to make the country free from hunger and poverty and make it a prosperous one as dreamt by Father of the Nation Bangabandhu Sheikh Mujibur Rahman."

ECM Chairperson Khaleeda Zia while exchanging Eid greetings at Bangabandhu International Conference Centre said the next national election must be held under a supportive government with the deployment of the army to install a pro-people administration to end public sufferings and ensure good governance.

The Election Commission has already drafted the roadmap for the next elections. The two next political parties have been internally preparing for the polls.

Khaleeda has sought votes for the BNP and had unveiled the party's Vision 2030. She said no MP would go to jail in the next polls.

BNP leaders believe that they would run in the next election whatever the situation.

A large number of AL leaders, especially young leaders, visited their constituents and areas and sought people's blessing after Hasina declared that those with close ties with constituents would get party nominations.

Apart from incumbent AL MPs, young leaders Ashim Kumar Ukil, Aminul Islam bin, Baduzzaman Bhuiyan Dablu, Afzal Hossain, Enamul Haque Shamim, Sujit Roy Nandi, ABM Rezaul Kabir, Kawsar, Marufa Akter Popi, Mahmud Rashed Khan Ripon, Saifuzzaman Shikhor, Shaif Ahmed, Ajoy Kar Khokon, Mamun Hossain Khan Nikil, Sajjad Shakib Badsha, Aktaruzzaman Babu, Sheikh Sobhan Rana Tipu, Nafail Karim Nafi, Baduzzaman Shohag, Zabanur Raheem Khan and others were campaigning in their areas.

Our Rangpur correspondent said a number of MP hopefuls of different parties visited constituencies of the district.

BNP leader Saiful Islam sought vote for BNP after the Eid congregation at Pirgani Eidgah while AL MP Ahasanul Hoque Chowdhury of Rangpur-2 sought vote for BNP in next polls. Boat is the electoral symbol of the AL.

Our Sylhet correspondent added that Khandaker Abdul Muktedir, adviser to the BNP chairman, carried out a month-long campaign in Sylhet-1 constituency and expressed his desire to run in the next polls.

Finance Minister AMA Muthith is the incumbent MP of Sylhet-1.

Abdul Momen, younger brother of Muthith, Shahed Muthith, son of Muthith, and AL Organising Secretary Md. Muzibur Rahman were campaigning in the same constituency.

For the last few months, AL leaders Kawsar, Baduzzaman Bhuiyan Dablu, Afzal Hossain and Mishbah Begum have been staying mostly in their areas to campaign, sources said.



The mangled vehicle in Lama of Bandarban after it veered off the road and hit a tree on Monday. Four people, three of them children, were killed in the accident.

# Eid joy turns into tragedy

FROM PAGE 1

Commerce College and Salman Bin Jamal, 22, from Monipur School and College - are missing.

Quoting witnesses, Al Masud, station officer of Fire Service and Civil Defense Headquarter said the trio was forced under water by the strong waves of the Padma when they were taking selfies around 3:00pm.

However, the two surviving friends - Apurba and Fahim of Bangladesh University of Engineering and Technology declined that the trio were taking selfies.

Mohim's family member said Mohim did not know how to swim.

Mohim's last status on Facebook showed he was on his way to the holidays and ended with him stating, "there is no other way but to sleep". After news of his death broke, many of his friends began commenting on the status.

One acquaintance prayed that he rested in peace whilst another said "his sleep had turned eternal" and a third solemnly stated "your sleep will now not be broken."

Sirajul Islam, officer-in-charge (OC) of Dohar Police Station, said the search for the two others continues.

Meanwhile in Louthojang of Munshiganj, an SSC examinee - Mohammad Hasan, 18, went missing on Tuesday afternoon in the Padma river after he went to visit Mawa Ghat with his friend Tipu.

Tipu managed to survive, but Hasan, son of Billal Sheikh of capital's East Nakhalpara in Teighon, and an SSC candidate from Faring Boys' High School, was missing till the time of this report.

In Cox's Bazar, the body of a nine-year-old boy, who went missing along with two others, after their boat capsized during a trip in the Naif River on Tuesday evening, was recovered yesterday.

The body of the victim, Mohammad Amin, was recovered by locals near the

new jetty area on the Naif River around 11:00am. Amin, son of Sabir Ahmed Alsaid, alias Monu Miha, lived in the Tkned municipal area.

Two other missing boys - eight-year-old Anwar Sadeq and Saddam Hossain, 15, are also from Tkned.

Meanwhile, Sudipto Dey, 18, went missing in the Bay of Bengal near the Seagull point of Cox's Bazar on Tuesday morning. He had gone to the beach town with his friends to celebrate Eid.

Sudipto, son of Shovon Chandra Dea, a resident of the capital's Satrapur area, had recently passed Secondary School Certificate (SSC) examinations from Birshrestha Nour Mohammad School and College in Ptekhlana in Dhaka, reports our Cox's Bazar correspondent.

The victim went into deeper water around 6:00am, said Raihan Kajemi, senior assistant superintendent of Cox's Bazar tourist police.

At one stage, he was washed away.

On the same day, the Fire Service and

Civil Defence unit of Cox's Bazar recovered the body of Abu Bakar, 11, from Bakkhali River near Dakkhin Mithachari in Ramu.

Abu Bakar, son of Nurul Islam and a student of class V at Omkhali Primary School, went missing on Eid day afternoon when he, along with his friends, went to take a bath in Bakkhali river.

Meanwhile in Bogra, a 12-year-old boy drowned while bathing in Januna river at Prem lamunghat area of Shariakandi upazila in Bogra on Tuesday afternoon.

His body was found yesterday morning, at least one km away from the spot.

The deceased was identified as Nadim Mia, son of Nurul Haque of Mohimn village in Kalapuzzola of Joppurhat.

Police and locals said that Nadim, along with some of his friends, went there on Tuesday afternoon. At one stage, they started bathing in the ghat of the river where suddenly Nadim went missing.

PHOTO: SANJOY KUMAR BARUA

# Zero duty

FROM PAGE 1

Garment items, which account for more than 80 percent of Bangladesh's total export to the UK, saw a 6 percent negative growth with export earnings falling to \$3.0 billion in the last 11 months of the outgoing fiscal year compared to that in the corresponding period of the previous fiscal year.

In fiscal 2015-16, Bangladesh exported garment items worth \$3.52 billion to the UK.

Year-on-year growth of garment export to the UK hovered around 15 percent over the last few years. However, it is likely to see a negative growth in fiscal 2016-17.

The UK became a major export destination, as Bangladesh has been enjoying duty privilege under the EU's Everything But Arms (EBA) scheme and also because a large number of non-resident Bangladeshis live in the UK.

In the last 11 months of the outgoing fiscal year, Bangladesh exported goods worth \$3.26 billion to the UK compared to \$3.44 billion in the corresponding period of the previous fiscal year, according to data provided by the Export Promotion Bureau.

Rhondaker Golam Moazzem, research director of the Centre for Policy Dialogue, said Dhaka would have to watch whether Britain and the EU sign any bilateral free trade agreements with the countries competing with Bangladesh.

If the UK and the EU give the same benefit to those countries, Bangladesh would face tough competition despite having the trade privilege given to the LDGs, he added.

In a statement issued on June 24, the UK government said it would use its leverage to get Britain standing in the world and meet its commitment to the world's poorest by securing their existing duty-free access to UK markets and providing new opportunities to increase trade links.

The commitment means that around 48 countries across the globe, from Bangladesh to Sierra Leone, Haiti and Ethiopia will continue to benefit from duty-free exports into the UK on all goods other than arms and ammunition, such as everything but arms," it read.

The UK government would also explore options to expand its relations with developing countries of which currently benefit from a mixture of reduced or zero tariffs on the goods they export to the UK and to maintain the existing trade arrangements and avoid costly tariffs, it mentioned.

The UK continues to deliver enhanced support to these countries by helping them to create jobs and trade, supporting critical trade infrastructure like ports and roads, and building trade skills in those countries, so that they can better utilise the trade opportunities, it added.

In the statement, UK's International Trade Secretary Liam Fox said, "Our departure from the EU is an opportunity to step up to our commitments to the rest of the world and step forward to a new era of free and fair trade has been the greatest liberator of the world's poor, and today's announcement shows our commitment to helping developing countries grow their economies and reduce poverty through trade."

Behind the duty-free exports are countless stories of people in developing countries working hard to provide for themselves and their families by exporting everyday goods such as cocoa, coffee and roses, resulting in lower prices and greater choice for consumers, added Fox.

In the same statement, International Development Secretary Priti Patel said the UK is using its position as a great global trading nation to seize opportunities to lift countries out of grinding poverty. This will generate wealth, prosperity and investment needed to create millions of jobs and lift the world's poorest people stand on their own feet.

"Around £20 billion a year of goods are shipped to the UK from these developing countries, accounting for around half of our clothing, a third of our coffee, and a quarter of our everyday goods such as cocoa, bananas and roses.

"Without these trading arrangements, clothing, for example, from some of the poorest countries could face tariffs of over 10 percent - which could be passed on to UK consumers through higher prices at the till," Patel said.

Access to the markets of developed countries also provides vital trade opportunities for the world's poorest people and creates jobs.

"For example, two million women work in Bangladesh's garment sector, which is a significant exporter of clothing to the UK. These opportunities help people to work out of their coffee and to build our trading partners of the future," added Patel.

# New VAT law put on hold

FROM PAGE 1

Hasina also suggested that Muthith bring changes to his plan to increase excise duty on bank deposits.

Following the PM's call, the finance minister proposed some changes in the tax measures, which the House passed unanimously in voice vote.

The implementation of the new law, which was approved in the House on June 1 for tabling, has been postponed based on suggestions from Prime Minister Sheikh Hasina and other lawmakers. Muthith told parliament in his closing speech on budget.

And the 2017 VAT law will be implemented in phases through amending the 1991 law, he added.

The proposed imposition of the single rate VAT sparked concern among consumers and businesses that it will push up living cost.

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**CHANGES IN TAX MEASURES**

**VAT EXEMPTED**  
Locally made computers and mobile phones and their spare parts; locally assembled motorcycles; software products with no import duty

**VAT REDUCED**  
Powdered chili, turmeric and coriander

**SUPPLEMENTARY DUTY REDUCED**  
Locally assembled refrigerators

**IMPORT DUTY WITHDRAWN**  
Solar panels

**CORPORATE TAX FOR RMG SECTOR**  
12% from proposed 15%

**CORPORATE TAX FOR GREEN APPAREL FACTORIES**  
10% from proposed 14%

But in the face of strong opposition from businesses, lobby groups and the fear of rising living cost, policymakers have put the plan on hold for now.

Parts of the 2017 VAT law are already being enforced.

Revenue officials said most of the VAT measures applicable for the outgoing fiscal year are likely to continue in the upcoming fiscal year.

Along with the standard rate of 15 percent applicable to goods and services such as mobile phones, businesses will have to deposit indirect tax to the national office based on multiple rates determined based on tariff value and truncated value.

Currently, VAT is collected on 85 products such as biscuits, paper and exercise books, rods and bricks based on tariff value and for nearly 20 items, including flats, based on truncated rates.

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If a coup prevented his side fulfilling

Quantum Foundation, for the next two years. Exemption has also been offered to locally made computers, cellular phones and spare parts as well as locally assembled motorcycles.

He proposed to reduce the VAT rate on processed spices, including chilli, turmeric and coriander, based on tariff value or minimum value method.

The minister also withdrew the proposal to increase Supplementary Duty (SD) on completely knocked down units of motorcycle imported by entrepreneurs who are setting up factories here to gradually start manufacturing.

Reduced duty benefit for cars has been offered to promote domestic manufacturing.

The minister also shelved his plan to impose duty on solar panels import.

**EXCISE DUTY**

There will be no excise duty on bank deposits of up to Tk 1 lakh in the upcoming fiscal year as proposed. In the outgoing fiscal year, depositors had to pay Tk 15,000 to spare year for savings of up to Tk 20,000 to 1 lakh.

In his budget proposal, Muthith had sought to impose Tk 800 in duty on deposits between Tk 1 lakh and 10 lakh.

This has now been divided into two slabs. In the first slab, the duty has been fixed at Tk 150 on deposits of Tk 1 lakh to 5 lakh, down from Tk 500 at present.

In the second slab - of Tk 5 lakh to Tk 10 lakh - it will be Tk 500 per year in the outgoing fiscal year.

However, the excise duty on higher deposits will be increased as proposed. The duty on deposits of Tk 10 lakh to Tk 1 crore will be Tk 2,500, a 67 percent rise from Tk 1,500 now.

It will be Tk 12,000 on deposits from Tk 1 crore to Tk 5 crore, which is Tk 7,500 at present.

Those having deposits above Tk 5 crore will have to pay an excise duty of Tk 25,000, up from Tk 15,000 now.

The proposal to increase excise duty drew huge criticism as it was hiked at a time when average interest rates on deposits came down to below 5 percent.

Savers as well as ministers, economists and business leaders criticised the move.

The government has been imposing excise duty on bank deposits since 2002.

**THE VAT IMPACT**

The shelving of the new VAT plans will widen the budget deficit further and make the revenue target unachievable, economists have said.

The decision means the government will not be able to achieve its revenue collection target - of Tk 248,190 crore - in the next fiscal year, which is 34 percent higher than the revised target for the outgoing fiscal, said AB Mizza Azizul Islam, former finance adviser to the last caretaker government.

It would have been tough to achieve this target even if the government had collected VAT at the flat 15 percent rate. Now it will be even tougher, he told The Daily Star.

Many firms still do not pay VAT and tax properly, he said, adding that these firms should be brought under the VAT and tax net.

The government had aimed to collect an additional Tk 63,190 crore in 2017-18. Of the sum, Tk 22,579 crore was supposed to come through implementation of the new VAT law.

"As the uniform 15 percent VAT is not being implemented, the government would have to revise the budget estimates - both income and expenditure," said Khondker Golam Moazzem, research director at Centre for Policy Dialogue (CPD).

# Top court hit by grenades

FROM PAGE 16

Photos circulating on social media showed a helicopter flying over Caracas with a banner that read "350 Freedom" - alluding to a constitutional clause recently invoked by the opposition to arrest the Maduro government's lack of legitimacy.

The photos showed two people on the chopper, one with his face covered with a mask and the other with his visible.

Videos on social media showed a man who identified himself as a CICPC detec-

tive and said he was resisting tyranny, wants Maduro to resign and fight for Venezuela to hold early elections.

Earlier Tuesday, Maduro repeated claims of a US-backed coup attempt and angrily warned President Donald Trump that Venezuela would fight back against such a move.

"If Venezuela were dragged into chaos and violence... we would fight," Maduro belted in a speech to supporters.

If a coup prevented his side fulfilling

his contested reform plans, he said, "we would resist by arms."

He said an armed intervention in his country would spark a crisis that would dwarf those caused by conflicts in the Middle East.

Addressing Trump, he said: "You are responsible for restraining the madness of the Venezuelan right-wing."

The opposition regularly accuses Maduro of repressing and jailing opponents. Judicial NGO Foro Penal says there

are 383 political prisoners in Venezuela.

Addressing a crowd over the weekend, Maduro said Venezuela would face military trial over an alleged coup plot, backed by Venezuelan opposition leaders and aimed at precipitating a US intervention in the country.

"I am not exaggerating when I say it would have involved the arrival of American ships and troops in Venezuelan waters, on Venezuelan soil," Maduro said.

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