

Japan, EU seal landmark trade deal in challenge to Trump

AFP, Brussels
Japanese Prime Minister Shinzo Abe and top EU officials agreed Thursday to the broad outline of a landmark trade deal, presented as a direct challenge to the protectionism championed by US President Donald Trump.

The breakthrough capped four years of talks and came on the eve of a G20 meeting in Germany at which Trump is expected to defend his "America First" stance on world trade.

"Today we agreed in principle on an Economic Partnership Agreement (with Japan), the impact of which goes far beyond our shores," European Commission chief Jean-Claude Juncker said at a joint press conference with Abe and EU President Donald Tusk in Brussels.

The EU and Japanese economies combined account for more than a quarter of global output, making the deal one of the biggest trade pacts ever. "We were able to demonstrate a strong political will so that the EU and Japan take the lead on free trade," Abe said just hours before he was due to meet Trump at the G20 in Hamburg.

With the deal, the EU is seeking access to one of the world's richest markets, while Japan hopes to jump-start an economy that has struggled to find solid growth for more than a decade.

Japan is also hoping to seize an opportunity after the failure of the 12-nation Trans-Pacific Partnership (TPP), torpedoed in January by Trump.



From left, Japanese Prime Minister Shinzo Abe, European Council President Donald Tusk and European Commission President Jean-Claude Juncker attend a press conference after an EU-Japan summit at the European Council yesterday.

The "political agreement" on the trade deal covers some of the accord's toughest aspects but leaves aside details that could still prove difficult. At the heart of the deal is an agreement for the EU to open its market to the world-leading Japanese auto industry, with Tokyo in return scrapping barriers to EU farming products, especially dairy.

EU officials insist that the deal will be a major boon for European farmers who would gain access to a huge market that appreciates European products.

Left untouched for now is the issue of controversial investment courts which have stoked opposition to trade deals in the EU nations, including Germany and France.

"After hard negotiations, the EU and Japan are sending a very positive signal to the world," said Markus J. Beyrer, Director General of BusinessEurope, a Brussels-based lobby.

"We are asking the G20 to take action against protectionism and this is a concrete example of how this could be done," he added.

Anti-free trade activists meanwhile furiously criticised the mooted deal, calling it a dangerous sop to multinationals.

"This trade deal, and others like it, smack of corporate protectionism at the expense of democracy and the environment," Greenpeace trade campaigner Kees Kodde.

Last year, the EU's giant CETA trade

deal with Canada nearly sank on such concerns when the small Belgian region of Wallonia threatened to veto it, before eventually relenting.

Most opposition is centered on the investment courts, a controversial measure designed to resolve commercial disputes.

They have come under fierce opposition in Europe and the EU is trying -- so far unsuccessfully -- to persuade partners to adopt a new system staffed by public officials.

Divisions within the EU over the issue could prove significant when the EU-Japan deal faces ratification in the bloc's more than 30 regional and national parliaments. EU officials said they hoped to implement the deal in January 2019.

Second death anniversary of Pran founder Amjad Khan Chowdhury

STAR BUSINESS DESK

The second death anniversary of Amjad Khan Chowdhury, founder of PRAN-RFL group, will be observed tomorrow.

Visionary entrepreneur and industrialist Chowdhury passed away at the age of 75 on July 8 in 2015.

Hailing from Natore, Chowdhury retired from Bangladesh Army in 1981 and set up a small company, Rangpur Foundry Ltd (RFL), to make irrigation pumps.

Now the company has a variety of products such as pumps, tube-wells and gas stoves, winning prestige as the largest cast



iron foundry and light-engineering workshop in Bangladesh.

In 1991, he launched his agro-processing business -- Pran. He began with sliced pineapples in cans, moving on to mango drinks, jams and jellies, with plans to cater to both local and foreign consumers.

Pran made its maiden export to France in 1996. The group now exports its products to 134 countries and around 94,000 people are working directly in the group.

Chowdhury also served the Metropolitan Chamber of Commerce and Industry, Dhaka as president twice.

DU introduces master degree in accountancy and taxation

STAR BUSINESS REPORT

Dhaka University has introduced "Master of Accountancy in Taxation" degree under the department of accounting and information system.

Mizanur Rahman, programme director of the course, came up with the announcement at a press conference at Dhaka Reporters Unity yesterday.

The new degree was introduced to facilitate professionals, Rahman said. The Bangladesh economy has grown substantially but still there is lack of efficient manpower in the financial sector, he said.

The programme will help in improving efficiency in different fields, including auditing, taxation, bank management, consultancy, the director said. Students will require Tk 2.50 lakh to complete the two years course.

Capital Market Journalists Forum and the department of accounting and information system jointly organised the press briefing where Abdul Hakim, chairman of the department, was also present.

New chairman for Green Delta Insurance

STAR BUSINESS DESK

Md Abdul Karim has been elected as the chairman of the Green Delta Insurance Company Ltd.

The election took place at the company's 352nd meeting, the company said in a press release.

He is also an independent director of the company. Karim, a former principal secretary to the government, is the managing director of Palli Karma-Sahayak Foundation.

Karim obtained an MSc degree from Chittagong University and a master of social science degree in development administration from the University of Birmingham, UK.



Aminul Haq joins BCIC as chairman

STAR BUSINESS DESK

Md Aminul Haq has recently joined Bangladesh Chemical Industries Corporation (BCIC) as chairman.

Prior to joining BCIC, Haq was the additional secretary of the Economic Relations Division, the corporation said in a statement. He obtained a BSc degree in civil engineering from Bangladesh University of Engineering and Technology and completed his master's in the UK.



Md Nazrul Islam Mazumder, chairman of EXIM Bank, presides over the bank's 18th annual general meeting at Raowa Convention Hall in Dhaka yesterday. The bank declared 15 percent cash dividend for 2016. Mohammed Haider Ali Miah, managing director, was also present.

Global acclaim for Radisson Blu Dhaka

STAR BUSINESS DESK

Radisson Blu Dhaka Water Garden, a hotel of Carlson Rezidor Hotel Group, has been awarded with the 2017 TripAdvisor Certificate of Excellence, the hotel said in a statement.

TripAdvisor is an American travel website company that provides reviews of travel-related content. The certificate honours hospitality businesses that deliver consistently great service.

"Extraordinary customer service has been paramount to Radisson Blu Dhaka's success and being awarded the TripAdvisor Certificate of Excellence in successive years is the recognition of our consistent customer focus over these years," said Christoph Voegeli, general manager of Radisson Blu Dhaka Water Garden.

"I feel proud to have a team dedicated for overall guest satisfaction day in day out."

To qualify for the certificate, a business must maintain an overall TripAdvisor bubble rating of at least four out of five, have a minimum number of reviews and must have been listed on TripAdvisor for at least 12 months, according to the statement.

Once tax-free, Saudi Arabia starts expat levy

AFP, Riyadh

Saudi Arabia on Thursday said it had begun taxing foreigners working in the private sector as part of fiscal reforms aimed at coping with a drop in oil revenues.

Long a tax-free haven for expatriates, the Saudi economy was dealt a serious blow in 2014 when global crude prices plummeted.

The kingdom, the world's largest exporter of oil, has since launched an economic diversification plan and slashed state spending in an attempt to cope with a hefty deficit.

Car sales speed up

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Toyota leads the reconditioned private car market with 88.5 percent share, according to the Mutual Trust Bank report. The second, third and fourth propositions are occupied by three other Japanese automotive manufactures -- Nissan, Honda and Mitsubishi.

Toyota is the highest selling brand with two price groups in the market. Axio Sedan and Axio Fielder are in lower price categories selling between Tk 17.5 lakh and Tk 19.5 lakh.

Allion and Premio are the higher price categories selling between Tk 24 lakh and 28 lakh, according to the report.

Regulator wants a new mobile operator

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A top official of a leading mobile phone operator said not only the telecom regulation, there have not been adequate financial and taxation regulations related to the sector as well.

"That's why the existing operators are bleeding and there is no chance for a new operator in this field," he added, requesting anonymity.

Khan said top global telecom giant NTT Docomo and Airtel shrank their businesses in Bangladesh which gives investors a negative signal.

NTT Docomo bought 30 percent of Robi's shares in 2008 but lost interest in investing more and diluted their shares in two phases. Now the Japanese company has only 6.3 percent stakes in Robi after the merger.

Ward started business in Bangladesh in 2006 but sold off 70 percent of its shares for \$100,000 to Airtel.

Airtel bought the rest of the shares later and invested about Tk 10,000 crore and lost Tk 5,810 crore, according to a report of the Consumers Association of Bangladesh.

In the last 10 years, telecom operators

were not allowed to establish any infrastructure and, apart from Grameenphone, none have optical fibre networks. Therefore, new operators hardly have any incentive to invest, Khan added.

At a meeting with telecom officials in May, Prime Minister's ICT Affairs Adviser Sajeeb Wazed Joy directed the BTRC to write to top global players to invest in Bangladesh.

BTRC officials said they have already communicated with one player but found it to be reluctant to come to Bangladesh. This made the BTRC more conservative in making new offers.

"After your report, this information will be disseminated among the interested parties. So there is no need to formally make any offer to anyone," a top official of the BTRC told The Daily Star.

In 2013, before a 3G spectrum auction, the BTRC had created ground for a new player to enter the market but received no positive response, though there were six players in the sector at the time.

Experts said the market then was overcrowded so there was little scope for the arrival of new operators.

Singapore-based IIX's \$8m bond to help women in Southeast Asia

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"This is a modest but important first step and we will continue to work closely with partners like the IIX to bring innovative financial instruments to investors in Asia who are seeking to combine social and financial returns."

A recognised leader in impact investing space, the IIX has also established the world's first social stock exchange as well as Asia's largest impact investing equity crowd-funding platform.

The IIX intends to replicate the WLB across the globe and expects that future IIX Social Sustainability Bonds will be listed on IIX's Impact Exchange.

Remittance from outside Middle East also slumps

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These countries are among the top 10 countries for remittance for Bangladesh. Remittance from the UK declined 4.4 percent, from Malaysia 17.42 percent and from Singapore 22.48 percent.

In Malaysia and Singapore, there have been allegations of militant activities against expatriate Bangladeshis, according to Bakht.

He said employers in those countries might be wary of taking on Bangladeshi workers, which could explain the decline in remittance from them.

However, bankers said remittance slumped due to the exchange rate fluctuations. Among the Middle Eastern countries, large sums of remittance come from Saudi Arabia, the UAE, Kuwait and Oman.

Inflows from Saudi Arabia slumped 23 percent and from the UAE 22.79 percent. The fall was about \$3 million to \$4 million from Kuwait and Oman respectively.

Remittance from Qatar, which faces regional isolation in a diplomatic dispute with its Gulf neighbours, increased 32.4 percent to \$576 million. Remittance is a major source of foreign currency for Bangladesh and the declining trend since 2015-16 has progressively become a matter of concern for the government.

The International Monetary Fund last month cited the declining remittance as a risk factor to the economy.

Over the last 10 years, remittance accounted for 8.5 percent of the country's gross domestic product on average, close to eight times the foreign direct investment flow into Bangladesh, according to the IMF.

Pay Multifabs victims as per ILO convention

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Following the incident in the early morning of July 4, the Accord dispatched a team of fire, electrical, and structural engineers to conduct a post-explosion inspection at the Multifabs facilities, the statement said.

The reports of the Accord engineers will be completed as a matter of highest priority and are expected to provide more detail on what happened, the level of damage, and what will be required regarding repairs.

The Accord had conducted initial fire, electrical and structural inspections at Multifabs Ltd in 2014 and 2015.

The required fire separation of the boiler room was verified as corrected by Accord engineers at a follow-up inspection on October 26, 2016.

Fire separation is a floor or wall (either without openings or with adequately protected openings) having a fire-endurance rating required by appropriate authorities and acts as a barrier against the spread of fire within a building. A fire separation does not address the issue of a boiler explosion. In light of the obvious need, the Accord will evaluate whether it can expand its inspection programme to include boilers, it said.



Mostafa Golam Quddus, chairman of Rupali Insurance Company Ltd, presides over the company's 29th annual general meeting at Imperial Convention Centre in Dhaka on Wednesday. The company declared 10 percent cash and 5 percent stock dividends for 2016. PK Roy, CEO, was also present.