

Emirates offers special fares from Bangladesh

STAR BUSINESS DESK

Emirates announced special return fares on both business and economy classes from Bangladesh to select destinations in the USA, Europe, Africa and the Middle East.

Customers have to buy tickets between January 16 and 29 for travel between January 19 and November 30, the airline said in a statement yesterday.

Economy class fares start at \$576 to Dubai, \$902 to USA, \$687 to Europe, \$1,135 to Australia and \$1,311 to Africa, while business class from \$1,276 to Dubai, \$2,727 to the USA, \$1,914 to Europe, \$3,750 to Australia and \$3,256 to Africa.

Emirates flies thrice daily from Dhaka and via Dubai connecting over 150 cities in 84 countries.

Davos paper attacks Trump's views on trade

REUTERS, Geneva

US Donald Trump's view of world trade will be challenged next week when he visits the World Economic Forum (WEF) at Davos, judging by a paper seen by Reuters on Wednesday that is aimed squarely at his "America First" stance.

The "Strategic Brief on Misconceptions around Trade Balances" issued by the WEF's network of trade experts did not mention Trump by name. But it took issue with his administration's understanding of international commerce.

"A widely held view is that a country's trade balance is a key measure of its international commercial success," said co-authors Harvard professor Robert Lawrence and Princeton fellow Yeling Tan in the paper, which is due to be presented and debated at Davos.

"Currently, invoking this reasoning, the administration is seeking to reduce the trade deficit by renegotiating US trade agreements and adopting more protectionist US policies."

Trump has railed against the US trade deficit with China, hobbled the World Trade Organization by blocking judicial appointments, pulled out of the Trans-Pacific Partnership trade talks and antagonised Canada and Mexico by demanding a revamp of the North American Free Trade Agreement.

The Davos paper said Trump's administration believed "unfair" trade had led to large trade deficits and job losses, but policies based on such thinking could end up harming the people they aimed to help.

The authors said similar narratives had also emerged in other countries and regions but did not name them.

They set out seven examples of sloppy thinking on trade, illustrated by graphs showing that the relationship between imports and US domestic employment had been "overwhelmingly positive" and that larger US trade deficits had been associated with faster jobs growth.

The first example was that "trade deficits are bad, trade surpluses are good". Both deficits and surpluses may be bad or good, and the trade balance was a function of national saving and investment, not trade policies. Other examples were "imports are the cause of the decline in manufacturing jobs" and "trade agreements will increase the deficit".

Trump's Jan. 26 speech at Davos comes as his administration prepares for a penultimate round of Nafta talks and as he considers imposing broad restrictions on steel and aluminium imports, a policy which is aimed at China but risks rebounding on the European Union.

It was wrong to think that imposing a tax on imports would create manufacturing jobs, the Davos paper said.



Md Arfan Ali, president and managing director of Bank Asia, poses with participants of a training programme on "Export Credit Agency (ECA) Covered Financing" at the bank's corporate office in Dhaka. The bank arranged the training for its officials in association with Helaba, a commercial bank based in Germany. Thomas Kürten, director and regional manager at Helaba South Asia, and Christoph Winnat, chief representative for Singapore at Helaba, were present.

Stop defaming GP's work environment

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Based on the outcome of investigations, swift and appropriate actions are taken, they said.

"This is an affront not only to them but to all working women in the country."

Furthermore, every reported harassment complaint is addressed through an independent neutral investigation process where both sides are given equal opportunity to ensure justice.

Such baseless reports not only damage the company's image but it

will also discourage women to join the workforce, they said.

Many of the WIN members stated that they have been working for a long time in the company and never faced any circumstance that condones sexual harassment or unpleasant behaviour towards women.

WIN works to identify key female

resources and help them to develop for higher positions and to encourage women to work in the technology sector.

Abida Fahmi Borsha, strategic account manager for enterprise business; Sharmin Akhter, coordinator of the deputy CEO's office; Shaila Rahman, general manager of the technology division; and Farzana Rahman, head of retail operations and governance, also spoke at the event.



BIAC

Mahbubur Rahman, chairman of Bangladesh International Arbitration Centre (BIAC), poses with participants of a training programme on "Introduction to International Arbitration" at a certificate presentation ceremony in Dhaka recently. BIAC and the Chartered Institute of Arbitrators, Singapore jointly organised the four-day training in the country last month.



Muhammad Shafiq Bin Abdullah, CEO of ICB Islamic Bank, and Ashraful Alam Liton, mayor of Benapole municipality, open the bank's relocated branch at KAZ Tower at Benapole port in Jessore on Wednesday.

No DOEL with TSS

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He refused to elaborate before abruptly ending the call. Jabbar said it was now his duty to resuscitate the government venture and for that he would take up initiatives. He said to have already called up all the top TSS officials. Proposals will be sought from them, he said.

A former TSS managing director said they had established a separate venture for the DOEL project where TSS had 25 percent share, while a local company, 2M, and its Malaysian partner TFT Display Sdn Bhd (TFT) kept the rest.

TFT and 2M abruptly abandoned the project within a short time of its inception, which came as a shock to all.

According to a report prepared by TSS for the Prime Minister's Office, TFT claimed around \$225,000 for expenses on equipment but was not paid anything, said the managing director.

Walton's Laptop Plant Inaugurated

The newly appointed minister yesterday officially inaugurated the country's first full-fledged computer plant at Walton Hi-Tech Industries Ltd in Gazipur.

State Minister for ICT Zunaid Ahmed Palak along with senior official of Walton was present.

Walton started production soon after getting permission from the authority in September last year with a target to grab the local market and export to other countries.

The plant was set up with German and Japanese technology with a monthly manufacturing capacity of around 60,000 laptops and 30,000 desktops and monitors, said Md Liakat Ali, project in-charge of Walton computer.

The company has already opened a research and development centre, testing laboratory and quality control department inside the plant.

Walton said it has invested about Tk 100 crore to set up the plant and plans to expand.

Last year, the government cut import tax on electrical equipment to 1 percent from up to 30 percent.

Walton said its value addition is more than 60 percent and this has been possible only because of the tax reduction.

Special steps needed to finance SDGs: Muhith

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Bangladesh would require about \$928.48 billion in additional funding between 2017 and 2030 or \$66.32 billion per year to fully implement the SDGs, said Prof Shamsul Alam, a member of the general economics division, in a presentation at a working session.

The government is expecting 42 percent of the funds to come from the private sector, 35.50 percent from the public sector, 14.89 percent from external sources, 5.59 percent through public-private partnership and 3.93 percent from the NGOs.

MA Mannan, state minister for finance and planning, said it was possible to generate revenue from local sources. "There is no dearth of funds at home and abroad. We are working to attract funds from abroad."

Md Abdul Kalam Azad, principal coordinator for SDG Affairs at the Prime Minister's Office, said remittance has to be attracted for proper investment.

He said half of the remittance was used to purchase land or make houses. "So in true sense, investment from remittance is zero."

Azad said half of the remittance comes through the legal channel. So, remittance can be doubled if all the remittances can be channelled through formal networks or if skilled workers are sent abroad, he said.

He said policies have to be put in place in order to attract private sector investment.

Qazi Khaliquzzaman Ahmad,

chairman of Palli Karma-Sahayak Foundation, said people have money; they should be given opportunities so that they can invest.

He also called for reducing wastage as there were lots of losses for reasons such as delays in project implementation.

Muhammad Musa, executive director of Brac, said it has to be accepted that the financing for the SDGs was not going to come from usual donors.

"You must look for innovative financing," he said, calling for bringing in more flexibility in the regulatory framework so that resources could move easily.

Sudipto Mukerjee, country director of UNDP Bangladesh, said if Bangladesh was able to improve its tax regime, it could generate more revenue locally.

Bangladesh also needs to focus on expenditure efficiency and stop leakages, he said.

Mukerjee urged Bangladesh to look at the risk factors that investors look into before making investments in Bangladesh.

Christian Eigen-Zucchi, programme leader for equitable finance and institutions of the World Bank, said the lender stands ready to help Bangladesh in its development journey.

He said policies have to be put in place in order to attract private sector investment.

Planning Minister AHM Mustafa

Kamal, who moderated the session, said it would be tough to attain the SDGs without the cooperation of development partners.

In a session on urban service delivery, experts said urban civic service providers and regulators must play separate roles to enhance the quality of services.

Local government institutions such as city corporations, which have a regulatory role, should not be service providers at the same time, said Md Akhtarruzzaman, manager of UN Habitat Programme.

There, however, must be coordination between a service provider and a regulator, he said, otherwise the utility services system cannot be sustainable.

Quality of urbanisation depends on quality services in areas of water supply, sanitation, low-cost housing, education, medical care and environmental conservation, said Prof Nazrul Islam, honorary chairman of the Centre for Urban Studies.

Good governance and coordination among the institutions are two of the foremost prerequisites to make that happen, he said.

ASM Mahbubul Alam, additional secretary to the local government, rural development and cooperatives ministry, said 30 percent of the country's population was already living in urban areas and the number was projected to be more than half of the total by 2050.

Duty benefit won't vanish overnight

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"We have to capitalise on the demographic dividend," he said, while calling for building human capital through health, education and skills, increased investment and innovation-enabling reforms. Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, said the country needs to start its homework now.

"We have to overcome the market access issue. We have to negotiate," he said, adding that Vietnam did well in negotiating trade agreements with countries such as the US.

He also emphasised enhancing efficiency at all levels and the skills of workers. In a paper on LDC transition, Economic Relations Division's Secretary Kazi Shofiqul Azam said international support will gradually be withdrawn once Bangladesh moves out of the LDC group by 2024.

"Graduation will have impact on Official Development Assistance," he said, adding that a debt management strategy would be required. The move into the developing country bracket will also open up opportunities for south-south trade.

"Non-LDC specific Generalised System of Preferences scheme will open new windows of cooperation with developing countries."

Reporting requirements and consultative efforts could be a good opportunity for global support, he added.

Prime Minister's Economic Affairs Adviser Mashuri Rahman, United Nations Industrial Development Organisation's Regional Representative for South Asia Van Berkel Cornelius Wilhelmus Maria, and Commerce Secretary of Bangladesh Shubhashish Bose also spoke.

Low-grade jute barred from export

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The government took the decision suddenly and without consulting them, he said. "The restriction will affect the whole jute sector. We protest it," he said over phone.

BJMA Secretary Abdul Barik Khan said the ban would make the raw jute prices stable in the domestic market.

"We want to say that no jute should be exported in the name of rejection (low grade)," he said, adding that most of the raw jute shipped is of inferior quality.

But the percentage of rejection may be between 2 percent and 5 percent, he added. The ban comes at a time when export earnings from raw jute are drying up.

Shipment slumped 20 percent year-on-year to \$82.77 million in the first half of fiscal 2017-18, according to data from the Export Promotion Bureau.

Despite the fall in export receipts from raw jute, overall export earnings from the jute soared 21 percent year-on-year to \$574 million during the period.

Foreign funds in treasury bonds slump

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The foreigners have to maintain the accounts with a local bank.

Coupon payment, resale and redemption are freely transferable abroad in foreign currency after deduction of applicable taxes.

Besides, T-bonds purchased by a non-resident are freely resold anytime to any resident or non-resident.

India to set up \$350m fund to finance solar projects

REUTERS, New Delhi

India will set up a \$350 million fund to finance solar projects, Power Minister RK Singh said, as the country steps up efforts to achieve its ambitious target of adding 175 gigawatts (GW) in renewable energy by 2022.

India will need at least \$125 billion to fund a plan to increase the share of renewable

power supply in the country's grid by 2022, underlining the immense financing challenge ahead. The country, which receives twice as much sunshine as European nations, wants to make solar central to its renewable expansion. It expects renewable energy to make up 40 percent of installed power capacity by 2030, compared with 18.2 percent at the end of 2017.

Euro and yen can now serve as ACU settlement units

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Initially the unit of settlement of ACU transactions was the US dollar and Euro.

But on July 27, 2016, settlement by way of Euro was temporarily suspended.

It has now been resumed and the Japanese Yen added as another unit of settlement.

Higher economic growth hinges on investments, skills

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Bangladesh has achieved a lot, but it still has to face many challenges to attain the sustainable development goals, he said.

One of the major challenges for the government is how it will mobilise the resources besides meeting the spiralling financial needs to achieve the SDGs, the official said.

Regional disparity, inequality, infrastructural gap between rural and urban areas and improvement of quality of education are among the challenges that the government will have to address to continue its high growth, he said.

The government will have to adopt policy on how it can do more inclusive growth, he said.

Climate change and disaster management are the other big issues for the Bangladesh, according to Zhang.

He advised the government diversify its economy by taking geographical advantage of the country to overcome the challenges.

A lot has to be done to improve the transportation system and traffic to make the Dhaka city liveable, he said.

"ADB is willing to extend support to government in city development," he said.

ADB will expand lending to \$8 billion during 2016-2020 from \$5 billion in 2011-2015. The donor will continue to support Bangladesh's regional cooperation and integration efforts, particularly in electricity sharing with neighbours, transport and economic corridors.