

আপনার বিআরটিএ ফি এবং সকল ইউটিলিটি বিল এসআইবিএল এর যে কোন শাখার মাধ্যমে জমা দিন

\* ফ্রি অনলাইন সেবা

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# Informal sectors need incentive to be formal

## Analysts say at discussion

**STAR BUSINESS REPORT**

Small enterprises need incentives and policy support to become formal as the graduation entails costs and lots of barriers, experts said yesterday.

They came up with the suggestion as they found that despite Bangladesh's positive economic development for more than a decade, employment in the informal or unorganised sector has been increasing constantly.

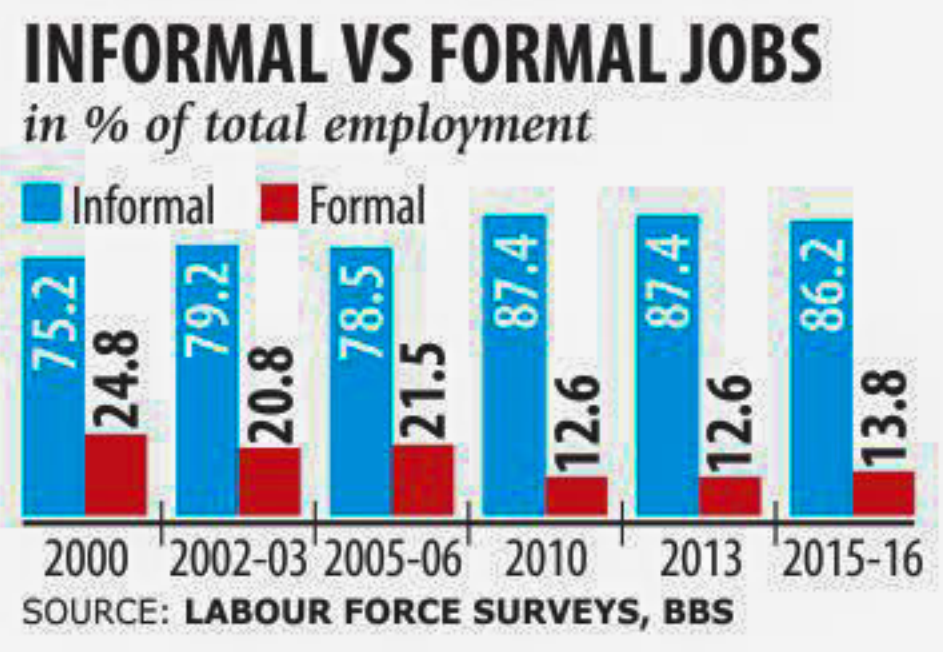
"There are costs and barriers to formalisation," said Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, at an event held at the Westin Dhaka.

Adam Smith International, The Asia Foundation and the UK government's Department for International Development jointly organised the event as part of its annual dissemination work on economic dialogue on green growth and inclusive growth.

Incentives should be there to bring the informal enterprises into formal ones, Rahman said.

He, however, said it will not be easy to bring the informal sector under the formal umbrella.

Rahman, who presented a paper on the informal labour market in Bangladesh at the event, also called for vocational education instead of relying on the traditional secondary education system to meet the



needs of the future formal economy.

"We will have to deploy policies accordingly," he said.

According to the Labour Force Survey (LFS) 2015-16, Bangladesh's 86.2 percent labour force is engaged in some type of informal employment, up from 75.2 percent in 2000. Informal employment in the garment sector has also increased to 95.3 percent in 2015-16 from 92 percent in 2010.

But the definition of informal-formal dichotomy has undergone a number of changes in successive LFSs.

For example, before 2010, informality was associated with four attributes: unpaid family workers, irregular paid workers, day labourer in agriculture and non-agriculture, and domestic workers.

In 2013, those not receiving pension and not contributing to retirement fund were also added in the definition of informality.

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# Fix private sector's problems to achieve SDGs: experts

**STAR BUSINESS REPORT**

Bangladesh will not be able to achieve the Sustainable Development Goals within the 2030 deadline without addressing challenges confronting the private sector, experts said yesterday.

The country's private sector is facing problems ranging from sluggish infrastructure investment, lack of skilled human resources to the energy crisis, unplanned urbanisation, and industrial pollution.

The 17 goals of the SDGs will not be achieved by 2030 if the government and the entrepreneurs do not take up the issues properly, according to the experts.

"There is no structure in the country to arrange a discussion between the policymakers and the businesses of the private sector on how to solve the existing challenges," said Debapriya Bhattacharya, a distinguished fellow at the Centre for Policy Dialogue.

The authorities should give importance on resolving the issues in order to implement the SDGs, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

They spoke at a session titled "Reforms Need to Facilitate Private Sector Engagement for SDGs



**From left, Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, Debapriya Bhattacharya, distinguished fellow at the Centre for Policy Dialogue, Asif Ibrahim, vice chairman of Newage Group, and M Masrur Reaz, senior economist in the Trade & Competitiveness Global Practice of the World Bank Group, are seen at the 3rd SANEM Annual Economists' Conference 2018 at Brac Centre Inn in the capital yesterday.**

Achievement in Bangladesh" at the SANEM Annual Economists' Conference 2018 at the Brac Centre Inn in Dhaka.

Bhattacharya said the required reforms in line with the SDGs are not being carried out as expected in absence of a discussion structure.

"Inclusive development is not possible without discussions. A structure should be developed by ensuring the participation of the private sector."

The entrepreneurs should also come forward to implement the SDGs, he said.

Mansur said the SDGs are closely aligned with Bangladesh's development goals.

The goals incorporate issues of environmental quality (climate change, pollution, and biodiversity loss and deforestation) and sustained economic resilience (improving access to sustainable energy resource, building sustainable cities and promotion of sustained economic growth), he said.

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# Why Dec? Resign now

## JP MP tells Muhith

**STAR BUSINESS REPORT**

An opposition lawmaker yesterday lambasted Finance Minister AMA Muhith for not tackling scams in the stock market and the banking sector and asked him to go on retirement now and not wait until December.

"It is what we are urging you to do," Jatiya Party MP Ziauddin Ahmed Bablu said in the parliament. Muhith had earlier announced that he will go into retirement in December.

Bablu also came down heavily on Muhith for not taking action against those whose names came up in the Panama and Paradise papers and those who laundered money.

"Why will you let the haemorrhage continue until December? Why do you need to wait until December?"

The Paradise Papers are a set of 13.4 million confidential electronic documents related to offshore investments. The Panama Papers are a set of 11.5 million leaked documents that detail financial and attorney-client information for more than 214,488 offshore entities.

Claiming that all of the leaked information was authentic, he said Nawaz Sharif had to resign from the post of prime minister of Pakistan following the revelations.

Bablu claimed that thousands of crores of taka was being laundered from the country.

The government and the finance minister did not take any steps against the capital flight though many names of Bangladeshis involved in money laundering came out, he added.

Stating that he had no idea why Muhith was scared of taking steps against the accused, Bablu urged the prime minister to do it instead.



**Economist Azizur Rahman Khan, a professor Emeritus of the University of California, receives the Bangladesh Bank Award 2017 from Finance Minister AMA Muhith at a ceremony at the auditorium of the Bangladesh Institute of Bank Management in Dhaka yesterday. The central bank also awarded noted economist Mahabub Hossain posthumously. Parvin Hossain received the award on behalf of her husband.**

# 4G goes live today

## GP, Robi and Banglalink ready to offer service

**STAR BUSINESS REPORT**

The country makes the foray into fourth-generation mobile internet era today in a move that would open up a new chapter of digital connectivity and take the government's Digital Bangladesh Vision a little closer to reality.

Grameenphone, Robi and Banglalink, the three largest operators, will offer the 4G service to their customers in major cities as soon as they obtain the licence from the telecom regulator in the evening.

Mobile operators said the service would enhance customers' daily life and improve the service quality of trade and business. E-education and e-health will also flourish thanks to the 4G.

"4G is monumental for Bangladesh," said Michael Foley, chief executive officer of GP, one of the four operators due to get the licence.

"4G is a fundamental part of Bangladesh's national digital infrastructure and it will help the country move forward," he told The Daily Star yesterday.

The Bangladesh Telecommunication Regulatory Commission (BTRC) will hand over the licences to the three operators and state-run Teletalk at a ceremony at Dhaka Club.

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# CURBING DEFAULT LOANS

# Agrani Bank's efforts pay off

**STAR BUSINESS REPORT**

Only 7 percent of the fresh loans given by Agrani Bank in the last three years had defaulted as the government's move to appoint more competent persons to steer the state bank seems to be bearing fruit.

In the last three years, Tk 8,500 crore of fresh loans were given, of which only Tk 490 crore had defaulted, said Agrani Bank Chairman Zaid Bakht. Between 2015 and 2017, the total outstanding loans were Tk 6,500 crore.

The credit goes to the government, the Bangladesh Bank and Agrani itself, all of whom had taken some corrective measures, Bakht said at the state bank's annual conference on Saturday.

One of the corrective measures was that the government had reconstituted the board in 2014 by putting in much thought and research; more competent and professional people were chosen.

"The present board made much scrutiny before granting loans," he added.

"The bank has no capital and provisioning deficit at the moment," said Mohammad Shams-Ul Islam, managing director of Agrani, adding that they will not put pressure on the government for recapitalisation.

Agrani's capital adequacy ratio

**Agrani Bank Limited**

Committed to serve the nation

Its operating profit for 2017 was Tk 950 crore, up 71 percent year-on-year. In 2016, its classified loans accounted for 22.10 percent of its loans. It declined to 16.02 percent in 2017.

Its cash recovery from classified default loans increased 52 percent

stands at 10.47 percent against the requirement of 10 percent.

At the end of 2017, the bank's capital surplus was Tk 157 crore.

to Tk 576 crore last year. Its recovery from written-off loans increased 40 percent to Tk 91 crore.

Besides appointing a capable board of directors, the government has also appointed competent persons in the bank's top positions, Bakht said, citing Islam as a case in point.

Another reason for Agrani's improved numbers is that a chartered accountant has been appointed at the general manager rank. "Without his evaluation Agrani does not approve any loan proposal," Bakht said.

He recommended the government replicate what it had done at Agrani at the other state banks to get them back in order.

Finance Minister AMA Muhith and BB Governor Fazle Kabir were present at the conference.

# Policy support vital for 'green growth'

## Speakers tell discussion

**STAR BUSINESS REPORT**

A lack of incentives and supportive policies is the major obstacle to developing "green growth" practices in the private sector, said speakers yesterday.

The government needs to formulate a green growth action plan for the manufacturing and agriculture sectors, they told an annual dissemination on the Economic Dialogue on Green Growth (EDGG) and Economic Dialogue on Inclusive Growth (EDIG).

The EDGG, EDIG and the Department for International Development (DFID) jointly organised the event at the Westin hotel in the capital.

There is no encouragement from the policy aspect to make the private sector proactive in establishing green factories, said Fazlul Hoque, managing director of apparel manufacturer Plummy Fashions.

He said the government formulated many rules with punitive measures for noncompliance with environmental issues but there is no incentive for compliant industrial units.

"We need policy intervention to incentivise the private sector for greening growth," said Debapriya Bhattacharya, a distinguished fellow at the Centre for Policy Dialogue.

Becoming compliant with green growth policies and maintaining competitive costs in green growth are big issues for inclusive growth, he said.

He also focused on developing interlinked issues, including cooperation among ministries in implementing green growth policies.

"Time has come for green growth in Bangladesh and we now need to raise awareness and develop the capacity for green business practices," he added.

Green growth is elaborately addressed in the government's five-year plans and fiscal policy, said Shamsul Alam, member of General Economics Division of the Planning Commission.

He admitted that there was a minor problem regarding coordination among ministries about green growth. The government has a clear strategy about promoting green growth but the initiative needs to be implemented, he said.

Bushra Ferdous Khan, researcher of EDGG, gave a keynote presentation on "Governance for green growth in Bangladesh".

She identified a lack of manpower, functional coordination among ministries and technical capacity as a major obstacle to green growth and suggested that the government formulate an inclusive green growth strategy.

M Abdul Mannan, state minister for finance and planning, attended the inaugural session of the daylong event as chief guest.

COOLING PROBLEM?

Chill on!!

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