

Europe united against US tariffs: France

Germany says it is prepared to negotiate

REUTERS, France

The French government insisted on Sunday that Washington should expect united retaliation from Europe to further tariff increases after Germany signalled it was prepared to negotiate.

With Germany's powerful car industry facing the threat of higher US duties, Chancellor Angela Merkel said last Thursday she would back a lowering of European Union levies on imports of US cars.

"If tomorrow there is an increase in tariffs, like in the car industry, our reaction should be united and strong to show that Europe is a united and sovereign power," French Finance Minister Bruno Le Maire said.

"The question is no longer whether or not there will be a trade war, the war has already started," he added, speaking at an economic conference in Aix-en-Provence, southern France.

US President Donald Trump hit the EU, Canada and Mexico with tariffs of 25 percent on steel and 10 percent on aluminium at the start of

June, ending exemptions that had been in place since March.

He further escalated tensions last month with threats to impose a 20 percent import tariff on all EU-assembled vehicles, which could upend the industry's current business model for selling cars in the United States.

"Let it be known that if we are attacked we will react collectively and we will react firmly," Le Maire said.

The United States currently imposes a 2.5 percent tariff on imported passenger cars from the EU and a 25 percent tariff on imported pickup trucks. The EU imposes a 10 percent tariff on imported US cars.

Under World Trade Organization rules, the EU cannot lower import tariffs for only US-made cars. It would have to reduce them for all WTO members.

While French carmakers would be little affected by US tariffs because they have little exposure to the American market, they would face stiff competition from Asian producers if EU tariffs were cut, a prospect

that worries the French government.

Le Maire also insisted the EU would overcome differences on a tax on digital giants such as Google and Apple, which have in the past booked European profits in countries with the lowest tax rates.

"Believe me, we will tax the digital giants by the end of 2018 or at the latest in early 2019 because it's not only a question of justice but of sovereignty," Le Maire said.

A joint Franco-German declaration agreed last month by Le Maire and his German counterpart had spoken of an EU agreement for the end of 2018.

President Emmanuel Macron's government has invested considerable political capital in lobbying Paris' EU counterparts to back a 3 percent tax on large firms' digital turnover, in the face of opposition from low-tax countries.

In France, the idea plays well with companies like Google widely seen as getting away with paying lower taxes than other firms, depriving the state of revenues and putting French firms at a disadvantage.



NOVOAIR

Mofizur Rahman, managing director of Novoair, receives a 68-seater ATR 72-500 aircraft at Hazrat Shahjalal International Airport in Dhaka yesterday. This took the number of aircraft of the airline to six.



MTB

Sumit Kumar Roy, president and chief marketing officer of Fintech Innovations International DMCC, a Dubai-based fintech firm, and Md Bakhteyar Hossain, head of the MTB International Trade Services Division of Mutual Trust Bank, attend a deal signing ceremony at the MTB Centre in Dhaka recently. Under the agreement, the bank will be a subscriber of Tradeassets, a blockchain powered e-marketplace owned by Fintech Innovations, to enhance its capabilities in reaching out to the platform's member foreign financial institutions.

Commercial service from September

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Samad said around 4,000 international vessels enter Bangladeshi waters while 35,000 domestic vessels navigate throughout the country annually.

The facilities can also be availed by inland river ports, ferry ghats and other riverside establishments, they said.

Confirming it to be Bangabandhu-1's first contract, Islam estimated that they will start providing the services from September. He said they had more commercial service contracts planned after September.

BCSCL is engaged in negotiations with eight other ministries and divisions on providing connectivity, Islam told The Daily Star. It is on the final stage of negotiations with the youth and sports ministry on enabling e-learning processes, as per a

meeting held on the issue yesterday, Islam added. "Some non-governmental organisations are also contacting us to get connectivity and the details will be finalised gradually," he said.

BCSCL also has plans to save a huge amount of foreign currency by providing connectivity to local television channels and leasing out the satellite's unused connectivity to other countries.

Bangabandhu-1 was launched into orbit on May 11, a project initially worth Tk 2,967 crore and later revised down to Tk 2,765 crore.

Project director of Bangabandhu-1, Mezbahuzzaman, said the satellite was operating smoothly and in constant communication with two ground control stations in Rangamati and Gazipur.

Baffling rise of Monno Jute's share price

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The only additional news of Monno Jute is that it plans to increase its authorised capital to Tk 100 crore from Tk 1 crore.

The share price of this company cannot jump at this speed with this news only, he added. "Some are gambling with the low-cap companies and it is easy to play with these stocks," said Abu Ahmed, former chairman of the economics department of Dhaka University and a stockmarket analyst.

The punters target these companies and then their share prices fluctuate abnormally, he said, while advising investors to think twice before parking their funds in low-cap companies.

On many days last month the worst

performing companies became the top gainers and the demand for their stock was so high that trading had to be halted as there were a shortage of sellers, DSE data shows.

The securities regulator formed an enquiry committee to investigate the unusual and suspicious price hike of Monno Jute Staffers last month.

This also could not stop the price hike of Monno Jute Staffers.

The authority of Monno Jute Staffers itself conveyed many times through the DSE that there is no reason for the unusual price hike of this share.

And yet, nothing could stop the investors from pouring their money into the stock.

New chairman for Prime Finance



STAR BUSINESS DESK

Mohammad Masudur Rahman has recently been elected as the chairman of Prime Finance & Investment Ltd.

Rahim is the company's nominated director from East Coast Shipping Lines Ltd, the company said in a statement yesterday.

He is also a director of Radiant Alliance Ltd and Bangladesh Trade Syndicate Ltd.

Rahim is the chief executive officer of EC Distribution Ltd, a concern of East Coast Group, according to its website.

Rahim obtained his master's degree in economics from the University of Dhaka.

Invest more in female garment workers

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Some factory owners take signatures of workers on a plain white paper at the time of joining, said Syed Sultan Uddin Ahmmed, executive director of the Bangladesh Institute of Labour Studies.

As a result, the workers cannot claim their rights after leaving their jobs. Similarly, owners hang pictures of workers claiming violent behaviour by them, he said.

"But, the owners cannot do so until and unless the workers have been proved violent by the court."

Dedicated worker accommodations, hospitals and educational institutions should be built in the newly constructed industrial zones so that they can be provided more facilities, Ahmmed added.

A safe, decent and women-friendly working environment is very much needed for all the women who work in the garment sector, said Shaheen Anam, executive director of the MJF.

Mandatory gender-sensitive training for all workers is needed as it often seems that many do not know how to behave with colleagues, she said.

"It should be a happy, safe and decent workplace."

"Buyers insist on compliance but why do they not consider that if they keep on reducing their rates how will the factory owners be able to afford compliance?"

Automation is posing a big threat for women employment, Anam said, adding that the government should have a plan in

this connection.

"If the workers are productive, everybody will gain -- and of course, the country's economy," she added.

More than half of the female workers said that they will not get the maternity leave when it is needed, said Rina Roy, director of the MJF, while presenting the keynote paper.

In Dhaka and Gazipur, 41 percent of the female workers said they are aware about the maternity leave, Roy said in the keynote paper. In Narayanganj and Chittagong regions it is 44 percent of the female workers.

If the owners do not agree, the rights of the workers cannot be protected only with law, said Shamsuzzaman Bhuiyan, inspector general of the Department of Inspection for Factories and Establishments.

Raising awareness among the owners and the mid-level management is a must to ensure workers' rights, he added.

At the start of garment business, the owners did not feel the need to give appointment letters and ID cards, said Arafat Ahmed, director of Arrival Fashion. "But now the situation has changed."

The owners now have to give the appointment letter and ID cards for maintaining the compliance of the international retailers, he said.

The female workers would be dropped off for automation if they are not trained to make them more skilled, said Asgar Sabri, director at ActionAid.

Some 44 percent of the women are

working and raising their children in their workplace in the absence of daycare centres in factories, he added.

Sarwat Binte Islam, senior programme manager at the MJF, said they give training for two months to 30 female workers hailing from the vulnerable segment of the society.

The appointment letters and ID cards should be given to all workers because it is a right of the workers, said Laila Jasmin Banu, a representative of the EU delegation.

She said training for mid-level management is very important to protect the rights of the workers.

"There is no alternative to training for female workers if we want to keep them empowered in the era of automation in factories as different recent studies found it," Banu said.

State Minister Haque said the maternity leave will be made as on-duty leave so that the female workers get the salaries and benefit.

Thousands of workers lost their jobs due to inspection by the Accord and the Alliance. Sometimes, non-compliant factories delay payment to workers due to cancellation of work orders.

Before the Rana Plaza building collapse there were only 120 registered unions; now, the number is 700 only in the garment sector while the total number of unions across the country is 8,500.

"We amended the labour law according to whatever the ILO wanted from us," Haque said.

ADB to give \$2b for development projects

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Parkash told reporters that unlike the World Bank, the ADB does not have any separate window for providing grant for the Rohingyas. However, following the request from the government, the lender urged its member countries to quickly approve the fund as grants.

Bangladesh placed the request to the ADB in the first week of May and the bank approved the grant within two months to help the country develop basic infrastructure and services for the displaced Rohingyas, he said.

The project will be to build roads within the camps to connect essential food distribution and storage centres, hospitals, education facilities, and provide emergency access. It will also resurface the road from Cox's Bazar to Teknaf and other critical sections.

To address the water needs, the project will provide mobile water carriers, community bathing facilities and build a piped water supply system and waste management facilities, together with small water treatment plants.



UCB

AEA Muhaimen, managing director of United Commercial Bank, speaks at the bank's town hall meeting in Dhaka on Saturday.



SBAC BANK

Md Golam Faruque, managing director of South Bangla Agriculture and Commerce Bank, poses with the participants of the lender's eighth foundation training course for officers and trainee officers at its head office in Dhaka yesterday.