The Baily Star

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 States. 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.

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

the EU, Canada and Mexico with American market, they would face tariffs of 25 percent on steel and 10 stiff competition from Asian producpercent on aluminium at the start of ers if EU tariffs were cut, a prospect

June, ending exemptions that had that worries the French government. been in place since March.

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

"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 "If tomorrow there is an increase in 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 US President Donald Trump hit they have little exposure to the

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 in Aix-en-Provence, southern France. little affected by US tariffs because 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.



Sumit Kumar Roy, president and chief marketing officer of Fintech Innovations International DMCC, a Dubai-based fintech firm, and Md Bakhteyer 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

FROM PAGE B1

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 2,765 crore. 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 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.

New chairman for Prime Finance



STAR BUSINESS DESK

Mohammad Masudur Rahim 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 execu-

tive 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.

Baffling rise of Monno Jute's share price FROM PAGE B1 performing companies became the top

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 stock.

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 Stafflers last month. This also could not stop the price hike

of Monno Jute Stafflers. The authority of Monno Jute Stafflers

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 inves-

tors from pouring their money into the

Invest more in female garment workers

FROM PAGE B1

Some factory owners take signatures of workers on a plain white paper at the time of joining, said Syed Sultan Uddin try's economy," she added. 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

"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.

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.

"If the workers are productive, everybody will gain -- and of course, the coun-

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 society. keynote paper.

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 work-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 Kalurghat area in Chittagong. manager at the MJF, said they give training for two months to 30 female workers hailing from the vulnerable segment of the

The appointment letters and ID cards In Dhaka and Gazipur, 41 percent of the 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

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,'

there were only 120 registered unions; now,

One dormitory has been inaugurated at Bandar for 700 female workers and another housing 1,000 would be constructed at

A specialised hospital would be constructed only for workers in Narayanganj, the state minister added.

Ruchira Tabassum, senior specialist at the ICDDR, B, said the mid-level managers also remain under tremendous pressure for on-time delivery. Some 63 percent of the factory managers

said that they harass the workers either using slang language or physical harassment. Some 74 percent female workers also said that they have noticed such harassment, she said. Silvia Rovelli, project manager of Terre

des hommes, said raising awareness on different issues among the mid-level managers can also resolve the problems.

Female workers become the victims of harassment not only in their workplaces but also on the way to the factories and the areas where they live as they do not have strong voices, said Maheen Sultan, a visiting fellow at the Brac University.

As many as 70 percent of the workers said they have been working in the sector as a temporary solution as they have other plans in their lives, according to Nazneen Shifa, member of the Activist Anthropologist.

Shahedul Anam Khan, associate editor of The Daily Star, moderated the discussion.

AC sales up amid rising mercury

FROM PAGE B1 Pran-RFL made foray into the electronic market under

'Vision' brand only three years ago and hopes to bag a significant share of the growing AC market. Zulfikar Ali, business in-charge for home appliances at

Samsung, said the company recorded 200 percent growth this year. Its target group is the upper- and higher- middle classes

who prefer premium products, he said. To cash in on the growing demand, local companies such

as Walton, Transcom Digital, Rangs, Pran-RFL, and Singer Bangladesh have set up factories to assemble ACs and other home appliances. Of them, Samsung has set up two factories to assemble

its products. General and LG also assemble ACs in partnership with local firms. Local companies own about 40 percent market share in the AC market while the rest is controlled by foreign companies. Global brands such as Samsung, Toshiba, General, Sharp, Whirlpool and LG control significant market share.

captured substantial stake. April and May are the peak season for outlets retailing ACs as temperature hits 33 degree Celsius to 36 degree

Chinese brands such as Gree, TCL and Toshin have also

Celsius, according to Hassan of Transcom Digital. He said most manufacturers in Bangladesh and global brands import compressor and major parts of AC and assemble the product in the country in order to cut production cost.

Hassan said the adoption of energy-efficient inverter AC has increased in the last couple of years as consumers are becoming conscious. Most manufacturers offer 10 years warranty for compres-

sor of AC, said Rashedul Islam, head of marketing at Rangs Industries Ltd.

Hakim of Walton said the local company manufactures air-conditioners using power-efficient inverters, Internet of Things and smart technologies.

"Walton is experiencing 30 percent to 40 percent growth every year," he said.



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.

ADB to give \$2b for development projects

Haque said.

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.



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