

Poverty to end by 2024

Muhith says at BSEC's National Mourning Day event

STAR BUSINESS REPORT

Bangladesh will be free of poverty by 2023-24, Finance Minister AMA Muhith said yesterday.

Bangladesh is on course to maintain its present growth trajectory, and if everything goes right it will become a developed nation by 2041 and fulfil Bangabandhu's dream of turning Bangladesh into Sonar Bangla (Golden Bengal), he said.

Muhith made the comments at a discussion on the National Mourning Day at the Bangladesh Securities and Exchange Commission (BSEC).

However, according to the Sustainable Development Goals, there will be no poverty after 2030, Muhith said.

Three-fifths of the national income was lost during the nine-month Liberation War of Bangladesh in 1971, he said mentioning a study.

Before being assassinated on August 15, 1975, Bangabandhu Sheikh Mujibur Rahman worked hard to give the war-torn country the right shape.

The country started falling following the brutal killing of the Father of the Nation in 1975, Muhith said.

Military rule started in the country, and it required 15 years to get out of that trap, he said.

Democracy was restored in 1990, especially during the period when the Awami



AMA Muhith

League-led government was in power, he said.

In the period, Bangladesh graduated from the less developed country category to the developing one's bloc, he said.

Showing respect to the memories of Bangabandhu, the finance minister said, "I am marching forward by turning the shock of losing Bangabandhu into strength with his blessings."

BSEC Chairman M Khairul Hossain presided over the mourning day function.

Canada inflation surges

AFP, Ottawa

Canada's inflation rate surged to 3.0 percent in July, fueled by rising global prices for crude oil, according to government data released Friday.

The year-over-year increase in consumer prices was the largest since September 2011, and follows a 2.5 percent rise in June of this year. Analysts had expected it to remain flat.

Statistics Canada cited continued strength in energy prices for the increase. Gasoline and fuel oil and other fuels were the main contributors to inflation. Global oil prices have risen steadily over the past year, with Brent crude establishing itself above \$70 in May.

The costs in Canada of buying passenger vehicles, car insurance, food, telephone services, air transportation and travel tours were also up.

StanChart provides scholarship to 79 DU students

STAR BUSINESS DESK

Standard Chartered Bangladesh has recently provided a "Governor Scholarship" to 79 meritorious students, 60 of economics and 19 of development studies, of the University of Dhaka.

Shitangshu Kumar Sur Chowdhury, an adviser of Bangladesh Bank, attended the presentation programme as chief guest at the social science faculty, the bank said in a statement yesterday.

The bank has been providing the scholarship to students of the two departments since 2009. The scholarship's naming recognises the central bank governor's contribution in policy formulation and economic development of the country.

"I see many parallels in your stories and that of our country. The amazing growth story of our nation is characterised by resilience, a trait that has been key to your own success," Naser Ezaz Bijoy, the bank's CEO, told the recipients.

"But this is not the end of the story, both as a nation and individually, this is just the beginning. In order for the country to achieve its full potential, so must you."

"It is more important to be a good human being than being a good stu-



STANCHART

Shitangshu Kumar Sur Chowdhury, an adviser of Bangladesh Bank, and Naser Ezaz Bijoy, CEO of Standard Chartered Bangladesh, attend the presentation of the bank's scholarship to meritorious students of two departments at the social science faculty in the University of Dhaka.

dent and education will give you the tools to be a better human being than you would otherwise be," he added.

"It is the strength of character based on education, will make you a good human being. You must dream big. Aspire to make a difference, not just to make a living," said Bijoy.

"As recipients of the Governor's scholarship, all of you have demonstrated that you have the resilience to overcome adversity and make positive

difference to our society and country," he said.

Sadeka Halim, the faculty dean; Shafique uz Zaman, chairman of the economics department; Md Reazul Haque, chairman of the development studies department; Jowher Rizvi, vice president of Dhaka University Economics Department Alumni Association, and Bitopi Das Chowdhury, head of corporate affairs, brand & marketing of the bank, were present.

Written-off loans reach Tk 48,053cr

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Banks write off loans to conceal corruption, he said.

"The central bank introduced the policy to show a decreased amount of default loans on banks' balance sheets with a view to presenting a positive picture of the country's financial sector to the international community," he said.

Khaled said write-off loans are like uncollectible loans and the recovery process is highly difficult.

"So, banks should prevent corruption so that the vested quarter can't take loans through unethical process."

Default loans rose by Tk 14,286 crore to Tk 88,589 crore in March this year compared to a quarter ago, showed BB data.

Default and write-off loans together totalled more than Tk 1.26 lakh crore at the end of March.

Islami Bank plans to open representative office in Dubai

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Islami Bank Bangladesh has recently sought regulatory approval to set up a representative office in Dubai to facilitate trade and remittance earnings from the Middle East.

This is a first for the bank, said Md Mahub ul Alam, managing director of Islami Bank, citing another aspect of the business expansion.

The move comes following the Dubai government turning strict on the presence of foreign bank agents. Currently, the Islami Bank has 12 agents in Dubai whose visas have not been renewed, affecting remittance collection for the bank.



Islami Bank also does not have any exchange house or branch in the gulf countries.

A senior Bangladesh Bank executive said the proposal was being reviewed as money was likely to be sent to Dubai for office expenses.

Janata Bank has three branches in the United Arab Emirates (UAE), a major remittance hub for Bangladesh.

Bangladesh received \$231.65 million in remittance in July from the UAE, the second highest among the Gulf

countries. Remittance increased around 16 percent year-on-year to \$2.42 billion in 2017-18, according to central bank data.

Jet Airways to sub-lease aircraft to regional carrier

REUTERS, Bengaluru/New Delhi

India's Jet Airways Ltd is in talks to sub-lease nearly half its ATR turboprop aircraft to regional carrier Trujet, in a move that will reduce its presence in the competitive domestic market as the beleaguered airline struggles to raise money.

Jet Airways deferred reporting earnings earlier this month, sending its shares to a three-year low. Just days earlier it had told staff it was running out of cash, sources told Reuters.

Trujet's commercial head, Senthil Raja, said the company was in talks with Jet Airways to take seven aircraft, manufactured by France's ATR, on a five-year "wet lease". He said that he expects to receive the aircraft by the end of October. A wet lease includes the insurance, maintenance and crew as well as the aircraft.

"Both the companies are deliberating on the agreement and should sign it very soon," Raja said, adding that he was not aware of how much Trujet would pay for the lease.

US tech giants plan to fight India's data localisation plans

REUTERS, New Delhi

US technology giants plan to intensify lobbying efforts against stringent Indian data localisation requirements, which they say will undermine their growth ambitions in India, sources told Reuters.

US trade groups, representing companies such as Amazon, American Express and Microsoft, have opposed India's push to store data locally. That push comes amid rising global efforts to protect user data but is one that could hit planned investments by the firms in the Indian market, where the companies currently have limited data storage.

The issue could further undermine already strained economic relations between India and the United States.

Technology executives and trade groups have discussed approaching Prime Minister Narendra Modi's office to appraise him of their worries. Separately, the industry is considering pitching the issue as a trade concern, including at the India-US talks in September in New Delhi, according to two sources familiar with the matter.

Though a final decision hasn't been made, the deliberations come while the United States and India are locked in a dispute over US tariff increases and on the Indian policy of capping prices of medical devices, which hurts American pharmaceutical companies.

"This issue is important enough to be discussed at the India-US trade level," said Amba Kak, a global public policy adviser at the Internet company Mozilla Corp.

"Data localisation is not just a business concern, it potentially makes government surveillance easier, which is a worry."

Stricter localisation norms would help India get easier access to data when conducting investigations, but critics say it could lead to increased government demands for data access.

Technology firms worry the mandate would hurt their planned investments by raising costs related to setting up new local data centres.

use of digital platforms in India for shopping or social networking have made it a lucrative market for technology companies, but a rising number of data breaches have pushed New Delhi to develop strong data protection rules.



Facebook, Amazon, Netflix and Google logos are seen in this combination photo.

REUTERS/FILE

global phenomena and India wasn't an outlier.

"It's in the long term strategic and economic interest," said Ravi, who is also a research director at Brookings India.

The main government committee on data privacy last month proposed a draft law, recommending restrictions on data flows and proposing that all "critical personal data" should be processed only within the country. It would be left to the government to define what qualifies as such data.

Global companies are coming together to push back.

In a meeting last week organised by lobby group US-India Strategic Partnership Forum, executives from Facebook, Mastercard, Visa, American Express, PayPal, Amazon, Microsoft and others discussed plans to approach Indian lawmakers, including Indian parliamentary panels on information technology (IT) and finance, five sources said.

The industry also discussed approaching media and internet groups to explain why data localisation would be bad for India's booming IT, e-commerce and payments landscape, the sources said.

"People are fairly stressed and scared," said an executive working for a multinational technology firm.

The US-India lobby group said it was "nearly impossible" to implement "industry-specific

regulations in our global data environment without the ripples being felt". It didn't comment on its recent meeting, but said it will continue facilitating policy discussions.

Mastercard, American Express and Amazon didn't respond to a request for comment, while Facebook, Microsoft, Visa and PayPal declined to comment.

The Indian bill, which was opened for public comments this week, will later go to parliament for approval.

The US-India Business Council, a lobby group that is part of the US Chamber of Commerce, has brought in the Washington-headquartered law firm Covington & Burling to suggest submissions on India's data protection law.

The firm's 43-page draft recommendations, seen by Reuters, listed removing data localisation requirements as a top priority and called New Delhi's proposed move a "protectionist approach".

The US-India Business Council didn't comment on how it would act on the recommendations of Covington & Burling, which declined comment.

The lobby group's president, Nisha Biswal, however said India's draft privacy law was of "great importance," and that the group would share its concerns with the government directly.

Biman to increase flights to London

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The remaining two Dreamliners will be added to the state carrier's fleet next year, enabling Biman to complete its fleet modernisation plan taken a decade ago.

Until now, the state airline has got delivery of four 777-300ER and two 737-800 aircraft from Boeing.

In the absence of a modern fleet, Biman's fortunes suffered.

Biman will also add two more Boeing 737-800 on a long-term lease and a Dash 8Q-400 this year to strengthen its capacity to fly to more international destinations from next year.

"We have plans to start flights to new destinations such as Guangzhou, Colombo, Male and Medina. Through market study we have found that these destinations have potential and we have prospect to run profitably."

For example, demand for cargo between Dhaka and Guangzhou is huge because of high volumes of bilateral trade between China and Bangladesh, he said.

In addition, prospect on the Dhaka-Colombo and the Maldives' Male is good as a lot of Bangladeshis work in Male and many Sri Lankans work in Bangladesh.

Medina also holds great promise as many Bangladeshis migrants work there and a lot of Bangladeshis go to the city during Umrah and Hajj, he said.

The state airline also plans to add Toronto and Sydney in its destination map after it gets all the four Boeing 787-8 Dreamliners.

The jet's capacity to fly 16 hours at a stretch and its 20 percent more fuel efficiency than similar sized planes make Biman consider these new destinations, Meraj added.

HC stays IDRA's suspension

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Later, the petitioner sought an extension to the stay order for another three months as the High Court Division and the Appellate Division of the Supreme Court will be on a 47-day vacation and the stay order will end before the HC reopens on October 1.

On August 12, the HC bench extended the stay order, Barrister Abdus Samad, the petitioner's lawyer, told The Daily Star yesterday.

The annual vacation began on Wednesday.

The court also ordered the IDRA to explain why its decision to suspend the fire insurance business of the petitioner for three months should not be declared illegal.

Jute Textile Mills took a fire insurance policy with the insurer in March 2016 and two months later was met with a fire incident.

The mill owner informed the insurer

about the incident and submitted claims for compensation worth Tk 29 crore.

But the insurer did not take the necessary steps to settle the claim, saying that the demand is much higher than the actual loss, which was estimated to be about Tk 13 crore as per a survey report.

Some 19 months after the fire incident, two IDRA-appointed surveyors assessed the losses at Tk 24.46 crore, said Muhammad Nazirul Islam, chief executive officer of Continental Insurance.

Islam said the amount was inflated. "Many documents used in the assessment were fakes," he told The Daily Star.

The IDRA and Jute Textile Mills also appealed to the Supreme Court to vacate the HC's stay order.

Instead of vacating the HC order, the Chamber Judge has decided to hear the appeal on October 14, according to Samad.

Tax cuts to cheer up apparel exporters

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The latest data on source tax collection is not available.

In fiscal 2015-16, the tax authority logged in Tk 1,484 crore as source tax mainly from

garment shipments.

The NBR got the highest amount of source tax on exports in fiscal 2013-14, when Tk 2,080 crore was collected, according to its annual report.