**ASIAN MARKETS** 

TOKYO

MUMBAI



DHAKA THURSDAY OCTOBER 18, 2018, KARTIK 3, 1425 BS starbusiness@thedailystar.net

GLOBAL COMPETITIVENESS INDEX

COMMODITIES

# Bangladesh slips a notch

STAR BUSINESS REPORT

**STOCKS** 

CSCX

DSEX

Bangladesh has come down one spot in the World Economic Forum's Global Competitiveness Index thanks to a change in methodology to better reflect today's rapidly changing, increasingly digitised world economy.

In the Global Competitiveness Index (GCI) 2018, Bangladesh came in at 103 -- down from last year's 102 -- out of 140 countries.

The index assessed 140 countries across 98 indicators under 12 pillars, ranging from the quality of infrastructure to life expectancy and the job market.

The Geneva-based organisation added several new metrics to its 2018 study, such as workforce diversity, press freedom and how hierarchical the biggest companies are in a particular economy.

"And this has affected the overall competitiveness of Bangladesh," said Khondaker Golam



From left, Mustafizur Rahman, distinguished fellow of CPD; Fahmida Khatun, executive director; Khondaker Golam Moazzem, research director, and Towfigul Islam Khan, a senior research fellow, present a report on Global Competitiveness Index in Dhaka yesterday.



torium in Dhaka.

Moazzem, research director of the ingfellinnine of them. Centre for Policy Dialogue (CPD), while presenting this year's report on behalf of the WEF at the CIRDAP audi-

Bangladesh's overall score has marginally improved in 2018, but its competitiveness has been weakened in most of the indicators, both in rank and score.

Of the 12 pillars, Bangladesh's rank-

The CPD, which has been carrying out survey on Bangladesh as a partner of WEF since 2001, interviewed 83 executives representing industry, service and agriculture from February 1 to May 1 this year.

**CURRENCIES** 

SHANGHAI

Now, production, ICT and services are inseparably linked and this is determining competiveness, said CPD Distinguished Fellow Mustafizur Rahman.

**READ MORE ON B3** 

## Go to the coast to reduce congestion in cities

ADB's deputy country director says

STAR BUSINESS REPORT

...... Bangladesh should use its vast coastal zones for economic development so that the population concentration on Dhaka and Chittagong comes down, said a top official of the Asian Development Bank yesterday.

The country has a very good ocean resource in the form of fisheries, Cai Li, deputy country director of ADB, said at a discussion styled "Bangladesh's economic geography: some patterns and policy issues" at the office of the Policy Research Institute (PRI) in Dhaka.

"Why are you not using the resources?" For instance, China firstly developed its vast coastal zones because of proximity to international markets and easy transportation of goods from China to any other country or to any region inside of China, she said.

Similarly, the US and Australia have also developed their coastal areas for reducing high concentration on their city areas and to grab more international markets.

"It will not happen automatically -- it will need policy choices," Cai added.

In 1979, the ADB in a study on integrated Dhaka said the capital cannot be

extended to Keraniganj, Sonargaon or Rupganj because of Balu River, said Akbar Ali Khan, an adviser to a former caretaker government.

The same study also suggested that the

construction of high-rise buildings in Dhaka will not be feasible because of high cost of projects. "Dhaka is narrowly defined, although

the boundary of this city is very large. Dhaka goes up to Narsingdi and Gazipur," he added.

Economist Binayak Sen called for an inquisition for the high concentration of population in Dhaka.

"Why is Chittagong losing its shine as an important city of Bangladesh?"

Sen also suggested finding out the reasons why the third city Khulna has not developed much after so many years.

While moderating the discussion, Zaidi Sattar, chairman of the PRI, said the concentration of development efforts and population in Dhaka and Chittagong is so high that the 40 percent of GDP is generated from Dhaka and 20 percent from Chittagong.

READ MORE ON B3

#### US-BANGLA CRASH Local insurer compensates families of eight victims

STAR BUSINESS REPORT

Families of six Bangladeshi passengers who died and two who were injured in last March's US-Bangla plane crash in Kathmandu were handed over compensation by the airline's local insurer yesterday.

The six are Umme Salma, Nazia Afrin Chowdhury, Alifuzzaman, Tahira Tanvin Sashi Reza, Pias Roy and Tamara Priyonmmoyee. Each of their families received \$51,250 (Tk 43 lakh).

Meanwhile injured Mehedi Hassan received \$27,000 (Tk 22.68 lakh) while Syeda Kamrun Nahar Swarna \$15,000 (Tk 12.6 lakh). The compensations were based on the gravity

of their injuries. Major General Firoz Hasan, chairman of Sena Kalyan Insurance Company, handed over the cheques at the Sena Kalyan Sangstha auditorium in the capital.

READ MORE ON B3

### Micro-merchants transact \$18b a year: study

STAR BUSINESS REPORT

About 20 lakh people are involved in micro-merchant retail trade in Bangladesh, transacting more than \$18.42 billion a year, according to a United Nations study.

The United Nations Capital Development Fund (UNCDF), the UN's capital investment agency for the world's 48 least developed countries, and Dnet, a social enterprise based in Dhaka, published the study report at a programme at the Westin Dhaka hotel yesterday.

They also launched a web portal, www.microentrepreneursasia.com, where anyone can find data about the country's micro-entrepreneurs who conduct most of their business activities in the form of lowvalue transactions.

The UN body undertook the first-ever comprehensive study on retail micromerchants landscape of Bangladesh this year. It found the retail micro-merchant sector offers great opportunities for innovation such as introduction of digital payments to retail micro-merchants and digitalisation of whole supply chains.

READ MORE ON B3

### Develop standards for energy drinks

Tax authority requests BSTI

STAR BUSINESS REPORT

The National Board of Revenue yesterday requested the Bangladesh Standards and Testing Institution (BSTI) to develop standards for energy drinks and malt beverages to boost VAT collection.

In the absence of any separate standard for the beverage, one of the popular drinks among youth, the revenue

authority faces legal complications when collecting VAT and supplementary duty from it. Soft drinks, including energy drinks and

malt beverages, are becoming popular. "This is one of the top 10 revenue sources," NBR's VAT wing said in a letter issued to the director general of BSTI.

Currently, 35 percent SD is applied on energy drink and 25 percent on soft drinks, according to the NBR.

**READ MORE ON B3** 

Tk 3,528cr

in a week

wiped off DSE

STAR BUSINESS REPORT

Dhaka Stock Exchange lost Tk 3,528.19 crore,

or 0.90 percent, from

capitalisation in the

last seven working days

tors preferred small-cap

The DSEX, the bench-

as institutional inves-

and junk stocks over

mark index of the pre-

mier bourse, declined

19.09 points, or 0.35

at 5,380.78. In the last

lost 75.03 points.

most of the institu-

situation ahead the

upcoming national

Bangladesh (ICB), a

support the market,

from falling hugely.

state-owned investment

agency, is continuing to

preventing the key index

**READ MORE ON B3** 

Corporation of

election.

seven trading sessions, it

tional investors are not

in a buying mood and

are rather observing the

Only the Investment

Market insiders said

percent, finishing the day

the good ones.

its market

#### www.midlandbankbd.net আধুনিক ও উনুত গ্রাহক সেবার অঙ্গীকার নিয়ে আনুষ্ঠানিক প্রি পাড়াগ্রাম শাখা জাহাঙ্গির শপিং কমপ্লেক্স (২য় তলা) পাড়াগ্রাম বাজার কৈলাইল ইউনিয়ন নবাবগঞ্জ, ঢাকা মিরপুর শাখা হোন্ডিং নং-৬১/২ (২য় তলা) ব্লক-বি, সড়ক নং-৪ পল্লবী, মিরপুর, ঢাকা ১৮ অক্টোবর, ২০১৮ আমাদের আন্তরিক সেবা গ্রহনে আপনাকে সাদর আমন্ত্রণ। Contact Centre 24/7 midlandbank bank for inclusive growth







ADCOMM/TA 2018