

EBL receives IFC global awards

STAR BUSINESS DESK

Eastern Bank Limited (EBL) has recently received two global awards from International Finance Corporation (IFC) of World Bank Group.

The awards are "2017 Best Issuing Bank Partner-South Asia" and "2017 Best Trade Operations Bank Partner-South Asia", the bank said in a statement yesterday.

The EBL earlier received several awards

from the IFC including a "Best partner for working capital systemic solutions", "Most Active GTFP issuing Bank in South Asia", "Most Active Issuing Bank in Agribusiness" and "Best GTFP Issuing Bank in South Asia".

Rated by international rating agency Moody's, the EBL has been maintaining a long term relationship with the IFC to help facilitate international trade and overseas business units of its clients.

LG to recognise 5 for social welfare

STAR BUSINESS DESK

LG Electronics Bangladesh will recognise five social organisation/workers for their willingness and struggle to work for the welfare of the people.

The South Korean multinational electronics company will provide Tk 4 lakh to each of the organisation/workers who are active in education, social or environmental awareness and society or community development related projects. The recipients will be accorded a "LG Ambassador" title, the company said in a statement yesterday.

LG will receive eligible applicants of the award for works to be implemented and completed from November to December.

Young people and organisations can submit their applications by filling up a form being circulated under a "LG Ambassador Campaign" in LG Bangladesh's Facebook page by November 10.

DK Son, managing director of LG Electronics Bangladesh, said, "We announced LG Ambassador programme again to provide deserving young individuals or organisations with an opportunity to realise their dreams of making a brighter society."

German trade surplus narrows

AFP, Berlin

Germany said Thursday its trade surplus narrowed in September compared to a month earlier, with exports falling more than imports at a time of high tensions in global commerce.

After calendar and seasonal effects were taken into account, the surplus stood at 17.6 billion euros for September from 18.2 billion euros in August, data from federal statistics office Destatis showed.

The narrowing surplus came as exports declined 0.8 percent compared to August, while imports dipped at a slower pace of 0.4 percent. "A combination of slowing world trade and temporary factors like the new emissions norms for autos hit the German export sector over the summer months," said Carsten Brzeski, chief economist at ING Germany.

The softening surplus also came after disappointing industrial production data published this week.



AK Abdul Momen, chairman of Chittagong Stock Exchange (CSE), attends its 23rd annual general meeting at its conference hall in Chattogram yesterday. The company approved 5 percent cash dividend for 2017-18. M Shaifur Rahman Mazumdar, managing director, was present.

CSE

SMEs still under-utilised

FROM PAGE B1

The SMEs constitute 50.91 percent of the total number of micro-economic units in Bangladesh.

The Japan-Bangladesh Chamber of Commerce and Industry (JBCCI), Bangladesh AOTS Alumni Society and Chattogram AOTS Alumni Society jointly organised the seminar, which was attended by the factory owners, trade body leaders, a group of businessmen and university teachers from Japan.

The sector is found to have employed 35.49 percent of the total persons employed in Bangladesh, contributed 33.80 percent of the compensation of employees and invested 48 percent of the total investment in fixed assets, Jahur said.

However, the SMEs cannot thrive in Bangladesh for some major challenges like paucity of fiscal incentives, management problems, access to finance, policy inconsistency and bureaucracy, he said.

If the example of Japan is taken as the best user of the SMEs, it is found that Japan has only 19 big conglomerates and more than 99.7 percent industrial and services units are SMEs, said Muhammad Abdul Mazid, adviser to the AK Khan Foundation.

In a paper on "SME development around the region", Mazid highlighted the contribution of SMEs in other developing and developed countries.

"The definition of SMEs is not very

much clear in Bangladesh."

It is must now to set a flexible definition of SMEs and provide them with appropriate policy support for the development of the SME sector in the country, he said.

Kurose Naohiro, president of the International Cooperation Organisation for SMEs in Asia, also presented a paper on "Changes in the roles of SMEs in Japan and Japan's interest in Bangladeshi SMEs".

In Japan, 3.8 million companies, including 4.10 lakh manufacturing units, are SMEs, said Naohiro.

Some 70.1 percent or 33.61 million workers of the country were employed for non-primary industry in 2014, he said.

Companies in Bangladesh, including large entities, seem to depend on low-paid management, he said.

"Japan faced this problem in the 1960s, and many SMEs were culled out to disappear."

The higher presence of Japanese people in Bangladesh proves that how much interested they are to develop the SMEs in the South Asian nation, said Wahiduddin Mahmud, an adviser to a former caretaker government.

Mahmud also mentioned that while he was the adviser back in 1996, the Japanese people helped construct the Chattogram international airport quickly.

Salahuddin Kasem Khan, former president of JBCCI, also spoke.

Control by a few detrimental to banks

FROM PAGE B1

The research also found that there was a weak regulatory framework, another factor that made the corporate governance in the banking sector vulnerable.

Domination of individual investors, limited transparency, weak disclosure and poor institutional control are some other major challenges facing the banking sector.

The paper pointed out poor bankruptcy laws, a lack of shareholder participation and political interference as significant obstacles to attaining good governance.

"The power of social elites also came to the fore in other studies, which said certain families tend to dominate bank ownership and act as an impediment to fairness, accountability and transparency."

There is now a pressing need for an independent regulatory body or commission for the banking sector of Bangladesh to prevent the repeated collusion between businesses, banks and the government, it said.

"Otherwise, most governance issues such as transparency and accountability will continue to be merely a box-ticking exercise," Saadat added.



Manzurul Islam, chairman of Eastern Housing, presides over the company's 54th annual general meeting at Raowa Convention Hall in Dhaka yesterday. The company approved 25 percent cash dividend for 2017-18.

EASTERN HOUSING

Govt gets keys of Bangabandhu Satellite

FROM PAGE B1

Thales Alenia Space, a Franco-Italian aerospace manufacturer, has designed and built the satellite that has been launched into the orbit on May 11 this year.

The code and switch of the satellite will be handed over it to BCSCS in the presence of Prime Minister Sheikh Hasina within a day or two, said Haque, team leader of the Bangabandhu Satellite-1 project.

"After that the satellite can start commercial operation," he added.

State-run satellite television channel BTV has already done a number of test runs and found very good quality transmission through the satellite, said Shahjahan Mahmood, chairman of BCSCS.

"Some private television channels like Ekattor TV will move to Bangabandhu-1 within a short time," said Mahmood, who was earlier the chairman of the BTRC and led the satellite launching procedures.

Ekattor TV authority said they are seriously considering moving to the country's prestige satellite.

"But before we do that we are holding meetings with the BCSCS authority to iron

out some issues," said Mozammel Haque Babu, chief editor of the television station.

Earlier in September, BTV delivered live coverage of the South Asian Football Federation (SAFF) Championship 2018 via the satellite, while some other television channels also tested their transmission as well.

"Without getting the full control of the satellite's ownership BCSCS could not go for commercial negotiations. That will now get pace," Mahmood said.

Thaicom, Thailand's largest satellite operator, was appointed in September to explore the business development prospects of the Bangabandhu Satellite-1 in six countries, including four neighbouring ones. "We are expecting Thaicom to bring business for us and make the satellite a money-making venture for us," Mahmood added.

According to the initial plan, the satellite venture will be business viable within seven years of its launch.

BCSCS has already signed preliminary agreements with some of the government offices; it has also sought business from banks as well, officials said.

Toshiba cuts 7,000 jobs

AFP, Tokyo

Japan's engineering giant Toshiba announced plans Thursday to slash 7,000 jobs and liquidate a unit building a UK nuclear power plant, leaving its fate in doubt.

Toshiba also expects to scrap or consolidate some factories and reduce its subsidiaries by 25 percent -- announcing the withdrawal from a US-based liquid natural gas business.

The liquidation of NuGen, a nuclear subsidiary in Britain, could complicate UK efforts to shift away from polluting power plants that rely on coal, a number of which are slated to close.

Internet penetration slows in 4G era

FROM PAGE B1

As a result, the number of internet users might not increase, as they would not be able to get the best out of the fast data speed offered by 4G.

"In the last few months, we have seen that the import of smartphones, especially the 4G-enabled ones, has almost halted," Alam told reporters at a workshop in Dhaka on Tuesday. The industry had asked the government to withdraw the tax on handsets for at least the next two years to help it to grow.

"This would have given a push to the government's digitalisation vision too," he said, adding that the demands were not met.

The number of internet users would not escalate if the Internet of Things and artificial intelligence technologies are not adopted, said a top official of another operator.

"Once home appliances are connected to the internet, the number will become much higher," said the senior executive, who has been working in this field for more than a decade. He also said the internet users' number was not directly linked to 4G.

4G offers the fastest mobile internet and that is related to using more data. Only 3G users have shifted to the 4G technology but it has not added new users, the official said.

Tk 4,552cr procurement proposals approved

FROM PAGE B1

The cabinet committee on economic affairs approved on principle a project under public private partnership (PPP) for detailed design, construction, operation and maintenance of Mass Rapid Transit Line-2.

A metro rail would be set up from Gabtoli to Chattogram road with fund

from the Japanese government, the additional secretary of the cabinet division said.

Another two proposals have been approved for implementation of two housing projects at Purbachal and Mirpur under PPP. Singapore Enterprise Ltd will construct the residential buildings.



SM Nurul Alam Rezvi, vice chairman of Marcel, and directors SM Ashrafur Alam, SM Mahbubul Alam, SM Monjurul Alam, Zakia Sultana, Tahmina Afrose Tanna and Raisa Sigma Hima open a "Meet The New Distributors 2018" conference in front of its corporate office in Dhaka recently.

MARCEL

68pc Bangladeshis pay no income tax

FROM PAGE B1

There are nearly 35 lakh registered taxpayers and less than 20 lakh submit returns, said Md Mosharrar Hossain Bhuiyan, chairman of the National Board of Revenue. "The number of tax return submission is increasing, but we have more to do," he added.

Bangladesh's per capita income is almost double that of Nepal's and yet the tax-GDP ratio was lower than the Himalayan nation's by 14 percentage points, said AB Mirza Azizul Islam, former finance adviser to the immediate caretaker government.

To increase the income tax collection, more attention should be paid on declaration of wealth in the tax return, said Debapriya Bhattacharya, distinguished fellow of CPD.

He, however, said Bangladesh needs foreign aid to attain its development targets. "It would not be wise to think that Bangladesh would perform better without foreign finance."

He also questioned reasons behind higher spending of foreign aid for physical infrastructure and reduced spending on

social sectors.

Efficiency of public investment, especially in infrastructure-related projects, is imperative, said Ragnar Gudmundsson, resident representative of the International Monetary Fund.

"At present, public investment in Bangladesh suffers from significant cost overrun," he said, adding that there is a high efficiency gap in public investment management between Bangladesh and most efficient and emerging economies.

He suggested a shift towards taxation on consumption, corporate income and personal income rather higher duties on imports.

Some 1,800-1,900 firms pay more than 50 percent income tax, said Nihad Kabir, president of the Metropolitan Chamber of Commerce and Industry.

She stressed on the need for expansion of tax net and better public services so that people feel motivated to pay taxes. "If you pay taxes, you should demand services," Kabir said.

Good utilisation of public resources induces people to be compliant, said Mustafizur Rahman, distinguished fellow of CPD.

Advertisement

ACS - Sainsbury's 1st export shipment from Pangaon Inland Container Terminal

ACS Logistics completed its 1st trial shipment through Pangaon Inland Container Terminal on 7th November 2018, where an export container carrying cargo belonging to Sainsbury's Supermarkets Limited was loaded for a vessel bound to Chittagong Port.

The trial shipment was arranged at the terminal to mark this special event through a simple ceremony involving all the stakeholders

Ahamedul Karim Chowdhury (Terminal Manager, Pangaon Inland Container Terminal), Syed Mohammed Nuruddin (Managing Director, ACS Logistics Ltd), Ariful Anam (Origin Supply Chain Analyst, Sainsbury's Argos Asia Ltd), Saifuddin Md. Khaled (General Manager, ACS), Md. Sharfuddin (Sr. Manager, ACS), Mirza Bayazid (Manager, ACS), Ishtiaque M. Chowdhury (Asst. Manager, ACS) and senior officers of Pangaon Inland Container Terminal were present at the event. We would like to express our thanks and gratitude to Mr. Ahmedul Karim Chowdhury (Terminal Manager, PICT) for his amazing support to get the job done, the professionalism he has shown to branding the PICT impressed us immensely.

Bangladesh Inland Water Transport Authority (BIWTA) and the Chittagong Port Authority (CPA) jointly built this inland terminal at a cost of BDT 1.54bn. The project aims to help ease the pressure of cargo movement on the Dhaka - Chittagong railway and highway corridors.