



Quazi Abdul Fattah, president of the Bangladesh Academy of Sciences (BAS), and Zakia Rouf Chowdhury, executive vice chairperson of Rangs Group, attend "BAS-Professor Emeritus Dr Sultan Ahmed Chowdhury Scientific Talents Nurture Fund Award Ceremony" organised by the BAS at auditorium of the National Museum of Science and Technology in Dhaka yesterday. Certificates and stipends were presented to 78 students of school and college selected by a science competition of the BAS. Seven university teachers were also presented a young scientist award for their journals. Sultan Ahmed was a renowned child specialist and founder of the academy.

China, Germany to boost financial sector cooperation

AFP, Beijing

China and Germany on Friday signed a series of agreements to strengthen cooperation in banking and financial sector supervision, as Beijing moves to open up the country's financial markets.

The agreements were signed at the end of a two day visit by German Finance Minister Olaf Scholz to Beijing for talks with Vice Premier Liu He, China's top economic official.

"German insurers and banks will now have easier access to the Chinese market," said Scholz at the conclusion of the talks. "This is an important step that we have been waiting for a long time."

But Scholz also urged equal treatment for foreign companies operating in China -- a long-running complaint from the European Union and a central issue in Beijing's trade war with the United States.

"We need rules of the game that work well, and reciprocity is the key to

achieving this, and that means that Chinese companies in Germany and German companies in China are treated the same," he said.

The talks at the Diaoyutai State Guesthouse in Beijing also focused on allowing German financial institutions to underwrite "Panda bonds" -- yuan denominated bonds issued by non-Chinese issuers.

"China welcomes more qualified German institutions to join the yuan cross-border payment system and more qualified German banks to participate in the opening and innovation of China's financial markets," Liu said.

A joint statement issued after the talks said China welcomes "German-funded enterprises to enter the Chinese payment market", which US rivals such as Visa and Mastercard have been unable to crack so far.

China pledged in late 2017 to allow overseas financial firms greater access to the world's second-largest economy.

Barriers to accessing Chinese financial markets are also a thorny issue in the ongoing trade spat between Beijing and Washington.

"It is important that, contrary to recent trends that we can observe elsewhere, we are seeing progress in our cooperation," Scholz said before the talks.

Chinese regulators in April 2018 started allowing overseas firms to apply for majority stakes in securities and mutual-fund management ventures and promised to permit full control in three years.

Draft rules to allow foreign companies to hold controlling stakes in insurance firms were published in May.

Swiss giant UBS AG becoming the first foreign bank to gain control of its local securities joint venture last November after the easing of restrictions.

German insurer Allianz SE and French company Axa also got the green light to set up wholly foreign-owned insurance holding companies

RBI needs to ensure stability

REUTERS, New Delhi

The head of the Reserve Bank of India (RBI) said on Friday he would take the steps necessary to maintain financial stability in the country and help create favourable conditions for growth.

India's economy has grown because of measures such as the nationwide goods and services tax and the insolvency and bankruptcy code that prevents wilful defaulters from bidding for stressed assets, Shaktikanta Das said in his address to an investor roundtable.

The country's growth story is backed by its strong domestic fundamentals, he said, citing lower inflation.

Annual retail inflation rate dropped to an 18-month low of 2.19 percent in December, strengthening the views of some economists that the central bank could ease monetary policy next month.

India keen on closer trade ties with neighbours

OUR CORRESPONDENT, New Delhi

India is keenly promoting the trade potential of its northeastern states because it would not only give an economic boost to the region but also enable closer engagement with Bangladesh, Myanmar and Bhutan.

Minister of State in the Indian Prime Minister's Office Jitendra Singh made the remarks when Indian Ambassador-designate to Myanmar Saurabh Kumar called on him on Friday for a briefing before leaving for Yangon to take up his new assignment there.

Singh said it was important to reinforce the growth and trade potential of India's northeastern regions which were close to

the borders.

For example, he said, a product grown and developed in the northeastern region would find ready takers on the other side of the border because of the common lifestyle, food habits and tastes, according to an official statement issued on Friday evening.

Singh said Prime Minister Narendra Modi's personal intervention has seen tremendous activities in business and trade sectors in the northeastern region of India as well as a greater interest in trade with neighbouring countries.

He made a particular mention of the Asean Business Summit organised in Guwahati last year when trade and business leaders from India and other countries had come together on a common platform.

No breakthrough in US-China trade talks

AFP, Washington

White House economic adviser Larry Kudlow has played down reports of a breakthrough in US-China trade talks, but said progress had been made.

"We've made some progress with China in the deputy's meeting in Beijing," Larry Kudlow, director of the National Economic Council, told Fox Business.

But he added: "Nothing has been resolved, nothing on paper, no contracts."

Recent news reports of a deal being imminent were not accurate, he said. Bloomberg had reported earlier Friday

that Beijing had offered to eliminate its soaring trade surplus with the United States in five years.

The US sent a delegation led by Deputy Trade Representative Jeffrey Gerrish to Beijing earlier this month, where they held talks with China's foreign ministry to seek ways to end their trade war.

China's chief negotiator on trade disputes with the United States, Vice Premier Liu He, is due in Washington on January 30 and 31 for the next round talks.

In December, President Trump and Chinese leader Xi Jinping agreed to a truce in their three-month trade war.



Subrata Ranjan Das, executive director at ACI Motors, attends the opening of "Foton motors free service camp" in the capital's Purbachal yesterday.



Walton Group executive directors Eva Rezwana, Nazrul Islam Sarker, Md Humayun Kabir and Md Rayhan and operative directors Kamruzzaman and Firoj Alam attend a programme at the group's corporate office in Dhaka yesterday when the company announced increasing its fridge compressor's guarantee period to 12 years.

BPO showing great promise

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"We need to explore it," said Hossain, one of the leading entrepreneurs of the sector.

Currently, more than 40,000 young people work in about 100 BPO companies.

By 2021, the sector is expected to employ 100,000, according to Hossain.

However, the sector also faces some challenges, especially when it comes to skilled human resources. When the business idea was first introduced in 2008, the sector made only \$4 million in revenues.

Many companies took licences from the telecom regulator then, but most of them closed operations later. This led Bangladesh Telecommunication Regulatory Commission to bring in changes to some of its rules for the sake of

the sector's survival, Hossain said.

As a result, the sector's earnings have increased more than 17 times since 2012, when it was only \$12 million.

To enhance the market, the BACCO and the government are organising major events like BPO Summits.

The government has also sponsored a tour of BACCO leaders to the Philippines, the most successful BPO nation.

In the meantime, the government has formed a high-powered committee to help the outsourcing industry to meet its export target of \$1 billion by 2021.

The committee will work under the information communication division though the BTRC was previously handling the sector's issues.

US demands regular review of China trade reform

REUTERS, Beijing/Washington

The United States is pushing for regular reviews of China's progress on pledged trade reforms as a condition for a trade deal - and could again resort to tariffs if it deems Beijing has violated the agreement, according to sources briefed on negotiations to end the trade war between the two nations.

A continuing threat of tariffs hanging over commerce between the world's two largest economies would mean a deal would not end the risk of investing in businesses or assets that have been impacted by the trade war.

"The threat of tariffs is not going away, even if there is a deal," said one of three sources briefed on the talks who spoke with Reuters on condition of anonymity.

Chinese negotiators were not keen on the idea of regular compliance checks, the source said, but the US proposal "didn't derail negotiations."

A Chinese source said the United States wants "periodic assessments" but it's not yet clear how often.

"It looks like humiliation," the source said. "But perhaps the two sides could find a way to save face for the Chinese government."

The administration of US President Donald Trump has imposed import tariffs on Chinese goods to put pressure on Beijing to meet a long list of demands that would rewrite the terms of trade between the two countries.

The demands include changes to China's policies on intellectual property protection, technology transfers, industrial subsidies and other trade barriers. An enforcement and verification process is unusual for trade deals and is akin to the process around punitive economic sanctions such as those imposed on North Korea and Iran.

Disputes over trade are more typically dealt with through courts, the World Trade Organization (WTO) or through arbitration panels and other dispute settlement mechanisms built into trade agreements.

Financial sector woes to weigh on GDP growth

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Atiur Rahman, a former governor of Bangladesh Bank, said the economy remained stable amid the global financial crisis riding on the developmental role of the central bank in the last one decade.

He said the central bank forced banks to finance agriculture and small and medium enterprises which brought macroeconomic stability.

Rahman said soon after becoming the governor of the central bank, he had created the opportunity for foreign loans to be taken at lower costs in order to put pressure on local banks to reduce lending rates.

"The policy worked well," he said, adding that about \$8 billion in foreign currency

loan entered the market in the last six to seven years, pushing down the lending rate to single digit. He recommended that the government initiate a universal pension scheme to strengthen social protection. All lower income groups should be brought under the scheme to reduce poverty.

"A separate regulator can be formed to regulate the pension scheme. Or, any existing regulator like the Bangladesh Bank can be given the additional responsibility to manage the scheme."

Iyanatul Islam, an adjunct professor of the Griffith Asia Institute of Griffith University, presented the keynote speech. Selim Raihan, executive director of the SANEM, also spoke.

Largest private economic zone to be ready this year

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The companies are Knit Asia, Rising Holdings, Mahmud Fashion, Ratul Knitwear, SM Holdings, Paragon Feed, Textown, Manami Fashions and Change Bangladesh.

They got the final licence from the Bangladesh Economic Zones Authority (Beza) on October 4, 2018.

"It's a dream project towards the northern part of Bangladesh," said Paban Chowdhury, executive chairman of the Beza.

It is exceptional in the sense that the private sector has been provided the opportunity by the government to prove their mettle in setting up a large economic zone, he said.

"I believe it will ramp up the rural economy of northern Bangladesh," he added.

Apart from road and rail connectivity, the zone has access to waterways for it lies on the banks of the river Jamuna. Sirajganj is the gateway to northern Bangladesh.

Chowdhury said the connectivity would be a big advantage for the zone's entrepreneurs. He, however, cited a challenge: the rehabilitation of people whose land had been acquired.

Monowar Hossain said they were working to this end, creating an ideal village where land, housing and other facilities like urban areas would be provided. "So, it will not be a problem at all," he said.



Quazi Mohamad Shahed, CEO of Complex-1 of Partex Star Group, opens a new showroom of Partex Furniture at Dhap area of Rangpur city.



Tamal SM Parvez, chairman of NRBC Bank, poses with officials at its two-day Annual Business Conference-2019 ending at Brac CDM Savar in Dhaka yesterday. Khondoker Rashed Maqsood, CEO, was present.