The Haily Star

Idcol, IDLC to raise Tk 502.5cr

for Sirajganj Economic Zone

#### **BGMEA ELECTION**

# New panel says has right to contest

STAR BUSINESS REPORT

The Swadhinata Parishad, a new panel for the upcoming polls of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), yesterday said it has the right to contest in next month's biennial election of the trade body.

"We will accept whatever the result is if a fair and free election takes place. We have the right to contest and every right to lose in the polls too," said Md Zahangir Alam, convener of the panel.

"I have formed the panel to establish the voting rights of the BGMEA members. I am fully confident that the election will be free and fair."

He made the comments at a discussion on the "Present and future of the apparel sector" organised by Nabarun Apparels Ltd, an export-oriented garment-maker, in the capital's Dhaka Club.

The election of the BGMEA for 2019-2021 will be held on April 6. The Swadhinata Parishad will

work to rebuild and brighten the elected, Alam said at the event where the panel unveiled its 12point election manifesto.

"Our panel will give priority to manufactures to introduce modern technology in order to make the



STAR

Leaders of Swadhinata Parishad, a new platform to contest the upcoming BGMEA polls, pose at a programme at the Dhaka Club yesterday when the platform unveiled its election manifesto.

sector ready for the fourth industrial revolution."

The Parishad will also appoint lobbyists to create a positive image of the apparel sector, he said.

In the manifesto, the forum promised to establish a research cell image of the apparel sector if it gets with the help of local and foreign experts to go for product diversification keeping pace with the rapidly changing global fashion trends.

The panel also pledged to make the BGMEA more tech-friendly by introducing online services for the

members. Steps would be taken to modernise the Utilisation Declaration (UD) system, so that it can be issued online, the manifesto said.

How much inputs and packaging materials will be used in manufacturing exportable products is basically determined by the UD.

An app will be developed for the subcontractors so that the entrepreneurs can easily contact with factories for work, the panel said. The platform will also focus on

strengthening all the standing

committees of the BGMEA and training up the employees to increase their efficiency and skills.

"The cash incentive Bangladesh offers to the garment makers is much lower compared to its competitor countries. We will also urge the government to raise the incentive up to 10 percent," Alam said.

In the election, a total of 18 members of the Parishad will contest against 35 directors, including 25 from Dhaka and 10 from Chattogram zone.

### Google's new service will let game makers use rival clouds: official

REUTERS, San Francisco

STAR BUSINESS DESK

............ A Google executive offered new details on Wednesday about the company's upcoming video game streaming service, telling Reuters that game makers may use competing cloud providers and must avoid some inappropriate content.

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The Idcol and IDLC Finance will raise Tk 502.5

crore as loan for the development of the first

11 business conglomerates, the Infrastructure

It will be implemented by a consortium of

phase of Sirajganj Economic Zone (SEZ).

Google, owned by Alphabet Inc, unveiled Stadia on Tuesday, saying the service launching this year would make playing highquality video games in an internet browser as easy as watching a movie on its YouTube service.

The game would operate on Google's servers, receiving commands from a user's controller and sending video streams to their screen. Player settings, leaderboards, matchmaking tools and other data related to the game would "not necessarily" have to reside on Google's servers, Phil Harrison, a Google vice president, said in an interview.

Hosting the data elsewhere, however, could lead to slower loading times or less crisp streaming quality, he said.

Develop-ment Company Limited (Idcol)

Khan, CEO of IDLC, and Mahmud Hasan

Khan, vice chairman of the SEZ, signed the

agreement at the IDLC's corporate head

Mahmood Malik, CEO of Idcol; Arif

said in a statement yesterday.

office in Dhaka.

"Obviously, we would want and incentivize the publisher to bring as much of their backend as possible" to Google servers, he said. "But Stadia can reach out to other public and private cloud services."

The approach could limit Google's revenue from Stadia. It has declined to comment on the business model for the new service, but attracting new customers to Google's paid cloud computing program is one of Stadia's aims.

If a game publisher was using Amazon for some tools, "the first thing I would do is introduce you to the Google Cloud team," Harrison said.

In addition, Stadia will require games to follow content guidelines that build upon the system of Entertainment Software Rating Board (ESRB), a self-regulatory body, he said.



Phil Harrison, vice president and general manager of Google, speaks at the Gaming Developers Conference in San Francisco.

## Simplify IP registration

The demands came at a seminar titled "Intellectual property rights for growth of SMEs" organised by the SME Foundation at the ongoing SME Fair in the capital's

Intellectual property (IP) rights for industries refer to patents and trademarks which can protect products, brands and designs innovated by the entrepreneurs from piracy.

Bangabandhu International

Conference Centre.

Mirza Nurul Gani Shovon, president of the National Association of Small and Cottage Industries of Bangladesh, said IP rights registration system should be digitalised so that entrepreneurs could get the certificates easily and

"Fees for the IP registration are too high for new entrepreneurs, so it should be reduced," he added.

Md Belal Hossen, examiner of the Department of Patents, Designs and Trademarks (DPDT), said an entrepreneur had to spend Tk 15,000 to Tk 20,000 in fees to get the registration. Presenting a paper at the semi-

nar, he said SMEs give little emphasis on protecting their innovations, so they have to know that the intellectual property registration helps obtain higher returns on investments.

Entrepreneur Syed Mohammad Shoeb Hasan said getting registration certificate took up a lot of time,

in some cases 10 to 12 years. "It should be very fast and by any means, the process should be free of bureaucratic tangles." Hasan also recommended set-

ting up an intellectual property registration office at every division so that small entrepreneurs do not need to come to Dhaka. It will be more convenient for

entrepreneurs if the system is digitalised, he added, saying that the online system should provide services to entrepreneurs easily. Syed Md Ihsanul Karim, former

managing director of the SME Foundation, said a huge number of entrepreneurs did not even know about the importance of intellectual property registration. "So,

awareness should be raised first," he said. At the same time, the registration

system should be very easy and digitalised to bring all innovations under the IP registration, he added. Mohiuddin Al Farooq, deputy

registrar for administration and finance at the DPDT, admitted that the registration process took a lot of time but cited some reasons for it. "We have only 80 employees

now, so how can we provide services fast? The matter of hope is that the government is going to employ more officers here," he said, adding that the registration office had started to digitalise the system too.

Md Safiqul Islam, managing director of the foundation, chaired

# MIDAS awarded for standing by women entrepreneurs

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Speaking at the event, Masud Rahman, president of the Canada-Bangladesh Chamber of Commerce and Industry, said, "We have considered organisations and individuals who have contributed to women's rights in Bangladesh, particularly in areas such as women entrepreneurship development, skill development and promotion of women in workplaces." Rokia Afzal Rahman, a director

of the MIDAS (Micro Industries Development Assistance and Services), said the MIDAS had been a pioneer in giving loans to women entrepreneurs without collaterals.

"Women are good borrowers.

The repayment rate of women workers and outsources products borrowers is 99 percent...We always support women borrowers," the entrepreneur said.

The MIDAS will continue to work for the development of women entrepreneurs and create economic opportunities for them, said Zahida Ispahani, a director of the MIDAS. Rini shared her story with the

audience narrating how she became a successful entrepreneur. In 2016, she started her business

with Tk 50,000, producing nakshi kantha, bed sheets, ladies wear and other textile handicrafts.

Today, her capital stands at Tk 30 lakh. She employs 20 permanent

from more than 300 workers. "The MIDAS has helped me. This

award will inspire me," Rini said. Canadian High Commissioner to Bangladesh Benoit Préfontaine

said Canada had a long history with Francophonie. "Francophonie is about more

than the French language," he said. He said the International

Organisation of La Francophonie (IOF) promotes cooperation among countries in areas such as linguistic diversity, peace, democracy, human rights, education and training and sustainable develop-

These are issues that extend well

beyond the French-speaking world and also applied to countries like Bangladesh, he said, adding that women and youth were the key focus for the IOF.

"Canada like other member

countries believes that helping women and girls in our communities is the best way to help the entire community and it will help the whole planet.

This is why the theme of this year's Francophonie Week in Bangladesh is women's rights."

The joint chamber of three French-speaking countries, namely Canada, France and Switzerland, handed over the award to the winners.

### Discounts aplenty at travel mart

Md Mahbub Ali, state minister for civil aviation and tourism, visits "Novoair Dhaka

Travel Mart 2019" at the Sonargaon hotel in Dhaka yesterday. Mofizur Rahman, man-

Md Mahbub Ali, state minister for civil aviation and tourism, who inaugurated the fair, said, "Our natural beauty and climate are much more favourable for tourism, but we need to publicise our attractions to draw tourists."

aging director of Novoair, is also seen.

Lack of adequate infrastructure is the major challenge facing the tourism sector, said M Mofizur Rahman, managing director of Novoair.

infrastructure sector is not developing at the

same pace to give convenience to tourists." He said the private sector was trying their best to develop the tourism sector. "The

government's attention is also needed."

Though, the number of tourists has increased rapidly, domestic tourists still account for 98 percent of the total tourists, said Bhuban Chandra Biswas, chief executive officer of Bangladesh Tourism Board (BTB).

"We will have to create a platform to attract foreign tourists presenting Bangladesh as a tourist destination," he said.

Nepal joined the fair as a partner country. Forty-one tourism organisations from seven "The economy is growing fast but the countries, including Bangladesh, Nepal, Thailand, Indonesia and Malaysia are taking part. The fair is supported by Novoair while the BTB, Biman and Mutual Trust Bank are the partners.

# Banks on loan write-off spree

Lenders opt for write-offs when all avenues for recovering the default loans have been exhausted, said Khondkar Ibrahim Khaled, a

former deputy governor of the central bank. Loan write-offs have gradually been rising in recent years and the trend reflects the ongoing crisis in the banking sector. "Written-off loans are like uncollectible loans -- the recov-

Subsequently, he urged banks to check corruption such that vested quarters cannot take loans banking on this unethical process.

ery of such loans is highly difficult."

The amount of written-off loans will increase significantly in the months to come as the central bank has recently relaxed its write-off policy, said a BB official.

Banks are now allowed to write off default loans that have been hovering in the bad category for three years, down from five years previously, according to a notice issued by the central bank earlier in February. Furthermore, lenders do not have to file any case with the money loan court to write off delinquent loans worth Tk 2 lakh, up from Tk 50,000 previously.

Banks are facing difficulties in recovering the written-off loans as it takes much time to settle the cases with the courts, said Syed Mahbubur Rahman, chairman of the Association of Bankers, Bangladesh, a platform of private banks' managing directors.

In many cases, some unscrupulous borrowers kept the same property as collateral in different banks.

"The disbursed loans have subsequently become defaulted and were written off," said Rahman, also the managing director of Dhaka Bank. But a strong judicial system will help banks recover the written-off loans from defaulters, he added.

### Reliance sends fuel from India, Europe to Venezuela to sidestep US sanctions behind the United States. REUTERS, New Delhi/Mexico City

India's Reliance Industries is selling fuels to Venezuela from India and Europe to sidestep sanctions that bar US-based companies from dealing with state-run PDVSA, according to trading sources and Refinitiv Eikon data.

Reliance had been supplying alkylate, diluent naphtha and other fuel to Venezuela through its US-based subsidiary before Washington in late January imposed sanctions aimed at curbing the OPEC member's oil exports and ousting Socialist President Nicolas Maduro.

At least three vessels chartered by the Indian conglomerate supplied refined products to Venezuela in recent weeks, and another vessel carrying gasoil is expected to set sail to the South American nation as well, according to the sources and data.

A Reliance spokesman wrote to Reuters in an email and said: "Reliance is and will remain in compliance with the sanctions and shall work with the concerned authorities."

He also said "the volume of products supplied to and crude oil imported from Venezuela have not increased." Reliance, an Indian conglomerate con-

trolled by billionaire Mukesh Ambani, has significant exposure to the financial system of the United States, where it operates subsidiaries linked to its oil and telecom businesses, among others.

The Indian market is crucial for Venezuela's economy because it has historically been the second-largest cash-paying customer for the OPEC country's crude, supply gas stations and power plants.

Additional sanctions against Venezuela are possible in the future, as US President Donald Trump's administration has not yet tried to prevent companies based outside the United States from buying Venezuelan oil, a strategy known as "secondary sanctions."

Refinitiv Eikon trade data shows that Reliance shipped alkylate, a component for motor gasoline, to Venezuela on vessels Torm Mary and Torm Anabel in recent weeks. Those originated in India and passed through the Suez Canal. It also shipped a gasoline cargo using

tanker Torm Troilus to Venezuela and is preparing to send 35,000 tonnes of gasoil in a vessel called Vukovar to the South American nation. "Reliance is also supplying some prod-

ucts from its Rotterdam storage," a source familiar with Reliance's operation said.

PDVSA did not reply to a request for comment.

In a statement last week, Reliance said its US unit has completely stopped all business with PDVSA. Reliance also halted all supply of diluents including heavy naphtha to Venezuela and does not plan to resume such sales until sanctions are lifted, according to the release.

Venezuela has overall imported some 160,000 barrels per day of fuel and diluents for its extra heavy oil output since the US measures were imposed, according to PDVSA and Refinitiv data, below levels prior to the sanctions but still enough to

### RMG compliance rises amid buyers' pressure: study

Frequency of meetings of safety committees in factories increased from about 1.27 times every three months to 2 times, she said. It also had a small, positive effect on indicators of safety committees' effectiveness, including measures of physical safety and awareness, according to the study, which was conducted on 80 factories.

"There is suggestive evidence that factories with better managerial practices improved compliance, and in particular, safety," she said. At the session, LGRD and Cooperatives Minister M Tajul Islam said buyers are squeezing prices.

"And because of that profit margins of owners have reached such a level that there is no profit margin at all."

If their profitability erodes, garment owners would not be able to: repay their loans, invest to develop facilities for workers and meet buyers' requirements, he added.

Earlier in the day, eminent economist Wahiduddin Mahmud spoke on the importance of policy relevant research. LSE Professor Oriana Bandiera along with IGC's Adnan Khan and Johns Hopkins' Daniel Honig spoke about the importance of autonomy in public sector procurement and how unnecessary rules often lead to unintended consequences, according to a press release.

Findings from the study by Anna Tompsett, assistant professor of economics at Stockholm University, on access to safe drinking water shed new light on what makes 'collective action' fail and what sorts of tweaks in group size can make it succeed.

While there are benefits to operating at scale and larger groups were found to be more successful in installing safe wells and exploiting economies of scale, those same groups achieve insignificant increases in the use of safe drinking water, said the press release.

There is thus lower impact in larger communities.

Senior Advisor of IGC Bangladesh Sultan Hafeez Rahman and IGC Country Director and BIGD Executive Director Imran Matin also spoke at the event.