

UAE keen to invest in Bangladesh: envoy

DIPLOMATIC CORRESPONDENT

Saeed-Mohammed Al-Mheiri, ambassador of the UAE to Bangladesh, has said his country is keen to deepen its bilateral relations with Bangladesh on all fronts.

"My country is eager to invest in different sectors in Bangladesh and we would like to extend our hands to businessmen of both the countries in order to increase the business volume," he added.

The UAE envoy made the remarks while delivering his speech at the Business Conference and Networking Session on "UAE-Bangladesh Business Ties: Present Status and Future Opportunities" at a city hotel yesterday.

The UAE's embassy in Bangladesh in association with Intraco group and Royal Paradise arranged the event.

Businessmen from both the countries discussed the current trends of trade and investment, success stories, operational problems of doing business, future growth prospects and prioritised areas for cooperation at the event.

They also discussed the ideas and propositions that will mutually benefit both countries, according to a press

release.

The ambassador also pointed out that the recent visit of Prime Minister Sheikh Hasina to UAE has strengthened the brotherly ties of the two nations.

Several memoranda of understanding were signed at the governmental and private sector levels during the visit. The implementation of these MoUs will boost the bilateral ties, he said.

The ambassador said the two-way trade has significantly increased in the recent years and both countries bilateral trade crossed \$1 billion.

"We have a room to expand our business and economic ties in the areas of energy and power, RMG, ports and aviation, leather and jute goods, light engineering, jewelry items, flowers, ornamental items, plastics etc."

He further said Bangladesh has set an example in the world by providing shelter to the Rohingya Muslims in Bangladesh.

The UAE has also raised its voice globally and extended wholehearted support on the humanitarian ground to the Rohingya's growing need for aid, including shelter, food, water and

healthcare through different organizations, he said.

"Many UAE companies are also keen to invest and do business in different sectors in Bangladesh," he continued.

"UAE-Bangladesh relations are deep-rooted and excellent," said Kazi M Aminul Islam, executive chairman of Bangladesh Investment Development Authority (BIDA).

"Bangladesh is now a unique platform for foreign investors. The return on investment is very high in Bangladesh compared to the rest of the world."

Bangladesh will accept any type of investment and will also remove if there are any barriers in the way of investment, Islam said.

Abdulla Ali Alhmodi, deputy head of mission of the UAE embassy in Bangladesh; Mohammed Riyadh Ali, managing director of Intraco Group; Saeed Abdulla Al Miran, country manager of Emirates Airlines; Imran Ahmed, vice president of Dhaka Chamber of Commerce and Industry, and Mohammed Mahtabur Rahman, chairman and managing director of Al Haramain Perfumes and chairman of NRB Bank, were also present.



David Bella Matyus, a quarry expert, and Syed Naimul Abedin, CEO of Peakward Bangladesh, pose at a seminar on "Aggregate and Natural Pozzolana Quality Control Management" organised by Peakward Group, a multinational bulk commodity supply chain solutions provider headquartered in Hong Kong, at Four Points by Sheraton Dhaka.

Thai trade fair begins tomorrow

STAR BUSINESS REPORT

A four-day Thai trade fair will begin at Pan Pacific Sonargaon in Dhaka tomorrow.

The Thai embassy in Dhaka will organise the event with an aim to give a boost to their business growth in Bangladesh.

Some 76 exhibitors, comprising both Thai and Bangladeshi companies, will showcase their items, including beauty and wellness products, bedding accessories, spa, electrical appliances, stationary, household products, fresh fruit, food, textile and fabric, lingerie, handbag, jewellery, confectionary, decorative items and baby products.

Local entities—which import Thai products and act as agents of Thai

companies—will also join the show.

Suebsak Dangboonrueng, minister counsellor (commercial) at the embassy, shared the information at a press briefing at Sonargaon hotel yesterday.

Dangboonrueng said the embassy's commercial affairs office would join hands with the Sonargaon hotel to simultaneously organise a "Thai food festival" and Thai classical dance shows every day involving Thai artists.

The Thai diplomat said their businesspeople would get more interested to invest in Bangladesh if the government makes the taxation system easier and improves infrastructure, especially in energy sector.

He said Thai investors were keen on investing, particularly in the food processing sector, as Thai food products were very popular here.

Thai food and cosmetic exporters have to pay 100 to 200 percent in customs duty, said Dangboonrueng, describing the high duty as a challenge for Thailand to boost exports to Bangladesh.

Besides, local consumers love Thai products, according to the diplomat.

Thailand exported products worth \$1.1 billion to Bangladesh in 2018 while importing that worth \$600 million.

He said exports of Thailand to Bangladesh declined 4 percent last year, as Bangladesh imposed additional import duty on beauty and cosmetic products.

In 2017, Bangladesh imported products worth \$1.2 billion in the previous year against exports of only \$61 million. Garment exports fetched \$35 million for Bangladesh last year.



Rahel Ahmed, CEO of Prime Bank, poses with the bank's officials at its Wholesale Banking Offsite 2019 at The Palace Luxury Resort in Habiganj recently.

Lazada, Mastercard to empower Southeast Asian e-commerce

STAR BUSINESS DESK

Leading online shopping platform Lazada and Mastercard have recently announced a five-year partnership to develop Southeast Asia's e-commerce ecosystem, delivering the best offerings to the region's brands and sellers.

The partnership will enable Mastercard to reach new audiences with Lazada's network of users, including those in developing markets, said the multinational financial services corporation in a statement yesterday.

The duo will develop joint market-

ing and education campaigns to increase consumer confidence as well as reward schemes to incentivise the use of digital payments.

The partnership will also enable Lazada to access Mastercard's regional and global sponsorship platforms to create unique promotions.

Mastercard's data-driven insights will combine offline and online behaviours to help Lazada understand how to drive greater e-commerce growth within the growing base of internet-savvy, mobile consumers. Lazada will be the anchor merchant for new Mastercard solutions in select

markets.

"This partnership allows merchants to leverage Mastercard's data and insights to better reach out to and engage with their consumers," said Mary Zhou, chief marketing officer of Lazada Group.

"Our partnership with Lazada builds open marketplaces and advances digital democratisation, bringing more to buyers and sellers in the region," said Rama Sridhar, executive vice president of digital and emerging partnerships and new payment flows for Asia Pacific at Mastercard.

Italy signs deals worth 2.5b euros with China

REUTERS

Italy signed a preliminary accord with China on Saturday that makes it the first country of the Group of Seven industrialised nation to join the Chinese Belt and Road infrastructure project.

Around 30 parallel deals were signed on the sidelines of the visit to Rome by Chinese President Xi Jinping, including 10 with Italian companies and others with ministries and public bodies.

Italian Deputy Prime Minister Luigi Di Maio said the deals were worth an initial 2.5 billion euros (\$2.8 billion) but had a potential value of 20 billion.

Here are details of some of the accords. Italy's state lender Cassa di Risparmio di Firenze (CRF) signed an agreement with Bank of China to let it sell "Panda" bonds - debt sold by foreign entities to investors in mainland China.

CRF said it will issue bonds worth 5 billion renminbi (\$744.5 million). CRF and Bank of China will also co-finance Italian companies for 4 billion renminbi. A CRF official told Reuters on Friday that the first tranche of Panda bonds will be issued in the coming weeks.

CRF and Italian gas company Snam have signed a memorandum of understanding with the Chinese Silk Road fund (SRF) for cooperation on international investments in China and in the about 120 countries that have already signed up for the Belt and Road Initiative (BRI).

Snam and SRF said they will consider possible cooperation in the natural gas sector — pipelines, storage facilities, LNG infrastructure and biomethane plants.

Italian metals company Danieli has signed a deal to build part of a steel plant in China that will then be transferred to Azerbaijan.

China Communications Construction Company (CCCC) has signed two cooperation agreements with the authorities of Trieste's port and with the commissioner supervising the reconstruction of the bridge of Genoa that collapsed last year.

Ansaldo Energia said it signed a deal with China United Gas Turbine Company (UGTC) for technology cooperation in the field of heavy duty gas turbines.

Ansaldo Energia has also been awarded a contract worth approximately 25 million euros to supply a AE94.2K gas turbine and syngas compressor train for Bengang combined cycle power plant, located in Benxi in the northeast China.

China's e-commerce group Suning, top shareholder of Italian Serie A soccer team Inter Milan, announced a deal with the Italian Trade Agency to boost Made-in-Italy exports to China.

Intesa Sanpaolo has signed a MoU with the Chinese city of Chindao to develop wealth management services for local clients through a wholly-owned company called Yi Tsai. Intesa aimed to sell its own financial products in Chindao in the near future, Intesa CEO Carlo Messina said.

Indian state open for talks with Uber rival Ola over ban

REUTERS, Bengaluru

The southern Indian state of Karnataka kept the door open on Saturday to talks with local ride-hailing service Ola to avoid a ban that could help rival Uber build market share.

Karnataka earlier this week issued a notice to suspend Ola's license for

six months for violating government rules by running motorcycle taxis which are not allowed for safety reasons. State capital and technology hub Bengaluru is among Ola's top three markets in India.

VP Ikkeri, state commissioner for transport and road safety, told reporters the department had seized

and issued fines for about 258 bikes during a probe after complaints.

Ola's permit, obtained in 2017 and valid to 2021, allows it to run three and four-wheeler taxis in Karnataka. The company, backed by SoftBank Group Corp and Tencent Holdings Ltd, has until Monday to respond to the suspension notice.

Cut corporate tax

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"Revenue collection will increase in the long-run because of increased investment following a rate cut," he said, while advising the National Board of Revenue to take up a five-year plan to bring down corporate tax rates gradually.

For individual taxpayers, the ICAB recommended the tax authority impose 5 percent tax on the second slab of income instead of 10 percent at present.

It suggested 25 percent tax as the highest rate for individual taxpayers instead of 30 percent.

The ICAB also suggested simplifying the tax return form and offering 15 percent tax rebate on 25 percent of income so that individual taxpay-

ers can calculate tax rebates easily.

Instead of increasing the tax burden on existing taxpayers, it is important to increase revenue through widening the tax net, it said.

Only 16 lakh out of Bangladesh's total population of 16 crore pay income tax, Nesaruddin said.

"It is essential to increase the number of taxpayers and the amount of income tax as we head towards becoming a middle-income country."

He suggested digitalisation of the revenue administration, saying the scope of tax evasion is low in digital era.

"Tax reform is the need of the hour," he said, adding that there is fear among people about the tax administration.

Subsequently, it is necessary for

the government to take steps to increase transparency, modernise tax administration and reduce the hassle of taxpayers.

Citing the value added tax (VAT) law framed in 2012, he said a large number of firms are yet to register online for the Business Identification Number.

Ensuring their registration and encouraging them to submit returns are imperative, Nesaruddin added.

The contribution of micro and small businesses is huge, the ICAB said, while suggesting an increase in tax-free turnover limit for them to Tk 48 lakh from existing Tk 36 lakh.

Snehashis Barua, a member of the taxation and corporate laws committee of the ICAB, also spoke.



AF Nesaruddin, third from left, president of the Institute of Chartered Accountants of Bangladesh, speaks at a press conference on thoughts of chartered accountants on the upcoming budget at the CA Bhavan in the capital yesterday. Story on B1

DSE loses Tk 8,856cr in two months

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Alltex Industries was the day's best performer posting 9.82 percent gain, while Bank Asia was the worst loser, shedding 10.52 percent.

Chittagong stocks also fell, with the bourse's benchmark index, CSCX, declining 134.56 points, or 1.29 percent, to close at 10,235.88.

Losers beat gainers as 150 declined and 61 advanced, while 35 finished unchanged on the Chittagong Stock Exchange. The port city bourse traded 35.08 lakh shares and mutual fund units worth Tk 10.49 crore.

Sales pick up on economic boom

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However, there is a severe lack of quality commercial vehicles, leading to road accidents and disrupting economic activities.

"There are decades-old commercial vehicles plying on the roads and substandard engine. We need commercial vehicles that can contribute to the economy by efficiently carrying goods," Islam said.

Ahmad of Nitol Tata says the demand for commercial vehicles would keep growing as vehicles are needed to move goods and facilitate people's movement.

Nitol Tata is setting up a commercial vehicle manufacturing plant at the Kishoreganj Economic Zone at a cost of Tk 350 crore to meet growing demand.

Private banks sweating out over deposits

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Husain said private banks were still struggling to mobilise deposits. As a result, the deposit rate increased to 9 percent in January, 9.5 percent in February and went past 10 percent in March, he said.

Deposits in the banking sector totalled Tk 1,115,356 crore in December, according to central bank data.

The excess liquidity fell 21.6 percent to Tk 76,393 crore in December from Tk 97,470 crore in June.

The call money rate rose to 4.53 percent in March from less than 4 percent at the beginning of December.

Rice output to rise, USDA forecasts

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The Department of Agricultural Extension (DAE) has targeted to bring 48.42 lakh hectares under rice coverage during the current boro season. The target has been met, as per a senior official of the DAE. Meanwhile, the USDA kept wheat import projection at 65 lakh tonnes for the current fiscal year.

However, the agency revised down wheat production to 9.50 lakh tonnes amid falling plantation because of wheat blast panic and changing weather conditions from a long to short winter period.

Another key reason to switch from wheat is opportunities to cultivate alternative profitable crops such as maize, it said.