



Shamsur Rahman, chairman of Reliance Insurance, presides over the company's 31st annual general meeting at Lakeshore Hotel in Dhaka yesterday. The company approved 10 percent stock and 15 percent cash dividends for 2018. The meeting elected Shahnaz Rahman and Habibullah Khan as chairman and vice chairman respectively.

## How Europe is faring on renewable energy targets

AFP, Paris

The European Union's use of renewable energy -- such as hydropower, wind and solar -- reached 17.5 percent in 2017, keeping it on track for a target of 20 percent by 2020.

Each member state has its own renewable energy goal, based on its situation and potential, ranging from 10 to 49 percent.

While 11 countries in the bloc have already surpassed their targets, others are lagging behind, according to EU statistics authority Eurostat.

With the target for 2030 at 32 percent, Eurostat says: "While the EU as a whole is on course to meet its 2020 targets, some member states will need to make addi-

tional efforts to meet their obligations."

Europe's renewable energy leaders are Nordic countries: Sweden, Finland and Denmark. Since 2012 more than half of the total energy consumed in Sweden has come from renewable sources, according to the International Energy Agency.

This is due in large part to hydroelectric power, which provides more than 40 percent of the country's electricity output. Swedes heat themselves mainly with biofuels.

Denmark -- a small, flat country long dependent on energy imports -- now gets 43 percent of its electricity from wind power after investment starting in the late 1970s when it began phasing out coal plants.

Luxembourg and the Netherlands are

the EU countries with the lowest consumption of renewables, reaching 6.4 percent and 6.6 percent respectively.

Despite its investment in offshore wind farms, the Netherlands is the furthest from reaching its targets. Yet, with a part of the country lying below sea level, it is particularly vulnerable to the consequences of climate change.

In 2015 the Netherlands was one of the first countries to rule on a climate case, with a court ordering the state to reduce national greenhouse gas emissions by at least 25 percent by 2020.

Inspired by the Dutch decision, four environmental NGOs in March sued the French government for failing to uphold its commitments on fighting climate change.

In 2017 France reached 16.3 percent of energy consumption from renewables, compared to its 23 percent target for 2020.

Wood and hydropower are the main sources of green energy in France, ahead of biofuels.

France has long preferred investment in nuclear power, from which it gets more than 70 percent of its electricity.

The government has committed to closing 14 nuclear reactors by 2035 and shutting down four still-active coal power plants by 2022, on condition that it can guarantee secure electricity supplies.

Germany's renewable energy, which comes mainly from wind and solar power, reached just 15.5 percent in 2017, while its 2020 objective is set at 18 percent.

## Japanese firms bullish on Bangladesh

FROM PAGE B1

Many Japanese companies, especially the consumer and food processing companies, have been conducting feasibility studies in Bangladesh to grab the consumer market of 170 million, said Arai, who is also the country representative of Jetro in Bangladesh.

For example, Bangladesh is a very big market for diapers as the demand for the product is growing with urbanisation.

Although some local companies are manufacturing diapers, 60 percent of the demand is still met through imports, he said. The problems listed by the Japanese companies in Bangladesh include inadequate logistics and infrastructure, difficulty in quality control and shortage of skilled manpower.

Bangladesh takes the second largest clearance time from the airport and seaway compared to other Asian nations. Currently, it takes 15.6 days to get clearance for sea freights and 7.9 days for air cargo.

Taiwan takes the lowest time at 5.2 days for seaways and Hong Kong and Macau for airways: 2.2 days, the survey said.

## Govt offers low-cost fund for safer RMG

FROM PAGE B1

The central bank will play the role of implementing agency for the fund, formed with soft loans from the Agence Française de Développement, which is a public financial institution that implements the policy defined by the French government.

Apart from the loan fund, an additional €14.29 million will be provided as grants to the successful garment factories and banks that disburse the loans properly.

European Union, Kreditanstalt für Wiederaufbau, Gesellschaft für Internationale Zusammenarbeit and the Bangladesh Bank will provide the fund as grant in the interest of the country's garment sector.

In fiscal 2017-18, garment exports fetched \$36.66 billion, according to data from the Export Promotion Bureau.



Md Ali Reza Khan, managing director of Social Marketing Company (SMC), and Abdul Haque, managing director of SMC Enterprise, attend an "Annual Conference 2018" of SMC Pharmaceuticals in Dhaka yesterday.



Md Nazmul Hassan, chairman of Islami Bank Bangladesh, speaks at a discussion celebrating the bank's 36th founding anniversary at Islami Bank Tower in Dhaka on Thursday. Md Mahub ul Alam, CEO, was present.

## Lone packing film maker yearns for policy support

FROM PAGE B1

About 26,632 tonnes of the film were imported in 2017-18 while 34,244 tonnes and 26,037 tonnes in the previous respective years, according to data of the National Board of Revenue (NBR).

Md Mahmudul Hasan, the tariff commission's assistant chief, said the film was being imported through the misuse of bonded warehousing facility, leading to duty evasion and comparatively low prices of such films in the local market.

Bonded warehousing facility allows duty free import, albeit for the manufacture of products meant for export only.

Moreover, the import duty on the industry's raw materials ranges from 3 to 25 percent, meaning the industry in the end is not getting any protection, said Hasan while presenting a working paper.

From the film users' section, Mozaharul Haque Shahid, vice president of the Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association (BGAPMEA), was present in the hearing.

He said local production came to their

benefit. "But their price should be competitive," he said.

Bashir Uddin cited another reason for the low prices: foreign producers dumping the product in the local market.

"If the government imposes anti-dumping duty on it like many other countries and relaxes duty on raw materials, our price would also turn competitive," he said.

Mostafa Abid Khan, a commission member, said while they did want to give advantages to local producers, they were careful so as to not spoil the competitive pricing availed by local users.

"So the producer has to try other means of lessening the price," he said.

Jyotirmoy Dutta, the commission chairman, echoed the same, saying they always want to assist local industries without hampering other aspects so that more jobs could be created and foreign currency could be saved.

"But we have to think about it some more before taking any decision," he said.

Sheikh Abdul Mannan and Md Abu Raihan Alberuni, the commission members, also spoke.

## Businesses on same page with govt over VAT law

FROM PAGE B1

It was scheduled for implementation under an automated environment from 2015 but was deferred on several occasions, with the most recent being in 2017 -- just days before it was due to take effect on July 1.

The government postponed its implementation by two years amid pressure from a section of businesses and lobby groups.

The 15 percent standard rate would remain in sectors such as cigarette, telecom and gas, said NBR Chairman Md Mosharraf Hossain Bhuiyan after the meeting.

"We will fix the rates of VAT in the budget proposal. We have also hiked the threshold of VAT-free turnover ceiling and decided to rationalise the turnover tax," Bhuiyan said.

The VAT-free turnover limit would be increased to 50 lakh from existing Tk 36 lakh, said a senior NBR official.

The ceiling of turnover tax would be increased to Tk 3 crore from Tk 80 lakh, and the rate of turnover tax would be hiked to 5 percent from 3 percent at present, he added.

"All will have to pay VAT," Bhuiyan said, adding that the government would provide electronic fiscal device so that the VAT paid by customers come to the state coffers.

Meanwhile, the budget for fiscal 2019-20 will be placed in the parliament on June 13, Kamal said.

"There will be nothing in the coming budget that will affect businesses. This government in no way will question business by anti-corruption commission, customs and police. It will also not think of sending business to prison," the minister added.

## Gold seized a drop in ocean

FROM PAGE B1

Both sides are expected to discuss measures to: curb smuggling of gold and fake currency, establish hotlines, share secret information, conduct surveillance on the movement of passengers and strengthen the monitoring of trade consignments to rein in duty evasion.

The meeting takes place at a time when customs detectives frequently seize smuggled gold and other items and many officials believe that Bangladesh is used as a route to smuggle the bullion to India.

The DG level talks is going to lay a foundation for an institutional mechanism to work together to prevent smuggling and eliminate bad people to increase formal trade for the betterment of the economy, Dash said.

"The basic idea of this meeting is to ensure that we both work together in the common interest."

In response to a question, Dash said the smuggling of cattle has been under control after India's Supreme Court directed that cows should be handed over to cow shelters.

At the opening session, he said India and Bangladesh share more than 4,000 kilometres of borders, so it becomes quite necessary for both the countries to hold talks to check illegal cross-border activities.

"The possibility of smuggling is always

there in a situation when the volume of trade is huge and the border is long and porous."

Bilateral trade between Bangladesh and India is \$10 billion and it is growing.

In fiscal 2017-18, India's export to Bangladesh rose 26 percent year-on-year to \$8.61 billion. "At the same time smuggling is going on."

He said they have seized gold, fake Indian currency notes, wild life items and commercial items coming through Bangladesh, Myanmar, Nepal and Bhutan.

Smuggling cannot be prevented single-handedly without cooperation and support from enforcement agencies across the borders.

"By way of curbing smuggling activity, we are in a way facilitating genuine trade as well. It is in the interest of both the countries to work together to curb the menace of smuggling," Dash added.

The exchange of information and documents between customs of two countries is highly required, said Khondaker Muhammad Aminur Rahman, NBR Member of Customs Modernisation and International Trade.

Trade in South Asia is very low compared to the world, he said, while calling for measures to boost intra-regional trade to accelerate economic growth.



Nasir A Choudhury, chairman of Delta Brac Housing Finance Corporation, presides over the company's 23rd annual general meeting at Delta Life Conference Hall in Dhaka yesterday. The company approved 25 percent cash and 10 percent stock dividends for the year ending on December 31, 2018. QM Shariful Ala, CEO, was present.



AKM Shaheed Reza, chairman of Mercantile Bank, hands over a cheque worth Tk 10 lakh to Subarna Chakma, chairperson of the Society for the Welfare of Autistic Children, as a donation to the society as part of the bank's corporate social responsibility at the bank's head office yesterday.