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Fastest in Asia-Pacific Bangladesh to log fastest economic growth in the region next year: ADB



Manmohan Parkash, country director of the ADB, speaks at the unveiling of the Asian Development Outlook 2019 at his office in Dhaka yesterday.

STAR BUSINESS REPORT
 Bangladesh is on track to log in the fastest economic growth in the Asia-Pacific region in fiscal 2019-20, said the Asian Development Bank in its latest report -- in a resounding endorsement of the government's economic policymaking.
 The economy is expected to grow at 8 percent next fiscal year, which is the same as this year, said the Manila-based lender

in the latest edition of its flagship publication, Asian Development Outlook 2019.
 Earlier in September last year, the ADB had forecasted that the GDP growth in 2018-19 would be 7.5 percent.
 But thanks to the robust private consumption, increased public investment, strong export performance and expansion in industries the ADB has revised upwards its growth forecast by 50 basis points.
 The higher forecast though is less than the government's own forecast of 8.13 percent.
 "Bangladesh's economy is in a good shape," said Manmohan Parkash, country director of the ADB, at the unveiling of the report at its Dhaka office in Agargaon.

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Banks donate Tk 30cr for Chawkbazar fire victims

STAR BUSINESS REPORT

Private banks have donated Tk 30 crore to the Prime Minister's Relief and Welfare Fund as assistance for the people who were affected by the recent fire in Churihatta in Old Dhaka's Chawkbazar.
 The top brass of all the private commercial banks handed over cheques separately to Prime Minister Sheikh Hasina at an event at the Gono Bhaban in Dhaka on Tuesday.
 The banks that donated the money include Bank Asia, City Bank, IBBL, Mercantile, Mutual Trust, NCC, NRB, NRB Global, NRBC, One, Prime, Pubali, SIBL, UCB and Uttara.

Of the 40 private banks, nine new banks donated Tk 25 lakh each, while the rest except ICB Islamic Bank contributed Tk 1 crore each. A devastating fire broke out at Old Dhaka's Chawkbazar on February 20, killing 70 people.
 Speaking on the occasion, the prime minister asked the directors of the banks to bring down the lending rate to single-digit, according to a meeting source.

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Telcos fall short of 4G speed promise

Poor service quality also noted in BTRC survey

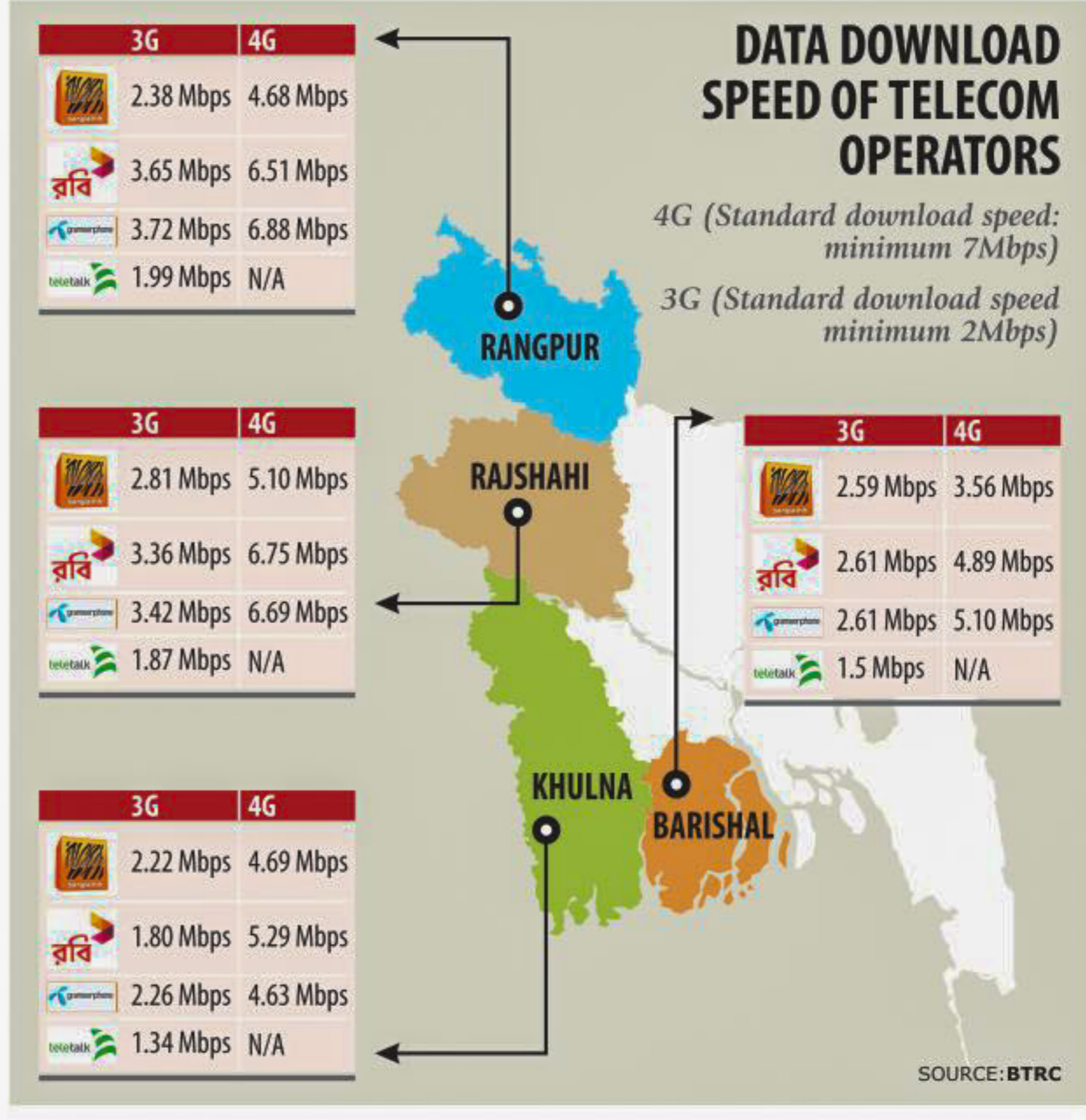
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None of the mobile operators can maintain the required 4G speed of 7 megabytes per second in any of the four divisions of Khulna, Rajshahi, Barishal and Rangpur, the telecom regulator found in a recent speed test.
 And in some cases, the operators are offering half the threshold speed in the name of 4G within the big cities, according to Bangladesh Telecommunication Regulatory Commission (BTRC).
 "This is a horrible situation and we need to be strict on the service quality," BTRC Chairman Md Jahurul Haque told The Daily Star yesterday.

There are provisions in the law to punish the mobile operators for misleading customers, he said.
 Mobile operators, however, disputed the findings of the speed test, saying their actual speed is much higher than what is mentioned in the report.

"Everybody needs to bear in mind that a drive test doesn't give a definitive picture of the overall state of quality of service -- it only gives an indication of a service at a specific time at a specific place," said Shahed Alam, head of corporate and regulatory affairs at Robi.
 The operator itself conducts similar drive tests regularly to assess its service quality.

"Since the regulator hadn't shared the detailed data of the drive test, it is difficult for us to make a conclusion on our service quality based on their test results," he added.
 Another top official of a mobile operator upon condition of anonymity said



the carrier uses the latest world-class telecom equipment but its service quality is compromised by sub-par transmission network, which is out of its hands.
 At the same time, there is a scarcity of spectrum as the government fixed such a high price for it.
 "These two are the lifelines for telecom service anywhere and if government fails to understand the eco-
 system the service will never improve," he added.
 Before the finalisation of the quality of service requirement, all the operators informed the BTRC that the speed of a particular technology cannot be guaranteed in a wireless environment, said Taimur Rahman, chief corporate and regulatory affairs officer of Banglalink.
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Puma enters Bangladesh Global sportswear brand's first store to open on Apr 7

REFAYET ULLAH MIRDHA

German sportswear giant Puma has set foot in Bangladesh, with its first store to open next week -- as the country's sizeable and upwardly mobile middle-class and youth population continues to catch the attention of global brands.

Puma's first store will be on Banani 11 and it will open its doors to the public on April 7, said MA Jabbar, the local franchisee of Puma.

"All the clothing items would be brought in from Germany as the country is not yet capable of manufacturing high-end stuff," said Jabbar, also the managing director of DBL Group, which exported garment items worth \$400 million last fiscal year.

The entrepreneur has plans to take the Puma brand to Chittagong and other divisional cities and open more stores in Dhaka. He, however, declined to give any numbers behind the venture.

"Bangladesh has a good quantity of youth population and a lot of them can afford to buy those expensive fashionable items."

The economy has been growing at more than 7.5 percent over the last four years and it is expected to cross 8 percent this fiscal year. The domestic apparel market size is nearly \$12 billion, according to local researchers.

BGMEA starts shifting to Uttara premises Apr 11

PM inaugurated the complex yesterday

STAR BUSINESS REPORT

Following a long court battle, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) will finally start shifting from its Hatirjheel premises to a new building complex at Uttara in Dhaka from April 11.

Prime Minister Sheikh Hasina inaugurated the complex through a video conference from Gono Bhaban in Dhaka yesterday.

"Officially we start using our new office at Sector 17 from April 11. However, practically we will start from April 15 as there are some holidays up to April 14," said Siddiqur Rahman, president of the BGMEA.

So far, the first six floors have been constructed of the 15-storey building

The total construction cost of the new building, including the land price, is Tk 250cr

having two basements and situated on 110 kathas of land, Rahman said, adding that some of the new floors would now be used temporarily.
 The association paid the govern-

ment Tk 11 crore for the Uttara land, half the original price as determined by the state. The construction cost and the land price will reach a total of Tk 250 crore, he said.

"We have also sold out all the space of the new building at the rate of Tk 10,000 per square foot," said Rahman.
 The BGMEA started construction of the new site from October 2017 upon a court verdict for demolition of the current one in Hatirjheel.

The BGMEA has been in the Hatirjheel building for 13 years, said Rahman, adding that no compensation was paid to those who had bought space in the building as it was not constructed on a legal site.
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Panic sales push DSE to 3-month low

STAR BUSINESS REPORT

Dhaka stocks hit a three-month low yesterday as investors went for a sell-off after panicking on a recent government stance on leading telecom operator Grameenphone and a rumour involving stock investors.

The government's order for Grameenphone to clear Tk 12,579.95 crore of its dues came at a time when rumours spread that every stock investor should have tax identification number (TIN) from now on.

Actually the news was baseless, said Khairul Bashar Abu Taher Mohammed, secretary general of Bangladesh Merchant Bankers' Association.

The share price of Grameenphone fell sharply when the government through a notice on Tuesday gave the leading operator two weeks' time to clear the dues, he said.
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NEWSIN
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Quasem Industries' business halts for FR Tower fire

Quasem Industries is currently unable to carry out business transaction and regular activities because of the recent fire at its head office at the FR Tower in Dhaka.

The company informed investors about the development through a posting on the Dhaka Stock Exchange's website yesterday. The company will notify the investors once the operation of the head office is restored. Its stocks rose 2.67 percent on the day.

IDLC's Tk 255cr zero coupon bond gets nod

The Bangladesh Securities and Exchange Commission (BSEC) has approved a proposal of IDLC Finance, which is seeking to raise Tk 255 crore by issuing non-convertible zero coupon bond.

The tenure of the fully redeemable, unsecured, and non-listed bond will be seven years. The proceeds will be used to strengthen the non-bank's liquidity situation. The offer price will be Tk 10 lakh per unit.

Compliant tanners to boost exports: expert

STAR BUSINESS REPORT

Bangladesh has the potential to expand its share of leather and leather products in the lucrative global market if it can make its tanneries fully compliant with international standards, opined an expert and a labour leader yesterday.

Professor M Abu Eusuf of development studies department at the University of Dhaka said China was increasingly moving towards high-end markets of leather and related goods including footwear.

"This has created opportunities for countries like Bangladesh. But we will have to be fully compliant," he said.

Abul Kalam Azad, president of Tannery Workers' Union, said the sector would not be able to sustain its progress if it was not compliant. "It has immense potential and can be a much bigger export earner," he said.

Both were addressing a dialogue on the tannery sector in Bangladesh organised by The Asia

Foundation at The Daily Star Centre in Dhaka.

Leather is the second largest earner of foreign currency through exports after garments, fetching

\$1.09 billion last fiscal year.



A visitor takes a look at a leather bag at the National Industrial Fair at the Bangabandhu International Conference Center in Dhaka yesterday.

In a presentation, Prof Eusuf said the leather sector had the advantages to leverage a secure supply of raw hides and skins

locally and to gain from a higher value addition by making products from processed leather.

He also talked about the current situation at an industrial



PALASH KHAN

estate for tannery in Savar where most of the 155 tanners from the capital have moved and where many have gone into production.

Discussing the current scenario of environmental compliance, Prof Eusuf said the capacity of the central effluent treatment plant (CETP) in the estate was insufficient.

He said solid waste was not treated properly, sludge was not properly managed, the dumping yard was open and poorly managed and the drainage system required more maintenance.

The capacity and functioning of the CETP is under question and it was not accredited as being environmentally compliant by any agency, according to the economist.

He said the civil engineering part had broadly been alright but mechanical and electric equipment supplied to the CETP were of low quality.

Pipelines and motors used in the CETP are not capable of taking the load of the peak season, said Prof Eusuf.

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