

BANK ASIA

Md Arfan Ali, president and managing director of Bank Asia, opens the bank's "Central Foreign Exchange Reporting Hub" at Bank Asia Bhaban, its Chattogram zonal office. The hub will ensure specialised customer services and automated reporting of foreign trade related transactions.

# FedEx sues US government over shipment restrictions

government on Monday, saying Washington's with" US laws. restrictions on exports and imports due to growing trade disputes and sanctions created an "impossible burden" for delivery firms.

The announcement of the lawsuit comes as Beijing and Washington face off in a trade war that has seen both sides exchange steep tariffs on hundreds of billions in exports.

The US has also sought to bar Chinese telecom giant Huawei from the American market and limit its ability to purchase US technology.

A statement by the delivery firm said the restrictions placed "an unreasonable burden on FedEx to police the millions of shipments that transit our network every day" or face heavy fines.

The company said it was impossible for

employees to determine "the origin and of them... we can be fined \$250,000 per piece." technological make-up of contents of all the American logistics giant FedEx sued the US shipments it handles and whether they comply package to the US that contained a Huawei

> The statement was released hours after China called on FedEx to explain why a parcel from Huawei to the US went undelivered, in the second spat between the two companies in less than a month.

> FedEx CEO Fred Smith told US broadcaster Fox News that "Huawei is just emblematic of this problem," referring to what he described as the "confusing situations" that can emerge when employees sought to comply with the restrictions.

"Under the Department of Commerce's regulations, we are expected to be the policeman for these export and import controls," he said.

"Despite the fact that we handle 15 million shipments a day, if we make an error on any one

IT publication PC Mag said on Friday a FedEx phone was returned to the UK.

An accompanying note explained a US government "issue" with China prevented the delivery. FedEx apologized for the incident. "The package in question was mistakenly

returned to the shipper and we apologize for this operational error," the company said in a statement. The US logistics group is already under investigation in China for failing to deliver some of Huawei's parcels, with the Chinese company saying it would review its ties to FedEx.

Shortly after Smith's interview, Commerce Secretary Wilbur Ross told Fox News that "the regulation states that common carriers cannot knowingly ship items in contravention of the entity list or other export control authorities."

# Trump 'comfortable with any outcome' from pivotal Xi talks

US President Donald Trump views this week's meeting with Chinese President Xi Jinping as a chance to see where Beijing stands on the two countries' trade war, and is "comfortable with any outcome" from the talks, a senior US official said on Monday.

The much-anticipated meeting at the G20 summit in Japan will be the first faceto-face meeting for the leaders since trade talks broke off in May, leading to a hike in has changed," a second official said. US tariffs on imports of Chinese goods.

waged an 11-month trade war marked by tit-for-tat tariffs on hundreds of billions of dollars of each others' goods, roiling financial markets, disrupting supply chains and crimping global economic growth prospects.

The senior administration official, speaking to reporters on condition of anonymity, declined to give details about plans for the meeting, other than to say it would likely happen on the second day of the Friday-Saturday summit in Osaka.

"It's really just an opportunity for the president to maintain his engagement as he has very closely with his Chinese counterpart. Even as trade frictions persist, he's got the opportunity to see where the Chinese side is since the talks last left off," the official said.

"The president is quite comfortable with any outcome," the official added.

The Trump administration has accused China of failing to protect intellectual property, forcing US companies to transfer technology to Chinese partners and failing to provide a level playing field for US companies.

Talks between the United States and China broke down in May after the US side accused China of backing away from previously agreed commitments.

The senior administration official declined to say whether the meeting was seen as a chance to restart talks or achieve a more formal agreement.

"The president has been quite clear that he needs to see structural real reform in China across a number of issues and a number of sectors, and nothing about that

"The fact that talks broke down in May The United States and China have hasn't changed that as the ultimate goal," the official said.

> Trump, who is known for preferring one-on-one meetings to multilateral talks, will meet separately with at least eight world leaders while he is at the summit, the first official said.

> He plans to meet Russian President Vladimir Putin, Saudi Crown Prince Mohammed bin Salman and Turkish President Tayyip Erdogan, the official said, declining to give details of the dates and times because Trump's schedule was still in flux.

> Trump will also meet with German Chancellor Angela Merkel, Indian Prime Minister Narendra Modi, Australian Prime Minister Scott Morrison and Japanese Prime Minister Shinzo Abe, who is hosting the summit, the official told reporters on a conference call, noting additional bilateral meetings could still be announced.

> Trump wants to talk to partners and allies to get their support for his Iran sanctions program and to talk about how to encourage Iran to enter into diplomatic negotiations after Tehran shot down an unmanned American drone last week, a third official said.



Iftekhar Ahmad, president of Bangladesh Forum Qatar, speaks at a press conference at The Daily Star Centre in

Dhaka to announce holding a three-day exhibition in Doha from December 10. Story on B1

#### Explore business in Qatar: NRBs FROM PAGE B1 to Qatar's economy, providing a niche Bangladesh currently exports only a

Leading Bangladeshi companies focusing agriculture, battery, cement, ceramic, fashion, fintech, fisheries and meat, food and beverage, furniture, leather, pharmaceutical, plastic, real estate, school, hospital, clinic, shipbuilding, textile, toiletries and wire and cable are scheduled to participate.

Qatar is one of the world's richest countries in terms of per capita GDP and imported about \$27 billion worth of products and services in 2017, said "Also, around 400,000 non-

resident Bangladeshis are contributing

market," she said.

BFQ, said the exhibition would provide Bangladeshi companies the opportunity to have business-to-business meetings with their Qatari counterparts and enable partnership contracts. "It is a high time for Bangladeshi

business communities to tap into the vast opportunities in the Gulf region starting with Qatar," said Iftekhar Ahmad, the forum president.

"It will not only strengthen the Bangladesh-Qatar economic relationship but also turn Qatar into a partner of Bangladesh," he added.

few million dollars-worth goods and Yusuf Saeed, vice president of the services to Qatar but has immense potential to export products which have already gained popularity across the world, he added.

Jaafar Ali Al-Sarraf, general manager of Gulf Exchange Company, Qatar, said Bangladeshi companies not only have the opportunity to export to Qatar but also set up joint venture firms. "Qatar welcomes Bangladeshi

businesses to explore it," said the businessperson. Mir Monirul Huda, the forum's founding member, also spoke.

### Gold fair fetches Tk 175cr in tax Central bankers weigh

Budget announcement causes price hike: survey

youth

highly

Standard Bank Limited

socio-economic Enterprise (iSocial).

The bank approved 10 percent stock dividend for 2018. Mamun-Ur-Rashid, CEO, was present.

added.

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wellbeing.

beneficial,

For cut and polished diamond, the rate will be Tk 6,000 per carat. In case of silver, jewellers will have to pay Tk 50 a bhori, according to a notification of the NBR in May. Anyone with trade licence, VAT

registration and taxpayers identification number will get the scope to declare their undisclosed gold to taxmen. In November last year, the government

framed gold policy in order to clean the gold trade, make import and export easier, stop smuggling and ensure transparency in the trade. The policy came in the face of demand

volume of gold from Apan Jewellers for failure to show valid documents in favour of the precious metal.

from jewellers after the Customs Intelligence

and Investigation Directorate seized huge

Bangladesh's annual demand for gold also spoke at the closing ceremony.

The allowances meet crucial daily

household needs and medical expenses

and preserve social respect and mental

On the disaster preparedness and

mechanisms in marginalised households, the

survey found that over half the households

that went through disaster situations were

compelled to use savings. Almost all of the

increasing initiatives and subsidies

employment, said Atiur Rahman, former

Most of the respondents called for

remaining had to borrow to survive.

in education, healthcare and

governor of the Bangladesh Bank.

Pension schemes are also

boosting

and almost 80 percent of it is met through illegal imports as traders shy away from importing the precious metal owing to complexities in the procedure.

Like Apan Jewellers, almost all jewellers have gold in stock but they cannot show it in their income tax returns because they do not disclose where the bullion came from, according to taxmen.

In order to encourage the formal import of gold, the NBR has cut the duty on the metal under the baggage rule.

A traveller will be able to bring 234 grams of gold bars or bullions upon payment of Tk 2,000 for each 11.664 grams (one bhori or tola) from fiscal 2019-20, down from Tk 3,000 at present.

Commerce Minister Tipu Munshi and Bajus President Ganga Charan Malakar

development for all, including garment

workers who face difficulties on suddenly

losing their jobs in their middle age, he

poor is very slow, leading to increase in

inequalities, said Nazneen Ahmed, senior

research fellow at the Bangladesh Institute

Close monitoring mechanisms were

The allowances must also reach the

required on utilisation of allocations and

on ensuring that social security services

reach the right people, said KAM Morshed,

target people on time, said Ananya Raihan,

chief executive officer of Infolady Social

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of Development Studies.

a Brac director.

The pace of development for the

# ranges between 20 tonnes and 40 tonnes up Facebook's Libra plan

REUTERS

A senior member of the Swiss National Bank said he was open-minded about Facebook's cryptocurrency project, while an Italian official looked for more information as central bankers try to get to grips with the initiative. Facebook revealed plans last week to launch Libra,

the latest development in its effort to expand beyond social networking and move into e-commerce and global

#### Workers to get paid digitally soon: BGMEA

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Shwapna Bhowmick, country manager of Marks & Spencer (M&S) for Bangladesh and Myanmar, said some 50,000 workers in the various factories from which the British retailer sources are paid digitally.

Since 2007, the M&S affiliated factories have been paying their workers through the digital platform, which have helped cut operational costs by 3 percent in a year.

"We have a target to bring all the affiliated factories under the digital payment system gradually. We have to make the garment sector of Bangladesh sustainable as it is a very important source for us," she added.

M&S gets nearly \$1 billion worth of garment products in a year from Bangladesh, which is about 40 percent of the company's total sourcing.

There is a stark gender gap in access to financial services in Bangladesh, where only 36 percent of women have a formal bank account compared to 65 percent of men, according to the IFC.

However, about 90 percent of the factories pay their workers in cash, which is a missed opportunity for both the financial and garment sectors, said Ananya Wahid Kader, senior financial sector specialist of the IFC.

Through the IFC's initiative, over 70,000 female workers benefitted from digital wage payments to their mobile financial service accounts between 2016 and 2018, and they can now use their accounts to send money, build savings and make payments securely.



Md Alamgir, managing director of Hotels International, the owning company of Pan Pacific Sonargaon Dhaka, opens a new entrance of the hotel on the end of the nowdefunct BGMEA building recently.

## Tax measures to hit steel industry, consumers hard

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He alleged that the National Board of from Tk 450 per tonne; fixed VAT on rod Revenue (NBR) assured the association during pre-budget discussions that it would not impose any additional tax next fiscal Still, the NBR imposed the tax and VAT,

he said. Zahir H Chowdhury, vice-president of

the association, said the proposed income tax would be collected as minimum tax. He said tax never boosts turnover -

rather it was the other way around. So, the government should not impose advance The steel millers recommended the

government increase the total VAT on rods to Tk 2,250 from Tk 1,400 per tonne to keep its price within customers' purchasing capacity. Still, the increase will be 61 percent. If the proposed VAT and other taxes

are implemented, it would directly and indirectly hurt 3,600 sub-sectors allied with the steel sector. The association itself recommended

raising VAT and taxes. It proposed

increasing VAT on billet sales to Tk 750 sales by manufacturers to Tk 750 from Tk 450; VAT on scrap sales to Tk 450 from Tk 300; and VAT on retail sales to Tk 300 from Tk 200.

The BSMA demanded withdrawal of AT on import stage.

On the tax measures, the association said the advance income tax should be fixed at Tk 300 per tonne and the tax at source should be adjustable.

Bangladesh's steel consumption rose more than three times in the last one decade on the back of economic activities, urbanisation and a host of underconstruction major infrastructure projects. It was 16 lakh tonnes in 2008 and now stands

at 55 lakh tonnes. Mohammed Shahidullah, secretarygeneral of the BSMA, Md Mahbubur Rashid Jewel, chairman of Julfikar Steel Re-Rolling Mills, and AA Mohammad Hossain Khokon, general secretary of the Bangladesh MS Rod & Steel Malik Samity, also spoke at the programme.

### e-CAB expects VAT exemption for 5 years

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priyoshop.com, echoed the same. doing business but also trying to establish an ecosystem that would digitalise all stakeholders and ensure transparency. "The Akter Nisha also spoke.

government should promote e-commerce Ashikul Alam Khan, chief executive of to ensure transparency as well," he added.

The top brass of the leading e-commerce The e-commerce ventures are not only companies were present, while e-CAB leaders Mohammad Abdul Haque, Mohammad Sahab Uddin and Nasima

STANDARD BANK Kazi Akram Uddin Ahmed, chairman of Standard Bank, presides over its 20th annual general meeting at Police Convention Hall in Dhaka recently.