

Bata SHOE COMPANY (BANGLADESH) LIMITED
47TH ANNUAL GENERAL MEETING
 ৪৭^{তম} বার্ষিক সাধারণ সভা
 27TH JUNE 2019, TONGI, GAZIPUR



Chitpan Kanhasiri, vice chairman and managing director of Bata Shoe Company (Bangladesh), attends its 47th annual general meeting on its Tongi factory premises yesterday. The company approved a final dividend of 105 percent. With a 240 percent interim dividend already paid in January, the total cash dividend for 2018 amounts to 345 percent.

European car lobby cuts 2019 sales forecast to 1pc fall

REUTERS, Brussels
 Europe's automotive lobby on Thursday cut its forecast for passenger car registrations this year to a 1 percent fall from a 1 percent rise, blaming slower growth and business concerns over Britain's impending exit from the European Union.
 The European Automobile Manufacturers' Association (ACEA) said it now expected car sales in the European Union to just exceed 15 million this year.
 "It goes without saying that any additional barriers, costs or delays as a result of Brexit will pose a serious threat to jobs and growth in the auto industry, both in the UK as well as in the EU," ACEA Secretary General Erik

Jonnaert said in statement.
 "Aside from the uncertainty due to Brexit and changing macroeconomic conditions, this represents a natural stabilization of the market." In its industry guide published on Thursday, ACEA said production of vehicles in Europe dropped 0.2 percent from 2017 to 2018, amid a global decline of 0.6 percent.
 Production of passenger cars in the EU was down 1.4 percent in 2018 from the year before, it added.
 The bloc produces about a quarter of the world's passenger cars, led by Germany's strong auto manufacturing industry, employing some 13.8 million Europeans, according to ACEA.
 For the second year in a row, carbon dioxide emissions from new

passenger cars grew, rising 1.9 percent from the year before.
 Jonnaert said that put European carmakers at risk of not meeting the bloc's 2020 emissions reduction targets.
 "The prospect of fines for not reaching the 2020 CO2 target is to varying degree a serious concern for carmakers," he said, adding the increase was due partly to a rise in sales of higher-emitting petrol cars following a scandal over dieselpollution.
 The share of new diesel passenger cars has decreased since 2015, when Volkswagen admitted it had cheated US emissions tests by using software installed in as many as 11 million diesel vehicles sold worldwide.

To dodge trade war, Chinese exporters shift production to low-cost nations

REUTERS, Guangzhou
 Pressured by a labour crunch and rising wages in China, Shu Ke'an, whose company supplies bulletproof vests, rifle bags and other tactical gear to the United States, first considered shifting some production to Southeast Asia a few years ago, but nothing came of it.
 When trade tensions flared into a tariff war last year, however, it was the final straw. A day after US President Donald Trump imposed additional tariffs on \$200 billion of Chinese goods in September, Shu, 49, decided to start making vests for his US clients in Myanmar instead.
 Since then, the Trump administration has further hiked tariffs on Chinese imports, raising the US taxes on Shu's Guangzhou-made bulletproof vests to 42.6 percent.
 With more than half of his company's income reliant on orders from the United States, Shu was happy with his Myanmar decision.
 "The trade war was actually a blessing in disguise," he said.
 With Trump poised to slap 25 percent tariffs on another \$300 billion-plus of Chinese goods, no exporter in China will be unscathed.
 In recent years, some Chinese manufacturers had already started to relocate some of their capacity to countries such as Vietnam and Cambodia, due to high operating costs at home. The trade war is now pushing more to follow suit, especially makers of low-tech and low-value goods.
 A few Chinese exporters have also tried to dodge the trade war bullet by quietly transshipping via third countries.
 Nine months on, Shu's firm, Yakeda Tactical Gear Co, is relying on his new Myanmar factory, which

started operations in December, to produce new orders for its US clients.
 The 220 workers at his original Guangzhou plant, in China's Pearl River Delta manufacturing powerhouse, now mostly supply clients in the Middle East, Africa and Europe.
 In Yangon, meanwhile, Shu's Myanmar factory turns raw materials imported from China into backpacks, kit bags and pouches for rifles and pistols - all labelled "Made in Myanmar" - almost all of which are exported to the United States.
 "Our factory is receiving many orders. The products are being exported to the U.S. and Europe. So, I believe our future will be improved from working in this factory," said Marlar Cho, 36, a supervisor at the factory.
 The factory manager, 40-year-old Jiang Aoxiong from eastern China, said they were constantly rushing



Workers assemble products at a factory owned by Yakeda Outdoor Travel Products Co. LTD in Yangon, Myanmar.

to keep up with orders, despite its 600-strong workforce.
 Though international criticism of Myanmar's handling of the Rohingya crisis has crimped Western investment, the Southeast Asian nation has become the choice destination for some Chinese firms, drawn to its cheap and abundant labour.
 The former British colony, located on China's southwestern border, exports some 5,000 products to the United States duty-free under a U.S. trade programme for developing nations - another big plus.
 In the 12 months through April, approved Chinese projects increased by \$585 million, the latest data from Myanmar's Directorate of Investment and Company Administration shows.
 The infusion of Chinese capital has helped fuel expansion in Myanmar's fledgling industrial sector.
 In May, firms saw the fastest rise

in workforce numbers since 2015, while production scaled a 13-month high, the latest Nikkei Myanmar Manufacturing Purchasing Managers' Index survey showed.
 ACMEX Group, a tyre maker based in China's coastal Shandong province, already had some experience with offshoring when the trade war began.
 About two years ago, it started manufacturing some tyres in Vietnam, Thailand and Malaysia to take advantage of lower labour and raw material costs and avoid U.S. anti-dumping duties.
 With fresh tariffs in the trade war, the company plans to boost the proportion of tyres made abroad to 50 percent from 20 percent, and build its own factories instead of outsourcing to existing factories, Chairman Guan Zheng said.
 "The time is ripe now," he said, adding that supply chain infrastructure had improved.
 The experience of companies like ACMEX and Shu's Yakeda Tactical Gear underlines how the trade war has put Chinese exporters on the back foot, needing to either diversify their client base, increase domestic sales or move production to a third country.
 But all those options require time and money, which are not necessarily available to China's legion of small exporters grappling with thinning profit margins.
 Even locations such as Vietnam and the Philippines have grown too dear for some.
 While China has encouraged the relocation of some heavy industry overseas to ease overcapacity and support its ambitious Belt and Road infrastructure plan, Beijing is less supportive of a broader move to shift manufacturing offshore.



Tipu Munshi, commerce minister, speaks at a post-budget discussion organised by the Institute of Cost and Management Accountants of Bangladesh (ICMAB) on its premises in Dhaka on Wednesday. M Abul Kalam Mazumdar, president of the ICMAB, was present.



Sharifuzzaman Sarker, managing director of Brothers Furniture, opens a showroom on Abul Kashem Sarak in Satkhira recently.



Saif Rahman, a director of Seven Rings Cement, and Ding Jian Hua, representative of Bangladesh Citic Construction Engineering Material Co which is constructing a Khalishpur 330MW dual fuel combined cycle power plant, sign an agreement recently for the supply of the brand's cement.

Trade tensions put energy transition at risk: BP chairman

REUTERS, London
 Trade tensions risk throwing the global economy's transition to greener energy into disarray and could hurt energy companies' preparations towards it, BP Chairman Helge Lund said as leaders of the world's largest economies gather for talks in Japan.
 Lund, in his first interview since taking office in January, said BP would rather see a rapid, orderly phasing out of fossil fuels than a delayed and disorganised transition.
 The former chief executive of Norwegian oil group Equinor said BP as well as rivals such as Royal Dutch Shell and ExxonMobil would have a vital role to play to ensure a successful transition to low carbon economies.
 "It is better for us to see a path that goes rapidly," Lund said. "It will be very difficult for

the oil and gas companies but that is a better and a preferred solution than an uncontrolled sudden change maybe 10, 15 years into the future." London-based BP, like some of its peers, has taken steps towards meeting the 2015 Paris Climate Agreement to limit global warming, including setting targets to reduce carbon emissions from its operations, link them to managers' pay and ensure that investments are in line with the accords.
 But many investors say BP will have to do more, including tackling emissions from the fuels and products it sells to millions of customers daily, known as Scope 3 emissions, to prevent a catastrophic rise in global temperatures.
 Lund said however that such Scope 3 targets would tie BP's hands to make future investments, whether in renewable energy or oil and gas. He nevertheless said the company's thinking around

Scope 3 was likely "to evolve over time." BP has invested around \$500 million in renewable power, electric vehicle charging points and other low-carbon technologies over the past few years, a fraction of its annual spending that reached \$15 billion last year.
 And the pressure on companies and governments to do more to curb greenhouse gases is rising as carbon emission levels show no sign of decreasing.
 Investors managing more than \$34 trillion in assets, nearly half the world's invested capital, this week demanded urgent action from governments on climate change, piling pressure on leaders of the world's 20 biggest economies meeting this week.
 France has said it will not accept a final G20 communique that does not mention the Paris climate change agreement.



Md Nurun Newaz Salim, chairman of NCC Bank, opens its 117th branch at Hajirhat in Lakshmipur yesterday. Mosleh Uddin Ahmed, CEO, was present.



Md Anwarul Azim Arif, chairman of Social Islami Bank, opens a branch in Rangunia in Chattogram yesterday. Quazi Osman Ali, CEO, was present.