

Cargo handling at Dhaka airport rises 15pc

Say freight forwarders

STAR BUSINESS REPORT

The amount of cargo being handled by Bangladesh's premier airport has been increasing by 15 percent annually for the past few years coupled with the country's rising exports, said a high official of a top freight forwarders' platform yesterday.

"Sophisticated technology and equipment should be adopted for reaping the immense potential while money invested to ensure security," added Muammer Ahmad, director finance of Bangladesh Freight Forwarders Association. He was addressing a press conference at the closing day of their 46th executive council and annual general meeting at the Radisson hotel in Dhaka.

Ahmad cited the example of Singapore's Changi Airport, saying that they were going to invest \$1 billion just to set up scanners. Bangladesh should follow suit to upgrade Hazrat Shahjalal International Airport, he said, adding, "(Its) cargo handling efficiency is very good and completion of the third terminal will give

huge benefits."

Aleck Koh, founder of Singapore Aircargo Agents Association, said the Singapore government was emphasising security and technology adaptation for fast movement of cargo.

They also provided training to build up skilled manpower to efficiently run the air cargo service, he said.

Niral Kadawatharatchie, outgoing chairman of the Federation of Asia Pacific Aircargo Associations (FAPAA), said they had a practice of sharing experiences and ways to face challenges among their members.

He said the FAPAA members agreed to continue to work to achieve a meaningful dialogue with the International Federation of Freight Forwarders Associations on relevant issues affecting all parties within the sector.

A total of 19 countries of the Asia Pacific region attended the two-day annual event organised by the FAPAA. It is the second time that Bangladesh hosted the event following the FAPAA's formation in 1985. The next event will be held in Malaysia next year.

Mastercard offers Eid discounts

STAR BUSINESS DESK

Mastercard recently launched a new campaign marking Eid-ul-Azha offering cardholders discounts at electronics and 30 lifestyle merchants.

The campaign will run till August 31, said the global service provider.

Customers will get up to 28 percent discount on electronic products at ACI Electronics, Best Electronics, Electra International, Electro Mart, Esquire Electronics, Fair Electronics, Minister Hi-Tech Park, Mk Electronics, Rangs Electronics, Rangs Industries, Singer Bangladesh and Transcom Digital.

Discounts of up to 25 percent will be available on lifestyle products at partner outlets.

"Eid-ul-Azha is a celebratory time in Bangladesh, and Mastercard is happy to be part of the celebrations through its latest campaign," said Syed Mohammad Kamal, country manager for Bangladesh at Mastercard.

He said the campaign was also a good opportunity to encourage people to adopt cashless methods of payments while giving them greater security and peace of mind for their transactions.

"Mastercard looks forward to developing similar exciting campaigns in the future with the aim of accelerating the nation's cashless agenda," he added.



M Khorshed Anowar, head of retail and SME banking at Eastern Bank Ltd, and Sohail Azad, country manager at Bureau Veritas, exchange documents after signing an agreement at the bank's head office in Dhaka recently. Bureau Veritas will use the bank's payroll service.

Trump threatens not to recognise China's special status at WTO

AFP, Washington

President Donald Trump on Friday threatened to withdraw recognition of the special "developing nation" status of China and other relatively rich countries at the World Trade Organization unless changes are made to the body's rules.

The salvo fell the week before top US trade officials are due to return to China to rekindle trade talks that acrimoniously collapsed in May.

Trump said in a statement the global trade body uses "an outdated dichotomy between developed and developing countries that has allowed some WTO members to gain unfair advantages."

Without "substantial progress" to reform WTO rules within 90 days, Washington will no longer treat as a developing country any WTO member "improperly declaring itself a developing country and inappropriately seeking the benefit of flexibilities in WTO rules and negotiations," the statement said.

While the statement points to multiple countries that benefit from the designation, it focuses mostly on China.

"The WTO is BROKEN when the world's RICHEST countries claim to be developing

countries to avoid WTO rules and get special treatment. NO more!!! Today I directed the U.S. Trade Representative to take action so that countries stop CHEATING the system at the expense of the USA!," Trump said on Twitter.

The statement notes that seven of the 10 wealthiest economies in the world claim developing country status, as do Mexico, South Korea, and Turkey, which are members of the Group of 20 leading economies.

Trump's order directs the US Trade Representative's office to "use all available means to secure changes at the WTO," with the cooperation of other countries where possible.

It is unclear how the measure would change US policy but it likely would open the door to even more retaliatory tariffs against China and other countries.

"When the wealthiest economies claim developing country status, they harm not only other developed economies but also economies that truly require special and differential treatment," the statement said, and that "cannot continue to go unchecked."

Developing country status in the WTO allows governments longer timelines for implementing free trade commitments, as well as the ability to protect some domestic industry and maintain subsidies.



Lawmaker Morshed Alam, chairman of Mercantile Bank, attends the bank's Half Yearly Business Conference - 2019 at Le Meridien Dhaka yesterday. Quamrul Islam Chowdhury, CEO, was present.

MERCANTILE BANK

Private credit growth target may be 15pc

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The private sector credit growth target is immaterial as it will have little impact on the investment scenario.

A lack of power supply, bureaucratic complexities and corruption are discouraging investors from taking up fresh investment plans or expanding their existing units, she said.

"The country's ranking in the World Bank's ease of doing business index has reflected the actual scenario of the private sector. We should remove the barriers for the sake of investment, or else the monetary policy will not have any effect," Fahmida added.

Any monetary policy can be implemented when lenders and businesspeople play a collective role, said AB Mirza Azizul Islam, a former adviser to the caretaker government.

"Many banks are facing a liquidity crisis mainly due to high volume of default loans. This has lessened their capability of distributing loans. This will create a roadblock in implementing the monetary policy."

A large number of businesspeople is going through a confidence crisis because of the haphazard situation on the country's socioeconomic front.

"So, both the demand and supply sides are going through a crisis. This had an adverse impact on implementing the monetary policy in recent years."

Unless the situation improves, the central bank will face the same problem this time in materialising its monetary policy, Islam added.

LafargeHolcim's half-yearly profit up 51pc

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"Our focus on raising profitability through commercial innovation, operational efficiency and cost control continues to pay off. We are determined to build on this and further increase confidence of our investors," he said.

The report shows that the second quarter's revenue amounted to Tk 449 crore, which was Tk 385 crore a year ago. Surana said they have been able to meet customers' demand while aligning with ongoing massive development across the country.

"We plan to step up our participation in this development spree through our quality products and customer-centric strategy," he said.

The net operating cash flow per share stood at Tk 1.21 in the six months, which was Tk 0.61 in the period the previous year.

NBR misses revised revenue target by Tk 50,000cr

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Only 20 lakh people submit tax returns out of nearly 17 crore people in the country. So, widening the tax net is mandatory to increase the revenue, he said. He said the NBR started implementing the new VAT law from July 1.

"We have introduced different rates for different commodities. In developed countries, there is a unified system. We amended it for the benefit of the businesses," said Bhuiyan.

He called upon businessmen to pay VAT and tax properly so that the country can carry out development activities.

"In comparison with other countries, the VAT and tax rates are very low in Bangladesh."

Bhuiyan also warned against collusion between taxmen and

businesses to evade tax.

"If any official harasses you regarding VAT collection, tell us. We will hold him accountable," he said.

He said he had to grant leave of many of his officials for Hajj. "However, what is the benefit of performing Hajj if ill practices don't come to an end?"

Osama Taseer, president of the DCCI, said the VAT-free turnover limit has been increased to Tk 50 lakh and the VAT refund system has been introduced.

Import of capital machinery has been exempted from advance income tax which would help the private sector, he said.

"To attain the expected economic development, the private investment-to-GDP ratio should be 30 percent."

Foreign satellites face tough times

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While using the BCSCl, the up-link annual charge will be only Tk 1 lakh to Tk 1.25 lakh.

And if foreign satellites use the BCSCl's landing stations, they will have to pay Tk 3 crore per year, according to the draft guideline.

However, televisions or interested companies will have to pay bandwidth charges apart from the regulatory charges for using the satellite bandwidth.

The BTRC officials said they will finalise the charges and rates after taking feedback from stakeholders.

Salauddin Salim, chief of transmission and ICT at Somoy TV, said they found that the initiative would not lower their costs.

Somoy TV is already connected with Bangabandhu-1 satellite along with four other private television channels

since May and at the same time they are maintaining their previous connections as Bangabandhu-1 is still fine-tuning its operations.

About the issue, Shahjahan Mahmood, chairman of the BCSCl, said having guidelines on satellite landing rights is important for a country like Bangladesh that just launched its first satellite.

"It was our request to the government as foreign satellite companies are entering Bangladesh freely. Without getting regulatory approval, Bangabandhu-1 cannot provide services in countries where its footprint is comparatively strong. Then why will Bangladesh not secure its rights in the sky?"

According to the landing rights guideline, the telecom regulator is trying to keep control of live television broadcasts of events and television

WhatsApp to launch digital payments service in India

AFP, New Delhi

Messaging giant WhatsApp plans to launch its first payment service this year in India, its biggest market with 400 million users, the company said Friday.

The Facebook-owned firm has tested the service with about one million people over the past year. But a commercial launch has been on hold while it waits for approval from India's banking regulator.

"WhatsApp Payments will make it as easy to pay someone on WhatsApp as it is to send a message," the company's global head Will Cathcart said in a statement.

"We can't wait to provide this service to our users across India this year," he added.

India would be the first country to get WhatsApp payments, but Cathcart did not say whether the authorities have given final approval. He said such services were critical to accelerating financial inclusion in India and bringing millions more into the country's fast-growing digital economy.

India is one of the world's quickest-growing major economies, with tens of millions already using online transactions.

channels will have to take prior permission from the regulator for live broadcast of any programme or news.

However, for any emergency situation they can take post-facto permission within 30 days of the said broadcast.

For taking permission for live broadcast, television channels will have to pay a Tk 10,000 charge, but to cover national events by state-owned television operators no permission and charges will be applicable.

Officials said the telecom regulator had formed an eight-member committee on fixing the landing rights rules in 2013 soon after starting the country's first satellite project.

The telecom regulator has dusted off the process again now, more than one year past Bangabandhu-1's launch.

BRI needs India to be useful for Bangladesh

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The government should give importance to modernising and expanding its existing infrastructure facilities to support the growth of the economy, said Muinul Islam, former professor of economics at the University of Chittagong.

The geographical location of Bangladesh at the crossroads of South Asia and Southeast Asia gives it a natural advantage as a potential communication and transport hub of the whole region.

"Especially, the long maritime coastline of Bangladesh offers geographically unique opportunities for building up of a number of port facilities in Bangladesh to serve a vast economic hinterland extending from India to China including Nepal, Bhutan, Myanmar and Thailand."

Bangladesh became a part of the BCIM but it is not advancing as India is showing more interest in another sub-regional grouping, the Bangladesh Bhutan India and Nepal (BBIN) corridor. A huge geo-political game is on and Bangladesh has been in a delicate position.

"Bangladesh has a very delicate balancing act at hand in pursuing opportunities offered by the BRI."

Islam went on to cite Bangladesh's infrastructural bottlenecks and said the country should go with building a deep sea port at Sonadia Island with its own funds or with alternative sources of financing.

"A deep sea port has become urgent as the Chittagong port has become handicapped," he said, adding that the country's cost for international trade has become higher in its absence. The Payra port being built in the southern coast will not be able to serve the purpose as it will require continuous dredging to keep it navigable throughout the year.

Islam was also critical about the rising disparity in the economy and of crony capitalism.

Rashed Khan Menon, president of the Workers' Party of Bangladesh; Enam Ahmed Chowdhury, former secretary and ambassador; and Islam, chaired the event.

Bangladesh's position remains unchanged

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Sound government planning for innovation is critical for success, the report shows. "The GII shows us that countries that prioritise innovation in their policies have seen significant increases in their rankings," said WIPO Director General Francis Gurry in a statement.

"The rise in the GII by economic powerhouses like China and India has transformed the geography of innovation and this reflects deliberate policy action to promote innovation."

For the first time, the GII was hosted by the government of India, which uses the GII in creative ways to strengthen its policy framework for innovation at both the national and regional levels.



NRBC BANK

SM Parvez Tamal, chairman of NRBC Bank, and Khondoker Rashed Maqsood, CEO, attend the bank's Half Yearly Managers' Meet-2019 yesterday.

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