

China to waive tariffs on some US soybeans, pork in goodwill gesture

REUTERS, Beijing

China on Friday confirmed that it will waive import tariffs for some soybeans and pork shipments from the United States, as the two sides try to thrash out a broader agreement to defuse their protracted trade war.

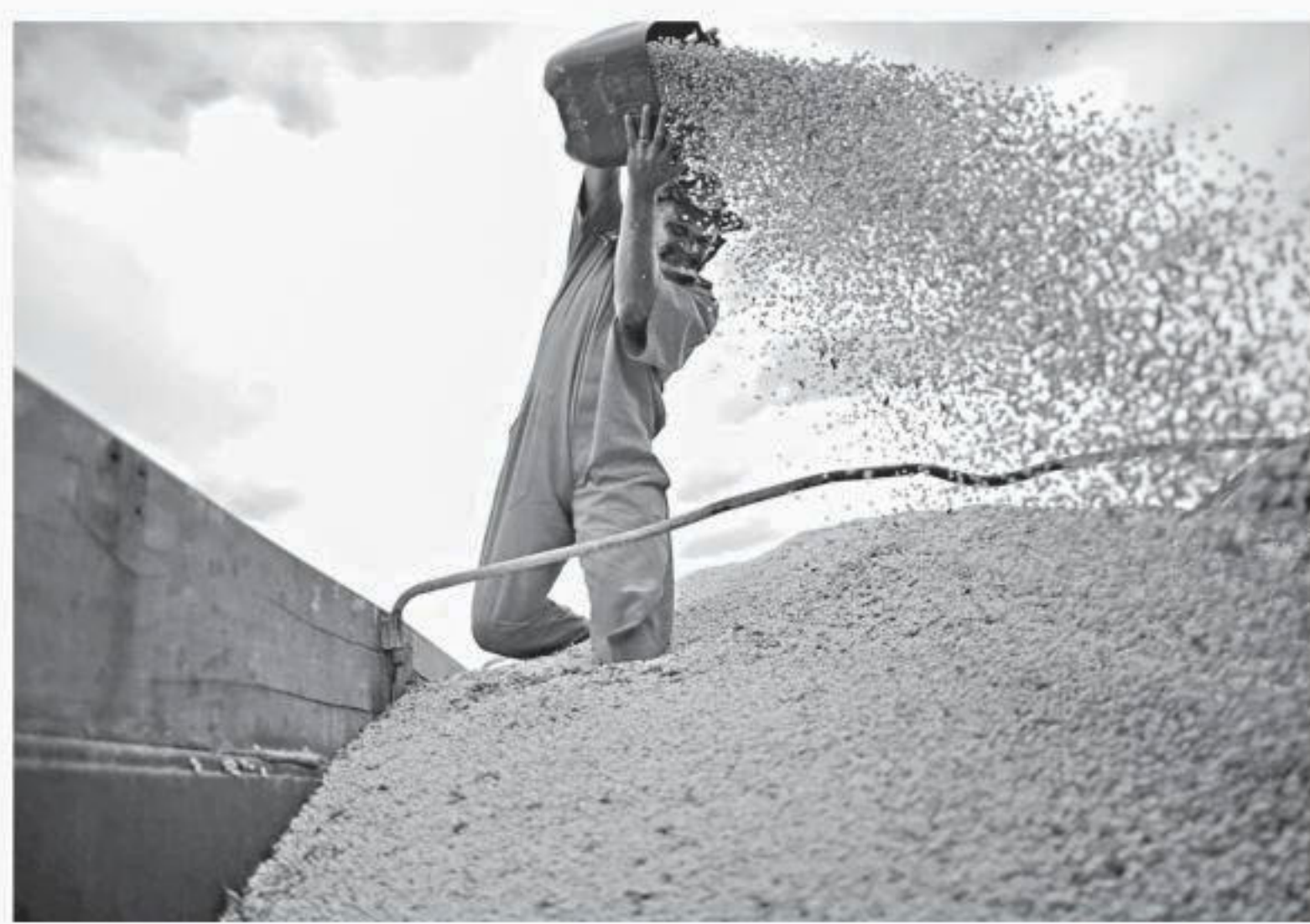
The tariff waivers were based on applications by individual companies, the finance ministry said in a statement, citing a decision by the country's Cabinet without specifying the quantities involved.

Several industry sources in the United States and China interpreted the announcement as official confirmation of duty exemptions on up to 10 million tonnes of soybeans and an unknown volume of pork sources said were offered to importers earlier this year.

"There's nothing that's saying this is some big addition to what's been out there," said Matt Wiegand, commodity broker for FuturesOne in Lincoln, Nebraska.

China had imposed levies in response to tariffs launched by Washington over allegations that China steals and forces the transfer of American intellectual property to Chinese firms. Tariffs on US soy imports are currently 33 percent while levies on pork are up to 72 percent.

Importers with duty-free quotas have been required to pay the



REUTERS/FILE
A worker inspects soybeans during the soy harvest near the town of Campos Lindos, Brazil.

tariffs and later apply for refunds, a process that traders said caused delays in unloading shipments. Friday's announcement appeared to remove that step, industry sources said.

The announcement did not trigger new US soy purchases on Friday, three US soybean exporters said, although soybean and hog futures firmed on the news.

The waivers come amid negotiations to conclude a 'phase

one' deal to de-escalate a 17-month trade war that has roiled financial markets, disrupted supply chains and weighed on global economic growth.

Though President Donald Trump struck an upbeat tone on progress in talks on Thursday, a new round of US tariffs covering about \$156 billion of Chinese imports is set to kick in just over a week on Dec. 15.

"The goal (of this move) is to expand purchases and reassure

the United States," said a Chinese source who advises Beijing on the trade talks but declined to be identified because of the sensitivity of the matter.

Beijing's levies on US soybeans initially brought its purchases of the United States' most valuable farm export to a virtual halt, although it has offered waivers to buyers in recent months as the US crop was harvested.

The Chinese government never made the details of these waivers public, however.

It is not clear how much US soy China will buy in coming months as the Brazilian harvest looms, said Darin Friedrichs, senior Asia commodity analyst at INTL FC Stone.

Exemptions for pork are likely to be in higher demand, with less than two months until China's Lunar New Year holiday, the country's peak consumption period.

China has been scouring the world for more meat to fill a big shortage of protein after an outbreak of African swine fever devastated its massive hog herd, cutting supplies of pork.

A second adviser to the Chinese government said exemptions on the products suited Beijing, as they helped meet market demand for such goods while reducing the trade surplus with the United States.

Opec agrees oil output cuts after much 'brain squeezing'

AFP, Vienna

The powerful Opec group of oil producers and its allies reached a deal Friday to cut production by 500,000 barrels per day in a bid to stem prices which have been under pressure from abundant reserves and weak global economic growth.

Friday's so-called Opec+ meeting included Russia, the world's second-largest oil producer and not a member of the cartel.

It ended with a deal for a cut effective as of January 1 which sets an output target 1.7 million barrels per day lower than October 2018 levels, with Saudi Arabia and Russia making almost half the additional reductions between them.

In a surprise move, the bloc also announced that several participating

countries, "mainly Saudi Arabia", would make additional voluntary cuts bringing the overall cut to more than 2.1 million barrels per day.

World oil prices surged in response, with US benchmark WTI and its European counterpart Brent both rising two percent in an initial reaction before settling down at levels around 1.3 percent higher on the day in the late European afternoon. On Thursday, a meeting of Opec ministers had run late into the evening without a deal.

Saudi Oil Minister Prince Abdulaziz Ben Salman, who was at his first meeting in the post, said first-day talks lasting six hours saw delegations "labouring... until 11 o'clock in the evening, squashing their heads, squeezing their brains" in search of an agreement.

15 new factories to create 1 lakh jobs

FROM PAGE B1

Four new companies, all tiles makers, are expected to commence production in 2021, according to the BCMEA.

"Local demand for ceramic products is increasing. Even factories that were set up with an export target are selling goods in the local market," said Irfan Uddin, general secretary of the BCMEA and a director of FARR Ceramics.

He said an entrepreneur has to spend at least Tk 150 crore to establish a factory. Even then, new companies are coming in seeing business prospects both at home and abroad.

Shirajul Islam Mollah, president of the BCMEA, said ceramics is an emerging sector and has huge export potential.

"We had to depend on import for ceramics two decades ago. Now we are almost self-sufficient in tableware and sanitary ware,"

said Mollah, also the managing director of China-Bangla Ceramic Industries.

When the companies in the pipeline start production, Bangladesh will be able to earn \$1 billion from export of ceramics by 2025, he said.

He hailed the government for giving 10 percent cash incentive on exports since fiscal 2017-18, but believes 25 percent would boost exports significantly.

According to industry insiders, Bangladesh has duty-free access to European markets under the generalised system of preferences (GSP) that can increase export of ceramics there.

Availability of natural gas and cheap labour are two other competitive advantages Bangladesh enjoys over other countries. But a lack of skilled workforce is a problem for the sector.



Zunaid Ahmed Palak, state minister for ICT, and Syed Almas Kabir, president of the Bangladesh Association of Software and Information Services, attend a reception for the winners of the APICTA Awards 2019 at the Lakeshore Hotel in Dhaka yesterday. Bangladesh bagged three champion and five merit awards presented by the Asia Pacific ICT Alliance in Vietnam last month.



Minhajul Abedin Nannu, former national cricketer, opens an outlet of Bengal Meat on Tajmahal Road in the capital's Mohammadpur on Friday.

EPZ firms await easy cargo container rules

FROM PAGE B1

They cannot send finished products for exports in the same containers because of the customs procedure, which bars full or round use of containers, consuming time and increasing costs, said officials.

The Japanese side requested the NBR to allow the round use of container, according to the meeting minutes.

At the event, the Japanese investors said there was no restriction in the customs (export processing zones) rule 1984 regarding export of products through the same containers used for imports. Based on the request, the NBR decided to form a two-member panel headed by its member for customs, export and bond.

The committee has been asked to prepare a detailed procedure for round use of containers after examining existing rules and regulations and submit the report within three weeks. "This is a good proposal," said the official, adding that use of containers for export after import would facilitate faster trade.

In addition, the NBR decided to increase to three years from existing two years the validity of bonded warehouse licences before they need to be renewed for all industries in the EPZs. Availing a bonded warehouse licence, investors can make duty-free import of raw materials to make final products for exports.

At the meeting, the Japanese investors also raised an issue over the difficulty in disposing of old machinery and cars in the EPZs.

"Even if the process for disposal is done, it is required to pay tax according to invoice price for disposing. Many factories are forced to leave the old machinery inside their plots," said the meeting minutes. The NBR decided to form another committee to examine existing procedures and suggest new ones for easing the process of disposal of old and used vehicles and machinery.

At present, nearly 480 enterprises are in operation in EPZs, which together account for nearly one-fifth of the total annual export receipts of Bangladesh, according to official data.

German industrial production plunges in October

AFP, Frankfurt

German industrial production unexpectedly fell back in October, official data showed Friday, adding to a gloomy outlook for Europe's powerhouse economy as the slump in the country's manufacturing sector shows no signs of abating.

Factory output tumbled by 1.7 percent month-on-month, federal statistics authority Destatis said, compared with a 0.6 percent drop in September.

Analysts surveyed by Factset had predicted a slight jump in industrial production.

The picture was even bleaker in a year-on-year comparison with output down 5.3 percent on October 2018 -- "which is the steepest year-on-year decline since 2009," said Capital Economics analyst Andrew Kenningham.

The disappointing figures come a day after Destatis revealed that new industrial orders also fell in October, the latest sign of order books shrinking at a time of weaker global growth.

Asia-Pacific businesses to discuss ways of financing SDGs

FROM PAGE B1

Founded in 1994, ICC Bangladesh is comprised of trade organisations, national and trans-national corporations, banks and financial institutions that represent almost 80 percent of the Bangladesh economy.

ICC Bangladesh closely works for the promotion of foreign trade and investment, trade policy review, business dialogues, seminars and workshops on policy issues, harmonisation of trade law and rules and legal reforms.

Mobilising sufficient financing remains the major challenge to achieve the 2030 Agenda for SDGs, Rahman said. Although interests in inclusive and sustainable financing are growing from both public and private sectors, the most needed investment for SDG-related projects remains underfunded, he added.

"The United Nations has raised the alarm that unless both national and international financial systems are revamped to be in line with inclusive and sustainable development, the SDGs will never be fully achieved."

In Asia and the Pacific region, UNESCAP has estimated that financing SDGs would require an additional investment of \$1.5 trillion per year or an average of 5 percent of the GDP of Asia Pacific countries. For LDCs, it will require 16 percent of the GDP.

This clearly suggests that, in addition to national efforts, the region needs to strengthen cooperation within itself for facilitating the achievement of the SDGs through adequate financial resource mobilisation among all countries in the region, Rahman said.

Financing SDGs would also need unprecedented coordination and cooperation between the public and private sectors, facilitated by multilateral development banks.

The main objectives of the conference will be to discuss how to scale up investment and international development cooperation and adequately finance the 2030 Agenda for SDGs in Asia and the Pacific.

The conference will discuss topics like new and innovative policy and regulatory options to enhance domestic and external resources to finance SDG projects.

Around 100 delegates, including ministers, from 30 countries will participate in the summit.

Ericsson to pay over \$1b to resolve US graft probes

REUTERS, Washington

Swedish mobile telecoms company Ericsson has agreed to pay over \$1 billion to resolve probes into corruption, including the bribing of government officials, the US Department of Justice said on Friday.

The bribery took place over many years in countries including China, Vietnam and Djibouti, the department said. The total charges include a criminal penalty of more

than \$520 million, plus \$540 million to be paid to the US Securities and Exchange Commission (SEC) in a related matter.

The company admitted it had conspired with others to violate the Foreign Corrupt Practices Act (FCPA) from at least 2000 to 2016 by engaging in a scheme to pay bribes and to falsify books and records and by failing to implement reasonable internal accounting controls, the Justice Department said in a statement.

Local brands steal the show

FROM PAGE B1

Fair & Lovely bagged the accolade in the fairness cream and lotion category and Samsung won the top position in the best mobile handset segment.

Shwapno was the most-loved superstore again. Harpic was the best toilet cleaner and Senora clinched the top honour in the sanitary napkin category.

Dano, Pran Frooto, Grameenphone, ACI Aerosol, Orsaline-N, Berger, Fresh, Olympic, MUM, Teer Sugar, Akij Cement, Pran Milk Candy, Rupchada Soybean Oil, Speed, Apex, BSRM, Bashundhara Tissue, and Walton were recognised in different categories.

The organiser also recognised five brands that have performed consistently and made it to the top in the decade-long journey of the award. They are Parachute Advanced Hair Oil, Lux, Grameenphone, Sunilk, and Closeup.

Nazia Andaleeb Preema, director of the Bangladesh Brand Forum and president of the Women in Leadership, Prasun Basu, president of Nielsen South Asia, and Sudeep Chatterjee, managing director of Nielsen Bangladesh, spoke at the event.

The Marketing Society of Bangladesh, the Bangladesh Creative Forum, Aamra Network, and Advanced Technology & Ideas Ltd are the partners of the award.



Md Obayed Ullah Al Masud, CEO of Rupali Bank; Ranadev Dasgupta, chairman of ELCO Wires and Cables, and Tarek Mahmud Matin, managing director, open the new company's factory in Gazipur on December 5. With the Tk 75-crore plant, ELCO aims to capture 10 percent of the country's cables market within three years.

ELCO WIRES AND CABLES

Magical Barcelona

- Campaign duration is from December 1, 2019 to January 31, 2020.
- During the campaign period, the cardholder with a Mastercard branded debit, credit or prepaid card issued by any of the issuing banks in Bangladesh must use it at least four (4) times for a minimum transaction value of BDT 1,000 (for domestic transactions) or USD 25 (for overseas transactions) on each occasion.
- The campaign is based on maximum points scored through frequency of transaction with the Mastercard branded debit, credit or prepaid card issued by any of the issuing banks in Bangladesh.
- Each retail transaction will qualify for points under this campaign as follows:
 - 2 Points for a domestic POS or e-commerce retail transaction of BDT 1,000 or above on any Mastercard debit, credit or prepaid card
 - 3 Points for an overseas retail POS transaction of USD 25 or above on any card
 - 3 Points for any retail POS or e-commerce transaction of BDT 1000 or more with the newly issued Mastercard (issuance between: Oct'19-Jan'20)
- Split or multiple transactions at the same merchant location within the same day will not be eligible; and only one transaction will be counted. Any MFS account or e-wallet loading transaction will not be eligible for this campaign.
- In cases where 2 or more Mastercard cardholders score the same number of points, the winner will be decided on the basis of the transaction value. In case the transaction value is also identical for 2 or more Mastercard cardholders, the winner will be decided on the basis of who made the transaction earlier.
- Only retail transactions will be eligible for this campaign and Mastercard reserves the rights to disallow any transaction performed for commercial purposes.
- Mastercard reserves the rights to modify, extend or suspend this campaign.
- Any permanent or contractual employee of Mastercard, its Advertising Agency, PR Agency or any concerned vendor; and the Cards Business and Cards Operations Department of the participating Issuer Bank will not be eligible for this campaign.
- For more further details please visit: www.facebook.com/OfficialMastercardBangladesh