





Mockbul Hossain, chairman of Samorita Hospital, presides over its 34th annual general meeting at the MH Samorita Hospital and Medical College in Dhaka yesterday. The meeting approved 10 percent cash and 5 percent stock dividends for the year ending on June 30, 2019. ABM Haroon, managing director, was present.

## Amazon's Ring cameras are vulnerable to hackers, lawsuit in US claims

REUTERS

Amazon.com Inc and its Ring home security camera unit have been sued by an Alabama homeowner who said the cameras' defective design leaves purchasers vulnerable to cyberattacks.

In a proposed class action filed on Thursday, John Baker Orange said an unknown hacker recently accessed his Ring camera while his children, ages 7, 9 and 10, were playing basketball on the driveway, and through its speaker system encouraged them to move closer to

the camera.

Orange, who said he paid \$249 for his camera in July, said the cameras work only when connected to the internet, and are "fatally flawed" because they do not protect against cyberattacks, despite Ring's assurances of "peace of mind" and "smart security here, there, everywhere."

A spokeswoman for Ring said the Santa Monica, California-based company does not discuss legal matters.

The complaint filed in Los Angeles federal court seeks unspecified

damages from Ring and Seattle-based Amazon, as well as improved security for new and existing Ring cameras.

It followed several reported incidents of hackers accessing homes through Ring cameras, including when a man repeatedly called an 8-year-old Mississippi girl a racial slur and claimed he was Santa Claus.

"A company that sells a device that is supposed to protect occupants of a home shouldn't become a platform for potentially endangering those occupants," John Yanchunis, a lawyer for Orange, said in an interview.

## Indian gold dealers switch to premium on holiday constrained supply



Salesmen at a jewellery shop attend to their customers in Hyderabad.

REUTERS, Bengaluru/Mumbai

Gold prices flipped to a premium this week in India due to limited supplies even as demand remained subdued, while other Asian regions barely saw any holiday purchasing.

Indian dealers were charging a premium of up to \$1 an ounce over official domestic prices this week, compared to a discount of \$2.5 an ounce last week. The domestic price includes a 12.5 percent import tax and 3 percent sales tax.

Supplies are limited as most of the international suppliers are on leave, allowing sellers to charge a premium, said a Mumbai-based dealer with a private bullion importing bank.

"Gold could start trading in discount once supplies improve," the dealer said.

Gold futures in India, the world's biggest gold consumer after China, rose for a fourth straight session to a nearly 4-month high of 38,980 rupees earlier in the day.

Chinese gold traders offered premiums of \$4-

\$5 an ounce over the benchmark, little higher than last week's \$3-\$5 an ounce.

"The premium has definitely improved, but physical demand, especially jewellery, remains weak," said Samson Li, a Hong Kong-based precious metals analyst at Refinitiv GFMS.

"There is always buying for Christmas and New Year due to seasonal demand, but this year sales have been softer compared to the previous years."

Demonstrations in Hong Kong against Beijing's influence continued to hurt tourism, resulting in subdued physical purchasing of the safe haven metal.

Premiums in Hong Kong ranged between flat to \$0.30 an ounce, compared with last week's \$0.20-\$0.30 an ounce.

Hundreds of protesters marched through Hong Kong shopping malls on Thursday, disrupting business in the Asian financial hub for a third day.

"The situation in Hong Kong is ongoing, demand is getting impacted as well because of that," said Dick Poon, general manager at Heraeus Metals Hong Kong Ltd.

"Normally before the Chinese new year, we see some demand in the market. But this year we are seeing a lot of uncertainty."

Traders in Singapore charged premiums of \$0.60-\$0.80 an ounce over the benchmark, the same as last week, but demand is expected to improve in January ahead of the Chinese lunar new year, traders said.

In Japan, gold was sold at a premium of around \$0.30 an ounce, slightly lower from last week's \$0.50. While Christmas helped sales slightly, higher gold rates kept buyers on the sidelines.

Benchmark spot gold prices are on track to post their biggest weekly gain in more than four months after hitting a near two-month peak earlier this week.

## Uniqlo founder resigns as SoftBank board member after 18 years

REUTERS, Tokyo

Japan's SoftBank Group Corp said Tadashi Yanai, founder and CEO of Uniqlo parent Fast Retailing, will resign as independent board member at the end of the month after 18 years on the job to focus on his fashion business.

A longtime ally and sometime critic of SoftBank founder and CEO Masayoshi Son, the billionaire is one of only three external members of a board filled with SoftBank executives and heads of its portfolio companies.

The resignation comes at a time when SoftBank is battling with the fallout from the failed IPO of WeWork, with Son saying he misjudged co-founder Adam Neumann's character and pledging to strengthen corporate governance at the group's investments.

However, experts are critical of SoftBank's governance, saying it has few truly independent voices that can question Son's judgement.

"They have low governance standards," said Nicholas Benes of The Board Director Training Institute of Japan, a non-profit focused on corporate governance training.

"If they don't require higher standards of themselves, it might be hard to require them of investee companies," he said in an interview last month.

Son in November defended the board's rigour after reporting the group's first quarterly loss in 14 years, saying that Yanai was among the board members who excoriated him for the WeWork investment.

"Almost all the board members gave me a hard time. I ended up being very



Tadashi Yanai

exhausted," he said.

Yanai, Japan's richest man, along with Son, are among a handful of Japanese founder-CEOs who are also household names.

Yanai was known for being willing to voice his dissent at some of Son's decisions.

His successor has not been decided, a SoftBank spokeswoman said.

SoftBank lost one of its most outspoken voices when another outside director, Shigenobu Nagamori, founder and CEO of Nidec Corp, stepped down two years ago.

The other independent directors currently on SoftBank's board are Masami Iijima, chairman of trading house Mitsui & Co, and professor Yutaka Matsuo from the University of Tokyo, a highly renowned artificial intelligence expert with little corporate experience.

Both Yanai and Son have made and then shelved plans to hand over the reins of their companies in the past, with 70-year-old Yanai previously saying he would retire at 65.

## Crude stocks fall far more than expected

REUTERS

US crude stocks fell much more than anticipated as refineries boosted output near the end of the year, the Energy Information Administration said on Friday.

Crude inventories fell by 5.5 million barrels in the week to Dec. 20 to 441.4 million barrels, far exceeding the 1.7-million-barrel drop expected by analysts in a Reuters poll.

Refinery crude runs rose by 418,000 barrels in the last week, EIA said. Refinery utilization rates rose by 2.7 percentage points, in the week. Overall utilization rose to 93.3 percent in the week, highest since September, as refiners increased output.

Oil prices were modestly higher on the day, with Brent crude rebounding from earlier losses to gain 16 cents to \$68.08 at 11:18 a.m. EST (1618 GMT) in relatively light year-end trading. US crude dipped by 2 cents to \$61.66 a barrel.

"Finally, after months of waiting, we're seeing refiners returning from fall maintenance and increasing runs, which has led to a significant decline in crude inventories this week," said Andrew Lipow, president of Lipow Oil Associates in Houston.

"Unfortunately for the refineries, they're turning that crude oil surplus into additional stocks of gasoline, which doesn't bode well for refining margins in early 2020."

## US eyes customs deal with Mexico, plans attorney general visit in January

REUTERS, Mexico City

The United States is looking at ways to cooperate with Mexico on customs along their border to curb flows of illicit arms, drugs and money, the US ambassador to Mexico said on Friday.

Speaking after what he called a fruitful meeting with Mexico's finance ministry, Ambassador Christopher Landau said that U.S. Attorney General William Barr would visit Mexico next month to discuss cooperation.

"What we want to do on the border is see if we can combine our customs so that, together, we can control what comes into Mexico and also what leaves Mexico and enters the United States," Landau told reporters.

The goal is to eliminate "contraband on both sides, the drugs on one side, and the arms and money on the other," he said.

Barr visited Mexico in early December to discuss issues including security, arms trafficking and money laundering with President Andres Manuel Lopez Obrador and other top officials.

## Tourists stay away from Taj Mahal, other Indian attractions as protests flare

REUTERS, Mumbai

India's tourism industry has been hit by a wave of violent anti-government protests against a new citizenship law that have rocked several cities this month, with at least seven countries issuing travel warnings.

At least 25 people have been killed in clashes between police and protesters, and demonstrations against the law continue.

Officials estimate about 200,000 domestic and international tourists canceled or postponed their trip to the Taj Mahal in the past two weeks, one of the world's most popular tourist attractions.

"There has been a 60 percent decline in visitor footfalls in December this year," said Dinesh Kumar, a police inspector overseeing a special tourist police station near the Taj Mahal who has access to visitor data. He said the decline was compared to December last year.

"Indian and foreign tourists have been calling our control rooms to check security. We assure them protection, but many still decide to stay away," said Kumar.



The Taj Mahal is reflected in a puddle in Agra, India.

The 17th century marble monument is in Uttar Pradesh, the northern state that has witnessed the highest number of deaths and intense bursts of violence in two weeks of unrest.

A group of European tourists traveling in a group across India said they now planned to cut short their 20 day trip.

"We are all retired folks, for us

travel has to be slow and relaxing. The newspaper headlines have led to a sense of concern and we will leave sooner than we had planned," said Dave Millikin, a retired banker living on the outskirts of London, who spoke to Reuters from the capital New Delhi.

The Taj Mahal, situated in the town of Agra, attracts over 6.5 million tourists every year, generating

nearly \$14 million annually from entrance fees. A foreign tourist pays 1,100 rupees (about \$15) to enter the grounds, although nationals from neighboring countries get a discount.

Managers in luxury hotels and guest houses around the Taj Mahal said last minute cancellations during the festive season have further dampened business sentiment at a time when the country's economic growth has slowed to 4.5 percent, its slowest pace in more than six years.

In a bid to clamp down on violence and unrest, authorities have suspended mobile internet services in Agra.

"Blocking the internet has affected travel and tourism in Agra by about 50-60 percent," said Sandeep Arora, president of the Agra Tourism Development Foundation that groups over 250 tour operators, hotels and guides.

The United States, Britain, Russia, Israel, Singapore, Canada and Taiwan have issued travel advisories asking their citizens to either refrain from visiting or to exercise caution when visiting regions embroiled in India's protests.



Mubassar Hussain, former president of the Institute of Architects Bangladesh, briefs Sarwar Jahan, deputy managing director of KSRM, about project displays at the "KSRM Awards For Future Architects", held at the institute in Dhaka recently. The steelmaker will award the best final year architecture thesis for the next 10 years.

## Dubai 2020 budget sets record spending to boost growth, support Expo 2020

REUTERS, Dubai

The Dubai government will spend a record 66.4 billion dirhams (\$18.1 billion) in 2020 as part of its budget, hiking outlays to stimulate the economy and support the Expo 2020 world fair, state news agency WAM tweeted.

The figure is higher than the 56.8 billion dirhams budgeted in 2019, which was a marginal increase from 2018, according to its budget plan last year.

Dubai, which is hosting the Expo 2020 from October, had earlier projected its economy will grow 3.2 percent in 2020, faster than the 2.1 percent growth in 2019.



Labourers work at the construction site of Expo 2020 project in Dubai.

# 8 digital startups get Tk 3cr

STAR BUSINESS REPORT  
Eight startups recently got about Tk 3 crore in funding, in the form of both investment in return for partial ownership alongside grants, through a competitive procedure.  
Four others turned down such funding offers as the amounts did not meet their expectations.  
There were three investors -- The Angels Network, IDLC Finance and Robi, which alone

invested the highest Tk 2 crore, says a press release.  
The grants amounted to Tk 73 lakh, all provided by Startup Bangladesh, the government's ICT Division accelerator for budding entrepreneurs. Sigmind, a startup focusing artificial intelligence, received the maximum investment of Tk 1.15 crore from r-ventures, Robi's flagship platform for digital entrepreneurship.  
Of the others, Velvet Box delivers sanitary products to women through subscriptions,

Digiton provides cashless tea vending machines, Uparjon connects freelancers and clients, Aalo markets advertisement screens for public buses and Fuelb provides online fuel delivery.  
The others are online tutoring platform Edumate, home-based food delivery Cookands, on demand maid/household service Hello Tasks, telemedicine service Doctor bondhu, AI-powered glass for the visually impaired Aalo and cattle management device-based service provider Khamar-LoT.  
The initiative was first launched by Robi in 2018 with a view to building digital entrepreneurship among its employees.



Zunaïd Ahmed Palak, state minister for ICT, poses at the second edition of digital entrepreneurship building initiative "r-ventures" at International Convention City Bashundhara in Dhaka recently.

## Bangladesh lags for want of investment

FROM PAGE B1  
Bangladesh should go for establishing mills only to produce manmade fibres, as the demand for MMF-based garment items is increasing worldwide, Chowdhury said.  
"Otherwise, the country's \$8 billion worth primary textile sector would be in a big trouble soon."  
But setting up such an expensive textile project is not easy for investors without government's supports in the form of low-cost loan and easy access to gas, according to the entrepreneur.  
Bangladesh has business potential in MMF like viscose, acrylic and polyester, he said.  
Consumers are more informed and concerned about the environment, people and

sustainability, because of which they now look for products, which are easy to care and environment friendly, according to the study.  
The rise of Fast Fashion, a term used to describe clothing designs that move quickly from the catwalk to stores to meet new trends, is reducing the lead time of order delivery.  
The Fast Fashion category has grown at 20 percent CAGR between 2015 and 2018 whereas global apparel retail grew 4 percent to 5 percent during the same time, the BGMEA study also said.  
The fact that fashion consumers on average buy 60 percent more pieces of clothing than 15 years ago, generating up to 92 million tonnes of trash, equivalent to 4 percent of the world's waste each

year, add more havoc to these impacts, according to a recent report of The Jakarta Post, an English daily based in Indonesia.  
Viscose, the third-most commonly used fibre in the world, has been hailed as a sustainable alternative to oil-based synthetic textiles such as polyester, acrylic, nylon and spandex.  
Introduced in the late 1800s as an alternative to silk, the plant-based viscose, also known as rayon, is inexpensive to make and applicable in many ways, including for casual wear items, denim, socks, bed linen, towels, face masks and wet wipes, The Jakarta Post article said.  
However, it is tough to trace how the items to produce viscose were sourced and whether the labour rights were ensured.

And Bangladesh should concentrate more on investing in primary textiles, especially in woven and non-cotton sectors, to comply with the standards set by the European Union to avail trade benefits, the BGMEA study said.  
A decade ago, Bangladesh had eight MMF-based textile companies, which has risen to nearly 60 now to meet the rising demand, said Monsoor Ahmed, secretary to the Bangladesh Textile Mills Association.  
Some proposals for setting up new factories are pending with the association, he said.  
Of the garment items exported from Bangladesh last fiscal year, 74.14 percent was made from cotton fibre, whereas it was 68.67 percent in 2008-09, the BGMEA study showed.

## How Netflix changed the way we watch TV

REUTERS  
In the not-so-distant past, TV viewers were forced to wait a week for the next installment of their favorite shows, parceled out by networks in half-hour or hour-long increments.  
Fast forward to 2019, when media and tech companies are subverting that schedule and the majority of viewers using US TV streaming services watch an average of four hours of content in one sitting, according to Deloitte.  
To understand how we got here, look at Netflix.  
At the start of the decade, binge watching involved VHS tapes, DVD box sets or long nights glued to a DVR. TV cable hits included "Homeland" and "The Wire" - hour-long dramas with complicated plot lines that needed to be watched sequentially.  
Watching "Saturday Night Live" on a Sunday became normal, and viewers started to lose track of the broadcast schedule.  
In November 2010, Hulu, which debuted in 2008 as an ad-supported streaming video site, launched its subscription service, including full seasons of certain shows.  
Around the same time that the broadcast TV schedule was losing its hold on viewers, Netflix was beginning to invest in original content.  
In 2011, it struck a deal for its first original show, the political thriller "House of Cards." It released all 13 episodes of the show's first season on Feb. 1, 2013. That July it followed with the entire first season of "Orange is the New Black."

## BPDB gets new chairman



STAR BUSINESS DESK  
Sayeed Ahmed took over as the new chairman of Bangladesh Power Development Board (BPDB) on December 26.  
Prior to the appointment, Ahmed served the BPDB as its member (generation), according to a statement.  
Ahmed also served the Power Cell as a director and the BPDB as the director for system planning.  
He also worked for the Barapukuria coal power plant project and Barapukuria power plant, the statement added.



Tanjil Chowdhury, a director of Prime Bank, opens the bank's relocated Gulshan branch on 72 Gulshan Avenue in Dhaka yesterday.

## New ABB chairman

FROM PAGE B1  
"All types of rules and regulations should be drawn up in order to ensure the interest of both clients and banks," said Iftekhar, who previously served as ABB's chairman in 2014-15. The ABB will sit with business chambers on a regular basis to learn about their needs.  
Chambers' leaders should also understand how banks are struggling, he said.  
"Both chamber leaders and banks are doing business. And such meetings will help reduce the distance between the two."  
The ABB will also arrange seminars, where renowned economists and bankers from both home and abroad will be invited.  
Such initiatives will help increase the skill of banks' executives and play a role in improving corporate governance in the banking sector, said Iftekhar, who has a banking career spanning 34 years.  
About the upward trend of default loans in the banking sector, he said that the delinquent loans will decrease automatically when banks follow corporate governance properly.  
"The ABB will prevent defaulters from enjoying fresh loans as it gives a wrong signal to people about banks," he added.  
The ABB has also elected Haider Ali, MD of Exim Bank, Mehmood Hossain, MD of NRB Bank, and Ataur Rahman Prohdan, MD of Sonali Bank, as vice chairmen, while Rahel Ahmed, MD of Prime Bank, will serve as its secretary.

## Lengthy auction process costs govt crores

FROM PAGE B1  
Delivery of the consignments would have earned the government Tk 7,000 crore in customs duty as per the data.  
"It is not possible to estimate how much revenue is being lost without opening the containers," said Majedul Haque, deputy commissioner at the Chattogram Customs House (CCH), who is also in-charge of auctions.  
Cost of dumping  
Although the CCH is supposed to bear the dumping cost, shipping agents, who are the local representatives of container owners, do so to empty the containers and rent them out again.  
Dumping costs Tk 1 lakh to Tk 1.2 lakh per container as the goods need to be inspected and permissions are needed from different bodies including city corporations, Atomic Energy Commission and Department of Environment, said Ahsanul Haque Chowdhury, president of the Bangladesh Shipping Agent Association.  
Since the auctions were not done timely, the shipping agents could neither use the containers for other consignments nor send them back to the owning companies abroad, he said.

"This is spoiling the image of Bangladesh," he said, adding that many container owners are unwilling to provide containers for Bangladesh-bound goods and charges Bangladeshi importers more.  
A container can be rented out 10 times in a year and a shipping agent loses at least \$20,000 when a container gets stuck at any port, said Shahed Sarwer, director of K Line Shipping.  
Apart from lost revenue, shipping agents also have to pay electricity bills to the port authority for the refrigerated containers.  
Port activities hampered  
Unclaimed goods stuffed in containers occupy 15 percent of the port yard, leaving insufficient space for emergency loading and offloading operations from ships and other regular activities, said Md Omar Faruq, secretary to the Chattogram port.  
The port has the capacity to house 48,000 TEUs (twenty equivalent units) of containers, of which more than 6,000 are unclaimed goods containers, he said.  
A container with imported goods can be kept free of cost for four days from its arrival at the port.  
After that, importers have to pay a daily charge of \$6 for 20 feet containers and \$12

for 40 feet containers in the first week. The charge doubles in the second and third week until importers take delivery.  
Therefore, abandoned goods costs about Tk 2 crore in lost revenue per day, Faruq added.  
Lengthy Auction Process  
The auction process could not be accelerated because of a shortage of manpower and equipment needed to take inventory of the goods and open, move and sort out the containers, said Fakhruul Alam, commissioner of CCH.  
Only 12 officials work at the auction section, but recently 80 customs officials from other departments have been deputed for two days a week in rotation.  
The limited number of bidders in the auctions also delay the process, said CCH officials.  
Customs procedures discourage sale of non-perishable goods below its reserve value, which is 60 percent of the import price plus tax, in the first auction.  
In the second auction, the bidding price is expected to be higher than what the highest bidder offered in the first auction.  
In the third auction, the item is sold to the highest bidder.

Although the reserve price of an item is not disclosed, it is somehow leaked and the bidders who take part in the open tender issued by the customs authority wait until the third auction to buy the good, CCH officials said.  
In many cases, an item is sold at 10 to 15 percent of its market value in the third auction, according to Haque.  
Mahbubul Alam, president of the Chattogram Chamber of Commerce and Industry (CCCI), called for making the auction process simpler.  
The CCCI has sent letters several times to the National Board of Revenue and customs to run e-tender programme for auction and form a taskforce committee with involvement of all related departments to speed up the auction procedure.  
"But those recommendations are yet to be implemented," Alam said.  
If e-tender was implemented, the auction process would become easier and attract participation of more bidders, which might help reduce the number of undelivered containers, said customs officials.  
The initiative to launch an e-tender programme was taken in 2015 but got stalled.

## Govt's solid plan for single-digit interest rate

FROM PAGE B1  
This will bring down the banks' cost of funds.  
But they will have to give up loans to the manufacturing sector at single digit interest rate from January 1, as per the government plan.  
However, high officials of banks said if the interest rate comes down to single digit they will cut back on their lending to the industrial sector to safeguard their profit margin.  
But the finance minister said they will keep a close watch so that this scenario does not materialise.  
"We will make sure that their lending to the manufacturing sector does not go down below their three-year average," he said, adding that the government has been extending a number of facilities to banks in the last three years for the sake of reducing the interest rate to single digit.

## Fair prices elude farmers

FROM PAGE B1  
Farmers grow more than 200 crops, including four cereals, 153 vegetables and 34 types of spices, oilseeds, pulses and cash crops such as jute and sugarcane. Including fruits, the total number of crops and fruits grown would be roughly 350, according to the Agriculture Information Service.  
"Potatoes brought me profit to some extent by the end of 2019," said Masud Rana, a farmer from northwestern district of Kurigram.  
The 42-year-old farmer cultivates wheat, mustard, potato and vegetable on his three-acre farmland and says flood-affected seedlings of paddy and early plantation in his area, raising the cost of production.  
"Rice is our main crop and our wellbeing depends on it," Rana said.  
Rice is grown on more than 70 percent of the total cropped area of 1.54 crore hectares and 77 percent of marginal and small farmers depend on rice for food security and livelihoods, according to the Bangladesh Integrated Household Survey 2015, funded by the USAID.  
Liakat Ali, a farmer from northern district Sherpur, said the farmers who depend highly on paddy suffered losses owing to falling prices of the grain. "But I am better off as I grew potato, beans, onions and bottle gourd and I am getting higher prices from these vegetables," he said.  
All the three farmers said those who have grown onions, encouraged by skyrocketing prices of the key cooking ingredient this winter, have had margins.  
Yet, the number of onion growers is insignificant compared to rice producers.  
Fifty-one percent farmers grow only rice

and 20 percent of growers produce rice along with other crops, said Akhter Ahmed, country representative of the International Food Policy Research Institute (IFPRI).  
"It appears that falling price of Boro paddy hampers farmers' wellbeing. But, there had been major setback except for the price of Boro paddy. Overall, the outgoing year has not been too bad or too good," he said.  
Ahmed said ensuring fair prices is vital. "Reduction in prices of diammonium phosphate (DAP) fertiliser is a positive step towards reducing the production cost of farmers."  
The government slashed the prices of the key fertiliser by 36 percent to Tk 16 each kilogram early December to give a boost to farming.  
"The price cut raises hopes that we will make profit in the coming season," said Sanjay Kumar, a small farmer from Gabtoli of northwest district Bogura. He cultivated vegetables and rainfall destroyed his tomato field twice.  
With crop producers looking at their balance sheet for 2019, dairy farmers also did the same.  
The demand for locally produced milk was affected because of safety concerns following findings by the Bangladesh Food Safety Authority and a team of Dhaka University researchers on the presence of harmful substances in samples of pasteurised and raw milk.  
"Our situation has not improved this year. Instead, it deteriorated," said Mohammad Shah Emran, general secretary of the Bangladesh Dairy Farmers Association.  
"The demand for locally produced milk suffered. We, the farmers, did not get fair prices because of soaring imports of meat and power milk."

On the other hand, the prices of feed rose and dairy farmers have to pay electricity bills at commercial rates even though the sector is part of agriculture, which enjoys lower tariff than other sectors, he said.  
"Rice growers suffered in 2019 but consumers did not suffer as prices of the staple remained almost stable," said Quazi Shahabuddin, a former director general of the Bangladesh Institute of Development Studies.  
Consumers can complain about higher onion prices, which have provided profits to farmers recently, he said.  
In 2020, the government should pay attention to ensure balance in the prices of essential commodities and farm produce to ensure a win-win situation for both consumers and farmers, Shahabuddin said.  
IFPRI Country Chief Ahmed said the thrust should be on rapid mechanisation, especially for harvesting in order to reduce the cost of production resulting from higher labour cost.  
The government will roll out a scheme to provide subsidies to farmers to buy agri-machinery, said Md Shahjahan Kabir, director general of the Bangladesh Rice Research Institute.  
"We hope that farmers will make profit next year on the back of the cut in prices of DAP and the plan for faster mechanisation," he said.  
Biswas is still hoping for the paddy prices to recover so that he can sell more than 500 maunds of the staple now in his storage.  
The crop damage in some areas of southwest and south owing to cyclone Bulbul could prompt the prices to go up.  
"I am waiting for the prices to increase," said the grower, who has also cultivated onion.

## Tim Hortons President Alex Macedo to leave next year

REUTERS  
Restaurant Brands International Inc said on Friday Alex Macedo, the president of coffee and breakfast chain Tim Hortons, will be stepping down after two years in the role.  
Macedo will be eligible for severance benefits and will be leaving the company in March next year, the Canadian restaurant operator said in a regulatory filing.  
Restaurant Brands also said Axel Schwan, who was named as the regional president of Tim Hortons for Canada and the United States in October, would oversee the Latin America region as well.  
Tim Hortons' remaining international operations will be led by the company's existing global leadership team.

## Another boost for flat buyers

FROM PAGE B1  
For bigger apartments, total registration cost would drop to 14 percent, according to the Eastern Housing Official.  
Muhammad Nazmul Ahsan, senior manager research and compliance department of Sheltech, a leading realtor, welcomed the move.  
"Yet, registration cost still remains high -- this should be reduced to single digit," he added.  
The registration cost of land will drop to about 9.5 percent of deed value following stamp duty reduction, said Foreudul Islam Bahadur, senior vice-president of Bangladesh Deed Writers Association.

# Role of taxation, domestic resource mobilisation in attaining SDGs



MD TARIQ HASSAN

BAKGLADESH is well accredited in the global arena as one of the frontrunners in achieving the millennium development goals, and the Seventh Five-Year Plan and other policy documents of ours also reflect the high level of commitment of the government to meet the sustainable development goals (SDGs).

In this mission, the National Board of Revenue (NBR) as the apex revenue authority plays the role of the kick-starter as the 'source of funds' in achieving the SDGs by strengthening the domestic resource mobilisation and improving the domestic capacity for tax and revenue collection.

However, it is very important to understand how taxation and fiscal policies can play a fundamental role in achieving the SDGs and why the mobilisation and effective use of domestic resources are central to the pursuit of sustainable development that goes beyond financing.

In addition to generating funding for investments in the SDGs, efficient taxation and fiscal policies can certainly play a critical role in reducing inequalities and promoting inclusive sustainable development patterns.

Bangladesh has been able to substantially reduce poverty in the recent years and on the right track to meeting the relevant SDG goals in this regard. However, a few related issues have clouded this prospect, which demand urgent attention.

One of the key issues is the growing income disparity, which alienates a large segment of population, including women, minorities, ethnic groups and disadvantaged segments of population, from the economic and social benefits the country has to offer. At one level, Bangladesh has made

commendable progress in women empowerment, but at another level more work needs to be done to achieve equality in capacity for appropriately utilising the economic and social opportunities.

In this context, fiscal policies can be used to promote gender equality and may help achieve SDG 5 on gender equality and women empowerment. For instance, the VAT exemption given in this year's budget to the small and medium women entrepreneurs is a classic example of how providing fiscal incentives to economic sectors where women are prominent economic actors can help reducing the inequality and thus promote balanced growth.

A more progressive taxation system also helps to address the income inequality persisting in the society. Fiscal policies can also be targeted to encourage healthy lives and well-being (for instance, by highly taxing

harmful products like tobacco and alcohol while exempting healthy foods and basic necessities) and achieve better health related outcomes.

Taxation can also be used as a very effective tool to promote social inclusiveness. Businesses employing physically challenged people attracting higher tax rebate is another classic example in this regard. Tax policies may also have an impact on other areas in sustainable development, such as infrastructure investment (domestic tax incentives) and environmental sustainability (environmental surcharge) and hence it is very important to realise the interrelationships of taxation with the goals outlined in the 2030 SDG Agenda.

Simultaneously, it needs to be taken into cognizance that protection of the poorest, including through basic public spending, is an overarching concern and the fairness of a

tax system cannot meaningfully be assessed in isolation of the spending it finances.

This makes it important not only to examine the distributional impact of tax reforms themselves but also to identify specific spending measures to address any concerns they raise.

Better persuading taxpayers of the value of the public spending financed by the taxes they pay, including by improving the management and quality of that spending, can further bolster trust in and compliance with the tax system.

Having realised this, the NBR is continuously engaged in building partnerships with all the relevant stakeholders both in the public and private sector. Several reform activities, including tax policy and tax administration reforms, are underway aiming at revenue mobilisation, building taxpayers' trust and confidence.

VAT Online platform has been launched and Value Added Tax and Supplementary Duty Act 2012 has been implemented from July 1, 2019. The legislation for customs operations is also under review of the parliamentary standing committee and several projects like National Single Window and Bond Automation has been taken to modernise the customs wing in order to protect the community and the environment, ensure efficient and effective revenue collection while facilitating legitimate trade and travel in compliance with domestic and international standards.

The NBR is working to provide fair, equitable and quality service to clients; encourage voluntary tax compliance; serve as the central repository for the collection and management of trade statistics; use risk based and intelligence-led approach in enforcement activities maintaining high professional standards that reflects quality, transparency and teamwork.

All these are very positive signs indicating that Bangladesh is gradually moving towards the right direction in regards to efficient domestic resource mobilisation.

However, in the face of continuously changing economic environment and the digitisation of the economy, capacity building of the NBR's field officers based on an international standard competency framework and providing appropriate logistics and infrastructure support for the field offices remain as the two major challenges as well as success factors for achieving the financing objective and other broader SDG goals.

Both funds and technical assistance would be required to address these challenges where different international organisations and donor agencies can play a vital role by showing their commitment to help NBR in this regard.

The political will of the government, the institutional mechanism of the organisation, the stakeholders, the citizens and the united effort of the broader international community can certainly lead to more efficient domestic resource mobilisation in attaining the SDGs which goes way beyond financing.



The headquarters building of the National Board of Revenue in Dhaka. Efficient taxation and fiscal policies can play a critical role in reducing inequalities and promoting inclusive sustainable development.

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## China's Xi turns to financial experts to tame economic risks

REUTERS, Singapore/Beijing

AS China struggles to deal with the slowdown of the world's second-largest economy, it has embarked on a new strategy of placing financial experts in provinces to manage risks and rebuild regional economies.

Since 2018, President Xi Jinping has put 12 former executives at state-run financial institutions or regulators in top posts across China's 31 provinces, regions and municipalities, including some who have grappled with banking and debt difficulties that have raised fears of financial meltdown.

Only two top provincial officials had such financial background before the last big leadership reshuffle in 2012, according to Reuters research.

Among financial experts recently promoted is Beijing vice mayor Yin Yong, a former deputy central bank governor, and Shandong deputy provincial governor Liu Qiang, who rose through the country's biggest commercial banks, from Agricultural Bank of China to Bank of China. Another newly promoted official, Chongqing vice mayor Li Bo, had until this year led the central bank's monetary policy department.

The appointments - overseeing economies larger than those of small countries - would appear to put those officials in the fast lane as China prepares a personnel reshuffle in 2022, when about half of the 25 members of the Politburo could be replaced, including Liu He, a vice-premier who is leading economic reform while doubling as chief negotiator in US trade talks.

"Bankers are now in demand, as local governments are increasingly exposed to financial risks," said Chucheng Feng, a partner at Plenum, an independent research platform in Hong Kong.

"These ex-bankers and regulators are given the task of preventing and mitigating major financial risks."

The appointments have come as economic growth has slowed to its weakest in nearly three decades, while government infrastructure investment has fallen.

Five regional banks were hit with management or liquidity problem this year, raising the prospect of devastating debt bombs lurking in unexpected corners.

"We need to be well prepared with contingency plans," the state Xinhua news agency said after a major annual economic meeting headed by Xi this month.

The economy faced "increasing downward economic pressure amid

intertwined structural, institutional and cyclical problems", the news agency said.

With pressures mounting, local governments are expecting to take the lead in managing their financial scares and cutting the cost of rescue with local intervention, analysts say.

"Appointing financial vice governors to provinces can help better integrate financial policies into local practice, and to prevent financial risks beforehand," said He Haifeng, director of Institute of Financial Policy at Chinese Academy of Social Science, a government think-tank.

"Such appointments have also showcased a change of manner in official appointments." Financial executives were long shunned for leadership positions.



China's President Xi Jinping

Banks were nationalised after the Communist Party took power in 1949 and many bankers were purged during the Cultural Revolution.

Xi started to stress the importance of financial expertise, and to elevate the status of executives, in 2017.

"Political cadres, especially the senior ones, must work hard to learn financial knowledge and be familiar with financial sectors," Xi said in a national meeting on financial affairs.

Half of the 12 former financial executives elevated to provincial leadership posts under Xi were born after 1970.

Liaoning's vice governor Zhang Lilin, 48, a veteran banker who spent two decades in the country's third largest lender, Agricultural Bank of China, was appointed days after three state-controlled financial institutions announced investment in the then troubled Bank of Jinzhou.

A risk disposal plan for the lender was a milestone this year in resolving problems facing high-risk financial institutions.

Tan Jiong, 53, former deputy head of Industrial & Commercial Bank of China, the world's largest lender by assets, was appointed in September to Guizhou.

## Sixty years on, Africa still seeks right model for growth

AFP, Paris

AS 1960 dawned, sub-Saharan Africa braced for historic change: that year, 17 of its countries were destined to gain independence from European colonial powers.

But six decades on, the continent is mired in many problems. It is struggling to build an economic model that encourages enduring growth, addresses poverty and provides a future for its youth.

Here are some of the key issues: Africa's population grew from 227 million in 1960 to more than one billion in 2018. More than 60 percent are aged under 25, according to the Brookings Institution, a US think tank.

"The most striking change for me is the increasing reality of disaffected youth... a younger population that is ready to explode at any moment," Cameroonian sociologist Francis Nyamnjoh told AFP.

"They are hungry for political freedoms, they are hungry for economic opportunities and they are hungry for social fulfilment."

Joblessness is a major peril. Unemployed youths are an easy prey for armed groups, particularly jihadist movements in the Sahel, or may be tempted to risk clandestine emigration, often at the cost of their lives.

The continent's population is expected to double by 2050, led by Nigeria, Ethiopia and Democratic Republic of Congo (DRC).

The proportion of Africa's population living below the poverty line -- less than \$1.90 (1.7 euros) per day -- fell from 54.7 percent in 1990 to 41.4 percent in 2015, according to the World Bank. But this average masks enormous differences from one country to another, exemplified by Gabon (3.4 percent of the population in 2017) and Madagascar (77.6 percent in 2012).

"The inequalities between countries are as extreme as in Asia and the inequalities within countries as high as in Latin America, where landless peasants coexist with huge landowners," said Togolese economist Kako Nubukpo.

Christophe Cottet, an economist at the French Development Agency (AFD), pointed out that inequality in Africa is "very poorly measured."

"There are notably no figures on inequalities of inherited wealth, a key issue in Africa."

Recent decades have seen the expansion of megacities like Lagos and Kinshasa, typically ringed by shantytowns where people live in extreme poverty, although many medium-sized cities have also grown.

More than 40 percent of Africans now live in urban areas, compared with 14.6 percent in 1960, according to the World Bank.

In 1960, Cairo and Johannesburg were the only African cities with more than a million residents. Consultant McKinsey and Company estimates that by 2030, about 100 cities will

have a million inhabitants, twice as many as in Latin America.

But this urban growth is not necessarily the outcome of a rural exodus, said Cottet.

"The population is rising across Africa as a whole, rather faster in towns than in rural areas," said Cottet.

"There is also the problem of unemployment in towns -- (rural) people have little interest in migrating there."

Growth in Africa slammed to a halt in the early 1980s, braked by a debt crisis and structural adjustment policies. It took two decades to recover.

Per-capita GDP, as measured in constant US dollars, shows the up-and-downs, although

sector has only recently started to emerge.

"We have not escaped the colonial model. Basically, Africa remains a producer and exporter of raw materials," said Nubukpo.

He gave the example of cotton: 97 percent of Africa's cotton fibre is exported without processing -- the phase which adds value to raw materials and provides jobs.

For Jean-Joseph Boillot, a researcher attached to the French Institute for International and Strategic Affairs, "Africa is still seeking an economic model of development."

"There is very little development of local industries," he said.

"This can only be achieved through a very strong approach, of continental industrial



A fisherman poses on a boat as he waits to go overnight fishing at Lake Kivu, western Rwanda.

AFP/FILE

these figures are official and do not cover Africa's large informal economy: \$1,112 in 1960, \$1,531 in 1974, \$1,166 in 1994 and \$1,657 in 2018.

"If you do an assessment over 60 years, something serious happened in Africa, with the loss of 20 years. But there is no denying that what is happening now is more positive," Cottet said.

The IMF's and World Bank's structural adjustment programmes "broke the motors of growth," said Nubukpo, whose book, "L'Urgence Africaine," (The African Emergency) makes the case for a revamped growth model.

The belt-tightening programmes "emphasised the short term, to the detriment of investments in education, health and training."

Africa has a low rate of industrialisation, is heavily dependent on agriculture and its service

protection -- but this is undermined by the great powers in order to pursue free trade.

"The Chinese, the Indians and Westerners want to be able to go on distributing their products." Lack of democracy, transparency and efficient judicial systems are major brakes on African growth, and wealth is concentrated in the hands of a few, said the experts.

Of the 40 states deemed last year to be the most world's most corrupt countries, 20 are in sub-Saharan Africa, according to Transparency International.

"Africa is not developing because it is caught in the trap of private wealth and the top wealth holders are African leaders," said Nubukpo.

"We must promote democracy, free and transparent elections to have legitimate leaders who have the public interest at heart, which we absolutely do not have."