

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.38%	▲ 0.35%	\$1,920.57	\$39.80	▼ 0.14%	▲ 0.80%	▼ 0.26%	▲ 0.72%	BUY TK 83.95	98.06	109.82	12.06
4,978.32	8,571.29	(per ounce)	(per barrel)	38,365.35	23,274.13	2,504.21	3,316.42	SELL TK 84.95	102.86	113.22	12.68

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SIX MONTHS WITH CORONAVIRUS WHERE THE ECONOMY STANDS NOW

Govt plans handouts for the laid-off

Terminated and insolvent garment, leather workers to get Tk 3,000 a month for 3 months

REJAUUL KARIM BYRON, REFAJET ULLAH MIRDHA and MD FAZLUR RAHMAN

A ray of hope has emerged for the laid-off, disabled and insolvent workers of export-oriented garment, leather and footwear manufacturing factories as the government has initiated a scheme to extend financial support to them.

The government would pay Tk 3,000 per month to a worker for three months under the scheme, backed by the European Union and Germany, who together paid €113 million.

The labour department has prepared an implementation guideline for the social safety net programme.

Laid-off, disabled and insolvent workers of factories which are members of four platforms would be eligible.

The four are the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the Bangladesh Knitwear

Manufacturers and Exporters Association (BKMEA), the Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB) and the Bangladesh Finished Leather, Leathergoods and Footwear Exporters' Association (BELLFEA).

The finance ministry has sent a proposal to the Prime Minister's Office seeking permission for the scheme.

Bangladesh's export sector came under pressure because of the pandemic-induced economic disruptions in the major export markets such as the EU and the US. As a result, several export-oriented factories in the two sectors were forced to announce temporary layoffs and put production on hold or reduce production, affecting both owners and workers.

The affected workers have received compensation under the labour laws. Still, they have been languishing in poverty as the



Many workers who lost their jobs have been languishing in poverty as the pandemic has curbed alternative employment opportunities.

pandemic has persisted and the scope for alternative employment opportunities has been squeezed, the labour ministry guideline.

It said some temporary workers did not get the compensation as they do not meet the conditions. Besides, there is a group of workers who have become physically disabled because of workplace accidents or women workers could not return to work after giving birth.

"As a result, the income-generation capacity has narrowed and the workers are facing economic hardships."

"So, the government has initiated a move to roll out a social protection scheme to provide emergency humanitarian support for the two important sectors," said the implementation guideline.

The EU and Germany have agreed to provide €113 million in grant to implement the scheme. The government would allocate a budget in favour of the scheme.

The labour department would implement the scheme. But it would be implemented through active participation of the owners.

The initiative would be

THE SCHEME AT A GLANCE

- ▶ Each beneficiary to get Tk 3,000 per month for 3 months
- ▶ EU and Germany to provide 113m euros in grant
- ▶ Funds to be transferred to beneficiaries' bank/ mobile accounts
- ▶ Govt to bear cash-out charges, if needed
- ▶ 10-member committee to monitor implementation
- ▶ Scheme to run in FY21 and FY22

implemented under the guideline in the current and the next fiscal years. Md Saiful Islam, president of the LFMEAB, said it was a good move as many workers had lost jobs.

"If the real retrenched workers get Tk 3,000 per month at least for six months, they will be able to cope up with the adverse impacts."

Nazma Akter, president of Sammito Garment Sramik Federation, a platform for workers, said the workers would be benefited.

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E-commerce: a bright spot amid the gloom

Pandemic recovery pegging on shifting priorities

MAHMUDUL HASAN

With the ongoing coronavirus pandemic continuing to force consumers from around the world to shop from home, online sales in Bangladesh were expected to see turbocharged growth similar to international trends.

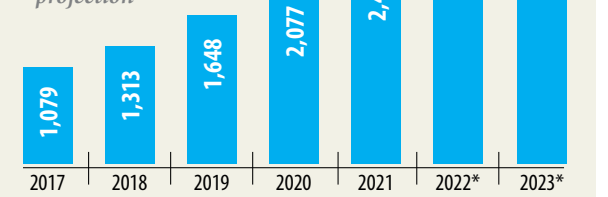
Despite some ups and downs, the country's e-commerce industry has ballooned by about 100 per cent ever since the first Covid-19 infection in the country was announced in March.

However, the growth witnessed during this six-month period still falls short of previous projections.

While a number of e-commerce platforms that mainly retail essential goods are overwhelmed by an unprecedented number of orders, those that sell lifestyle and luxury items saw the demand for their products plummet to rock bottom.

BANGLADESH'S E-COMMERCE MARKET SIZE

In million \$ *projection



SOURCE: STATISTA.COM



An employee scans barcodes at a sorting centre of Daraz Bangladesh, a subsidiary of e-commerce giant Alibaba, in the capital's Tejgaon. The photo was taken on Monday.

For example, Chaldal, Bangladesh's leading online shopping platform for household goods, has defied the volatile economic situation to absolutely dominate the market.

Thanks to an increased demand for home delivery of groceries, hygiene products and other consumer staples, Chaldal enjoyed a 140 per cent rise in its daily delivery count inside Dhaka.

The online retailer now executes 6,000 deliveries each day while the number was 2,500 in the pre-pandemic period.

"The demand for rice, vegetables and hygiene products has been great since late March," said Waseem Alim, chief executive officer (CEO) of Chaldal.

At a time when most businesses were laying off much of their staff in a bid to survive the Covid-19 fallout, Chaldal added 560 new jobs to take its number of employees to 1,400. This a significant feat for any local e-commerce site, he added.

Launched in 2013, the online retail platform makes deliveries all over Dhaka and its adjacent areas, including Narayanganj, with its own delivery mechanism.

However, Alim believes that online sales have not grown as much as was expected.

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Bourses learnt a lesson: all-out digitalisation is a must

AHSAN HABIB

The Covid-19 outbreak has showed clearly how poorly Bangladesh's stock market was digitally prepared to fight a pandemic like this.

The Dhaka and Chattogram stock exchanges had to pay the price of not having a functioning digital platform to settle trades online during the pandemic and keep their doors closed for a record of 66 days.

The shutdown ate up a major portion of revenue of the bourses at a time when they had been struggling hard to survive because of a continuous fall in turnovers.

The last time the country's stock market was shut down for such a long period was back in 1969, when the then East Pakistan was embroiled in a mass uprising ahead of the Liberation War. The

market later reopened in 1976.

Even, Bangladesh's stock market was the only one in the world to remain closed for over two months due to the pandemic. Only Jordan and Sri Lanka stopped trading for a few days while others kept capital markets open as usual.

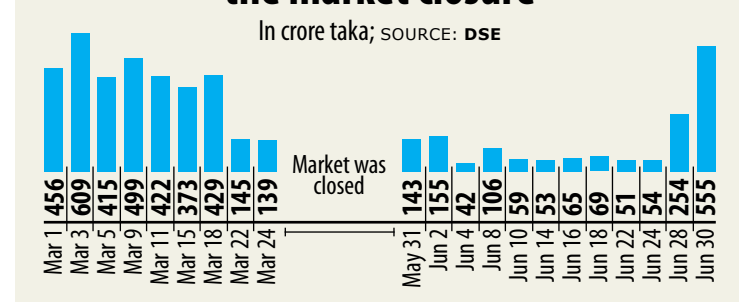
"It was not possible to settle a trade without the physical assistance of a trader. So both the bourses were bound to stop trading during the outbreak," said a director of the Dhaka Stock Exchange (DSE) preferring anonymity.

After remaining closed for a few days, banks were given go-ahead to open their doors during the two-month lockdown.

But, the government did not allow stock market officials and traders to go to their office, he said.

"It hurt the local investors,

Stock turnover before and after the market closure



as majority of them were not accustomed to do online trading and were dependent on traders to execute any trade."

Their dependency is clearly evident from a data of the DSE and the Central Depository Bangladesh, which shows only 2 per cent of all

beneficiary owner's accounts are registered for online trading.

After experiencing the bitter aftermath of a closure, Bangladesh Securities and Exchange Commission (BSEC) ordered authorities concerned to go for digitisation of every market-

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Gathering ban spells dry year for event organisers

JAGARAN CHAKMA

Bangladesh's event management sector is in dire straits as a lack of work for the past six months amid the ongoing coronavirus pandemic has led to a serious shortage of capital, according to industry insiders.

"The industry is in trouble following six months without work and there is no scope for business to return to normal by the end of this year," said Doza Alan, general secretary of the Event Management and Marketing Association of Bangladesh (EMMAB).

In a bid to curb the spread of Covid-19 within Bangladesh, the government declared a 10-day nationwide general leave beginning March 26.

However, the general closure of all economic activities was repeatedly extended as the number of coronavirus infections grew throughout the country before ultimately coming to an end on May 30.

"We can't organise any event amid the pandemic since corporate houses are reluctant to hold their scheduled events at this time," Alan said.

The industry is facing revenue losses of up to Tk 1,800 crore this year and could shrink by as much as 90 per cent because of the

BY THE NUMBERS

- ▶ There are some 300 event management firms in Bangladesh
- ▶ They organise thousands of events throughout the year
- ▶ The firms create about 1 lakh job opportunities
- ▶ The industry is facing revenue losses of up to Tk 1,800 crore this year
- ▶ Their revenue could shrink 90% for Covid-19

Covid-19 fallout.

Alan, also the chief executive officer of Skytracker, said his company was forced to reduce the size of its event management team as it could only pay 60 per cent of their salaries due to a lack of revenue.

"Although the country's economic activities are slowly returning to normal, our activities cannot gain momentum at the same pace," he added.



Event management companies are facing a serious shortage of capital due to a plunge in business.

COLLECTED

Due to the nature of event planning, which entails the gathering of people at a set location, it is not possible to organise such programmes while maintaining adequate social distancing.

"Currently, the main priority is to protect human life," Alan said, adding that the payment for events held via digital platforms are insufficient to maintain operations.

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