

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
Week-on-week		As of Friday		Friday Closings				As on Thursday				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
2.88%	2.72%	\$1,823.46	\$62.43	51,544.30	29,520.07	2,925.48	3,655.09	83.95	100.75	115.37	12.85	
5,485.02	9,585.07	(per ounce)	(per barrel)					BUY TK	84.95	104.55	119.17	13.51
								SELL TK				



TWO YEARS OF 'ONE STOP SERVICE'

A few bad apples spoiling Bida's OSS barrel

JAGARAN CHAKMA

While the government is fervently trying out new ways to draw investment to boost economic growth, some state bodies continue to cling to their customary negligent behaviours, effectively marring all progress.

Case in point: the One Stop Service (OSS) web portal of Bangladesh Investment Development Authority (Bida).

The portal aims to help investors fast implement business projects by centralising delivery of necessary regulatory, compliance, and value-added services through a single window.

By bringing such ease in doing business, expectations are for Bangladesh to rise to a double-digit spot from the current three-digit one in the associated World Bank index.

But investors are yet to fully enjoy the benefits of such services coming online when it comes to working with two government bodies – the Department of Environment (DoE) and the Office of the Registrar of Joint Stock Companies and Firms.

The service providers are responsible for checking applicants' documents. If everything is in order, a no-objection certificate or approval is provided.

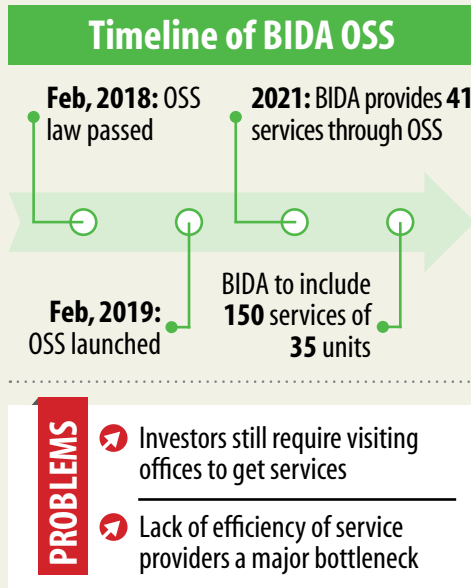
But that has not always been the case, alleged the service receivers.

There have been instances when investors were asked to physically visit government offices and present hard copies of documents. Some services are also not being provided within the period officially stipulated.

They have even been compelled to pay speed money, despite providing all necessary documents, to bring a stop to officials intentionally wasting time by bringing up unjustified excuses.

These allegations came up when The Daily Star recently talked to over 30 businesspeople and firms who received services from the OSS.

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Delivery Time for One Stop Service (In days)

SERVICES	DELIVERY TIME AS PER RULES	TIME NEEDED IN REALITY
Trade licence (Bida)	1	In Time
Company registration	7	15-30
Visa related service	7-21	In Time
Commerce ministry related service	3	10-14
Environment clearance	7-30	180
Electricity connection Approval	7	In time
Fire control clearance	15-30	60
Explosive related licence	21	60
Factory licence	10-15	30
NBR related service	1-15	30
Bangladesh Bank related service	7-15	30

Beza fares better

JAGARAN CHAKMA

Australia's TIC Group had set up a factory in Bangladesh to produce garment hangers with an initial investment of \$10 million in the Meghna Industrial Economic Zone at Meghnaghat in Narayanganj in 2018. The facility went into commercial production in February 2019.

Since then, the company has taken all kinds of services through One Stop Service platform of the Bangladesh Economic Zones Authority (Beza).

"Without any hassles, we have taken necessary services regarding export, import permit, environment clearance certificate and so on," Mohammad Rafiquzzman, a local contact of TIC Group, recently told The Daily Star.

Shah Muhammad Ashequr Rahman, head of finance and commercial of Bangladesh Honda Private Limited (BHL), said the company had obtained trade licences, environment renewal certificates, export-import permission, work permits and visa assistance through the online service of OSS.

"We have made payments online and got everything in time and without any hassles," he said.

Rahman appreciated the OSS of Beza, saying his company did not need a middleman or face any bureaucratic hassle.

"Beza's OSS saves time and money in delivering services which the investors expect from public service entities," he noted.

Rahman believes that the OSS will help attract foreign investors. The Daily Star contacted around 20 companies, including multinationals and local conglomerates that expressed satisfaction over the quick response from the OSS.

The Beza is providing services to investors through its OSS platform as part of its efforts to improve the ease of doing business.

It offers 48 services of different public and private service providers under the platform, ensuring easy access to information, application processing and other facilities required by investors at home and abroad.

By improving Bangladesh's ranking on the World Bank's Ease of Doing Business Index, the Beza hopes to attract more investment for the economic zones.

According to OSS rules, entrepreneurs investing in the economic zones are scheduled to receive all types of trade and investment services from various government agencies within 45 working days of their application.

Paban Chowdhury, executive chairman of the Beza, said the economic zones are especially designed to draw investment.

The OSS will improve the ease of doing business situation, which will be reflected in the World Bank's index, he said.

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INTRODUCING NEW

HOTLINE NUMBER

16704

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dbiceramics.com

Bangladesh to graduate 'with flying colours'

Govt study says it won't face a lot of challenges after becoming a developing country due to its economic resilience

REJAUUL KARIM BYRON and REFAWAT ULLAH MIRDHA

Just as it had been for past LDC status graduates, Bangladesh will also not face a lot of challenges afterwards for already having proven its economic resilience and potential for sustainable growth, according to a government study.

It can be confidently stated that Bangladesh is going to graduate from its least developed country (LDC) status with flying colours and will keep progressing, on condition that there are no extremely disruptive events, it said.

Only five countries have managed to graduate from the category since the formation of the LDC group in 1971. However, in terms of economic structure, these five countries are quite different from Bangladesh.

Among these former LDCs, Cape Verde and Samoa fall into the category of small island developing states (SIDS) while Botswana and Equatorial Guinea are countries with abundant natural resources.

Equatorial Guinea is the only country to graduate having completed just the income criterion while the rest fulfilled two -- Gross National Income (GNI) per capita and Human Asset Index (HAI).

However, all of them had weaker than desirable scores in the Economic Vulnerability Index (EVI).

In comparison, Bangladesh has a huge population, is not dependent on natural resources and meets the graduation thresholds for all three criteria, said the report.

COMPARISON WITH COUNTRIES THAT ALREADY GRADUATED

COUNTRY	REFERENCE YEAR (5 years)	GDP GROWTH RATE (In %)
Botswana	Pre-graduation	10.55
	Post-grad	5.50
Cape Verde	Pre-grad	6.18
	Post-grad	3.98
Maldives	Pre-grad	9.09
	Post-grad	7.4
Samoa	Pre-grad	0.43
	Post-grad	1.53
Bangladesh	Average (2011-2016)	6.45

SOURCE: PLANNING MINISTRY REPORT

General Economics Division (GED), a wing under the Ministry of Planning, prepared the "Impact Assessment and Coping up Strategies of Graduation from LDC Status for Bangladesh".

The experiences of former LDCs are not going to be extremely helpful in predicting outcomes of Bangladesh's post-graduation era. Nonetheless, they can offer several insights about how a country can maintain progress smoothly after graduation.

In the years after their graduation, all five countries have improved on the HAI and EVI.

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February brings hope for florists

AKLAKUR RAHMAN AKASH

Days will be longer for the flower growers for the next couple of months thanks to its increased demand because of back-to-back national events, beginning with Pahela Falgun and Valentine's Day today, both of which will be observed on the same day in Bangladesh this year.

Md Abdur Rahim, president of Bangladesh Flower Society, hopes Tk 50 crore worth of flowers would be sold today throughout the country.

"Farmers have incurred huge losses due to the Covid-19 outbreak and cyclone Amphan this year." Many flowers got wasted in the field as there were no takers.

The growers will need some more time to recover from the devastation caused by the pandemic and the cyclone, he said.

"If flower lovers come back to their habit of spending money for flowers, retail sales will surely increase and benefit farmers."

Among the flowers, roses are the top selling and widely cultivated ones.

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A grower holds roses that he plucked from his garden at Golapgram in Savar's Shyampur area yesterday.

PHOTO: AKLAKUR RAHMAN AKASH

Dev spending lowest in 5yrs

STAR BUSINESS REPORT

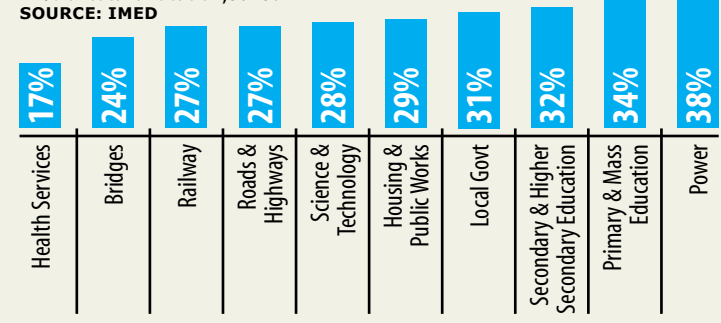
Government agencies could spend 28.45 per cent or Tk 61,048 crore allocated for development projects in July-January of the current fiscal year -- the lowest in the last five years, according to the Implementation Monitoring and Evaluation Division (IMED).

Spending on development projects fell 11 per cent year-on-year to Tk 61,048 crore in the first seven months of the fiscal year, a result of the government's go-slow approach towards low priority schemes. Expenditure from the state coffers

DEV EXPENDITURE OF TOP TEN MINISTRIES/DIVISIONS

In % of total allocation; Jul-Jan FY'21

SOURCE: IMED



dropped by 16 per cent year-on-year to Tk 39,342 crore in this fiscal year's July-January period, when the pandemic-induced economic slowdown affected revenue collection.

Spending from foreign funds also declined marginally during the period. The government allocated Tk 214,611 crore to spend for development projects for the fiscal year 2020-21.

The religious affairs ministry fared best in terms of implementation of projects under the annual development programme (ADP).

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Md Arfan Ali, president and managing director of Bank Asia, and Md Serajul Islam, CEO of ERA-InfoTech, exchange documents after signing a deal recently for rolling out "Micro Merchant" apps for management solutions.

UK urges G7 action on Covid recovery, climate, tech tax

AFP, London

Britain on Friday pressed for G7 action to tackle the global fallout from the coronavirus pandemic, as well as climate change and digital taxation, as it outlined its priorities for the elite economic club.

Finance minister Rishi Sunak and Bank of England governor Andrew Bailey hosted their counterparts from Canada, France, Germany, Italy, Japan and the United States at an online conference, ahead of a summit in Britain later this year.

The G7's first gathering since Joe Biden became US president included Treasury Secretary Janet Yellen, who made a clear break with the former administration of Donald Trump. "Secretary Yellen emphasised the commitment of the Biden administration to multilateralism to solve global issues," the US Treasury Department said.

Washington "places a high priority on deepening our international engagement and strengthening our alliances", it added, after four years of Trump's "America First" agenda.

Britain's finance ministry said the talks involved an exchange of views about the best way to bounce back from the impact of Covid-19. "The G7 must ensure that international financial institutions have the right tools to equip and enable vulnerable countries to respond to the pandemic," it said.

On Thursday, a French source indicated that the world's leading economies would consider whether to use the International Monetary Fund to mobilise \$500 billion in coronavirus aid to the poorest nations. Britain, which has suffered more than 116,000 deaths, is banking on vaccines to return to normality, helped by one developed by Oxford University and distributed by



REUTERS/FILE

Britain's Chancellor of the Exchequer Rishi Sunak talks during a TV interview in London.

AstraZeneca.

The low-cost jab, which is easier to transport and store than the ultra-low temperatures needed for the Pfizer-BioNTech vaccine, is being offered not for profit to low- and middle-income countries.

Sunak said there was a "moral, health and economic case for rapid and fair vaccine distribution across the world", given fears of growing "vaccine nationalism" and rows over supplies. The G7 should "take the lead in shaping support for vulnerable countries in 2021", his office said.

G7 leaders including Biden are due to meet at a seaside retreat in Cornwall, southwest England on June 11-13, after last year's meeting in the United States was shelved because of the pandemic.

Britain is also hosting a UN conference on climate change, COP26, in the Scottish city of Glasgow in November, with hopes of fresh commitments towards targets

for net zero carbon emissions.

Sunak urged his counterparts "to make climate and nature considerations a central part of all economic and financial decision-making in 2021", according to his office. The chancellor of the exchequer also "stressed the importance of working together to support a smooth and effective transition of our economies to net zero" carbon emissions. Britain took on the rotating G7 presidency last month with hopes for greater US cooperation, as Biden restored the United States to the Paris climate accord and the World Health Organization.

His government has also expressed support for a proposed global tax on digital giants such as Amazon, Facebook and Google, which have reaped stellar profits during the pandemic. "Progress on reaching an international solution to the tax challenges of the digital economy was noted as a key priority," Sunak said.

MIDLAND BANK ESRM TRAINING UNDER IFC STANDARD



MIDLAND BANK

Midland Bank Managing Director Md Ahsan-uz Zaman attends its training programme for executives and officers on environmental and social risk management through a digital platform.



AB BANK

Nazia Barkat, head of employee banking of AB Bank, and Mohammad Ferdous Jaman, company secretary of Orion Group, exchange documents after signing a deal recently offering the Orion employees "exclusive" banking benefits.



PADMA BANK

Md Ehsan Khasru, CEO of Padma Bank, opens the bank's "EK Cup Cha campaign-2021" to greet customers at the bank's Gulshan corporate branch in Dhaka recently.



PREMIER BANK

Golam Awlia, additional managing director of Premier Bank, and Mahmood Hossain, adviser for hospital operations at AMZ Hospital, attend a deal signing ceremony at the former's head office in Dhaka recently. The bank's credit and debit cardholders will get up to 25 per cent in discount at the hospital.



SINGER

Chandana Samarasinghe, marketing director of Singer Bangladesh; Mokbulla Huda Chowdhury, sales director, and Kazi Rafiqul Islam, wholesale director, launch "11th Gen" Dell laptop computers for the Bangladesh market on February 10.



MUTUAL TRUST BANK

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, poses with employees who received an "Service Excellence Award 2020" at the bank's corporate head office in Dhaka recently.



GREEN DELTA CAPITAL

Md Rafiqul Islam, CEO of Green Delta Capital, and Sabbir Ahmed, head of retail banking of Standard Chartered Bangladesh, sign documents of a deal recently enabling "privilege services and special fees" for customers availing discretionary portfolio management services.



Mashrafe Bin Mortaza, a lawmaker and former captain of the Bangladesh national cricket team, and Tarique Afzal, president and managing director of AB Bank, attend the launch of the bank's "360° Banking Service". The bank also rebranded its agent banking service.

Orion Pharma declares 10pc cash dividend

STAR BUSINESS DESK

Orion Pharma has declared 10 per cent cash dividend for the financial year ending on June 30, 2020.

The declaration came at its 55th annual general meeting through a digital platform in December last year, said the pharmaceutical company in a statement.

Chairman Mohammad Obaidul Karim, Managing Director Zareen Karim, Director Salman Obaidul Karim, independent directors Md Shafiqur Rahman and ANM Abul Kashem, Company Secretary Md Ferdous Jaman and Chief Financial Officer Samaresh Banik attended the meeting.

Shareholders unanimously approved audited financial statements for financial year 2019-20 which were presented at the meeting.

Dev spending lowest in 5yrs

FROM PAGE B1

The Internal Resources Division (IRD) under the finance ministry was the worst performer.

The religious affairs ministry could spend 74 per cent of Tk 884 crore of the development schemes for the ongoing fiscal year that will end in June.

The IRD spent only 1.80 per cent of the allocation of Tk 438 crore in the same period.

Of the top 10 ministries and

divisions that account for 72 per cent of the total ADP outlay for the current fiscal year, power division performed best while health services division was the worst in terms of expenditure.

The power division used up 38 per cent of Tk 27,297 crore allocated for development projects for the fiscal year.

The health services division could spend only 17 per cent of the total outlay of Tk 9,736 crore.

February brings hope for florists

FROM PAGE B1

The wholesale price of each bundle of 300 pieces of roses now hovers between Tk 2,200 to Tk 2,500, which could hardly hit Tk 800 to Tk 1,000 in most of the time of the year.

Around 1,500 farmers cultivated flowers in around 300 hectares of land in Savar this year, of which over 250 hectares were roses.

Abdul Khaleque Mollah, who

cultivated rose on his 1.5 acre of land this year in Shyampur area in Savar, sold roses worth Tk 30,000 Friday.

He was happy with the current prices.

Mollah expects to sell Tk 3 lakh worth of roses this month owing to the twin festivals and the International Mother Language Day, which will be observed on February 21.

Stocks still buoyant as shine comes off bitcoin rally

AFP, London

European stocks gained and US equities were hesitant Friday as investors awaited further stimulus and vaccine news, while bitcoin slipped back from record highs to below \$48,000. In equities, Paris posted gains of 0.6 per cent and London 0.9 heading into the weekend, although Frankfurt was near flat at the close.

Markets around the world are "remaining buoyant by the recent rally that has been fueled by Covid-19 vaccine rollout progress and elevated expectations that the US will deliver further fiscal relief," Charles Schwab analysts commented.

Equities have rallied this year on the back of vaccine rollouts, falling infection and death rates, and optimism that US President Joe Biden will push through his \$1.9 trillion stimulus package.

But London sentiment was dented Friday by news that the coronavirus-ravaged UK economy shrank by a record 9.9 per cent in 2020, despite an upturn in the second half. Across the Atlantic, US stocks were "pausing near record highs", Schwab added, with the blue-chip Dow close to flat while the broader S&P 500 and tech-heavy Nasdaq Composite each nudged up around 0.1 per cent.

Bitcoin had touched a new high of \$48,930 in Asian trade after MasterCard and US bank BNY Mellon moved Thursday

to make it easier for people to use the cryptocurrency, only to trade over \$1,000 lower around 1700 GMT Friday. "Bitcoin had a great week" thanks in part to the institutional backing, OANDA analyst Edward Moya said, but "the key for Bitcoin's path higher is to win over more corporate endorsements". "Massive weekend moves" nevertheless remain possible for the historically volatile cryptocurrency, he added. Axi analyst Stephen Innes noted that the earnings season has gone well in the US and Europe, while the number of Covid-19 infections has been dropping faster than in previous waves.

But he added that "investors need some good old proof in the economic pudding before taking that next leap of faith." Markets were awaiting a virtual meeting of finance ministers and central bankers of the Group of Seven rich nations to discuss pandemic fallout, climate change and digital taxation. Britain joins Canada, France, Germany, Italy, Japan and the United States for the group's first gathering since Joe Biden was elected US president.

Elsewhere, oil prices were on the up even as uncertainty persists over how far demand will recover from last year's plunge. With the newly-vaccinated eager to travel, "the crude demand outlook looks like it could get its best-case scenario as Americans who want a Covid vaccine will be able to get it by April", OANDA's Moya said.

Bangladesh to graduate 'with flying colours'

FROM PAGE B1

Except for Equatorial Guinea, all the former LDCs have maintained steady progress in the GNI per capita. Equatorial Guinea's fall in income level can be attributed to price instability of its primary export, crude oil.

The few primary indicators for these countries five years both prior and post the graduation gives a good idea about how LDC graduation shaped their economic performances.

A common theme for Botswana, Cape Verde and the Maldives during their respective transition periods has been a slowdown of economic growth. In the immediate post-graduation era, Botswana saw its growth cut down by half while Cape Verde by more than one-third.

The Maldives also experienced slow growth, particularly due to the slow performance of its main export items (fish fillets and frozen fish) to key export destinations (European Union and Japan). Loss of Duty Free and Quota Free (DFQF) status in the European market created adverse pressure on the Maldivian economy.

Despite a fall in gross domestic product (GDP) growth rate, Botswana's mining industry experienced a boom and the government maintained a high current account surplus and high tax revenue earning owing to the successful diamond mining industry.

The country is closely integrated with global trade and cyclical factors are determinants of growth. But overall, the economic performance of the country has been good since graduation.

One issue that has remained historically challenging for Bangladesh is the collection of tax and revenue in terms of the GDP.

Evidence suggests, during the preparation period, former LDCs had a high starting tax-GDP ratio. And in the post-graduation transition period, they maintained close to 20 per cent.

Overall, the tax revenue collection efforts of Bangladesh will need to go up significantly over the years.

An interesting issue that can be learned

from former LDCs are the shares of official development assistance (ODA) with respect to national income and share of foreign direct investment (FDI) against GDP during the transition period.

The proportion of the ODA against income fell whenever any country developed.

Apart from Cape Verde, all other four countries had a three-year grace period for preferential access, international support measures (ISMs) and other LDC-specific preferences. Cape Verde undertook good planning prior to graduation.

The country successfully negotiated with the EU for an additional two-year grace period for Everything But Arms (EBA), the EU's gracious Generalised System of Preferences (GSP) above the original three-year grace period, and some other transition period deals with prominent trade partners like China.

Malaysia and Botswana also planned about the potential negative impact of graduation.

It is to be noted that only the EU and Turkey have an explicit policy for extending LDC specific trade preferences for a transition period. The same is not necessarily true for other countries offering unilateral trade preferences.

For instance, there are no smooth transition provisions in case of Japan's or Canada's GSP scheme.

"Therefore, one option for Bangladesh is to start planning for the future ahead and negotiate for transition period preferential access, with options for post-graduation trade deals or free-trade agreements with countries of interest," the GED document also said.

All graduated LDCs have experienced stronger inflow of FDI in the post-graduation era. This has helped them to recover from the early loss of preferential access. Convinced that FDI is critical for achieving robust export growth, Bangladesh is proactively seeking FDI from all countries in the East and West.

Vietnam has shown the way by becoming a dynamic export economy on the back of heavy

FDI integration into the export sector. For example, its garment sector is 60 per cent FDI driven.

Three strategic steps are underway to mobilise more FDIs into the economy to reach a target of \$10 billion by FY2024. The steps include setting up 100 special economic zones (SEZs), improve the business and investment climate and remove barriers to entry of FDI in any specific sectors like garments, footwear or ceramics.

From Bangladesh's perspective, remittance earning has always been a matter of key interest. A strong remittance inflow helps develop a good reserve of foreign currencies, which provides significant leverage to central banks in maintaining favourable exchange rates.

Former LDCs also faced other problems like unemployment, underemployment, automation and inadequate working opportunities.

They also faced the problem of declining significance of remittance earnings (as proportionate to their GDP). Therefore, Bangladesh needs to put emphasis on maximising the remittance earning opportunities to tackle any adverse consequences of LDC graduation.

It is essential to remember that all countries are different and likely to have their distinct versions of post-graduation challenges. But a common theme for any graduating country will be loss of trade preferences.

Bangladesh is much better advanced on the development path. The country has a very diversified economy with huge domestic demands for different products while its export performance and remittance inflows are substantial.

Bangladesh has a buoyant private sector with strong entrepreneurial skills. The social fabric is dynamic and the formation of human capital has taken root.

Therefore, with further policy reforms and investments in human capital, technology and institutions, Bangladesh can smoothly transition from an LDC to the road of upper middle income, said the report.

Lovello sets sights on untapped rural markets

FROM PAGE B4

The local ice-cream industry faces three major challenges for growth. The first is import dependence for raw materials like chocolate, milk fat and other ingredients.

The problem is that the National Board of Revenue changes the duty imposed on raw materials from time to time while ice-cream prices remain stagnant.

The second challenge is logistics.

"Our fridges are imported but we are now trying to buy them from Walton. Likewise, the transport vehicles and our cold chain are all imported since they are very sophisticated," he said.

The third challenge is the country's natural disasters, which hit almost every year in the coastal areas.

Last year, the ice-cream industry was mostly impacted by the ongoing coronavirus pandemic as people were reluctant to eat ice-cream in fear of infection.

"A rumour that ice-cream may increase the possibility of infection impacted the industry," he said.

However, since Lovello had taken full preparation beforehand, they were able to sell their products at a discount as well as on credit. This ensured the company to keep their sales stable.

"We took the strategy that it is better to sell at lower prices than keep them in the fridge," Haque added.

Besides, the Covid-19 fallout had a greater effect in the capital than it did in the rural areas, where Lovello gets most of its sales.

"So, when others failed to sell their ice-cream, our sales were better and we logged profit also in the last fiscal and in the first half of the current fiscal," he said.

In response to a query, Haque said it is quite costly to reach the rural areas but their target was to reach a break-even point first and then make profit considering the huge potential in rural areas.



Ala Ahmad, general manager at MetLife Bangladesh, and Mominul Islam, CEO of IPDC Finance, exchange documents after signing a deal recently providing group life and medical insurance coverage to more than 580 employees of the non-bank financial institution.

Beza fares better

FROM PAGE B1

Chowdhury said it was compulsory for 25 investment facilitating agencies and regulatory authorities to give registration, issue clearance and permits and offer other documents within 45 days.

The Beza has set up a separate desk for the OSS at its office, where one responsible official from each service provider has been posted to deal with the applicants.

The agency announced the official inauguration of the OSS Centre on October 21, 2019.

As of December 31 last year, the OSS has delivered a total of 10,721 services in different categories. Of them, the OSS has delivered 58 project clearances, 7,910 import permits, 1,514 export permits, 788 visa recommendations, 45 visa assistance, 342 work permits, 47 trade licences, eight land use plans, one commercial operation permission, and eight project registrations.

Under the OSS rule, businesses are scheduled to get gas and electricity connection in seven days and 14 days respectively.

The Special Branch of the police get 45 days to submit a report on security clearance. Investors are scheduled to get investment registration in seven days and investment clearance in 20 days.

The Office of Registrar of Joint Stock Companies and Firms has to give clearance

in a single day and issue the certificate of incorporation in a week.

The rule says land registration and issuance of registration documents have to be completed in five days. The Department of Environment is scheduled to issue clearance certificates in one week to 30 days, depending on the types of factories.

Green factories will get clearance within a week while highly polluting industries will have to wait up to 30 days to get environmental clearance, according to the rule.

Investors receive clearance for land use, construction and approval for design of buildings within 30 days. They get approval from the Fire Service and Civil Defence office on fire safety in 30 days and get licences on fire safety in 15 days.

The Beza issues work permits within nine days.

The Bangladesh Bank is scheduled to give the nod to profit and dividend repatriation in 10 days.

According to the rule, investors in the economic zones are getting various documents, namely tax and VAT registration certificates, import and export permits, customs clearance and the country of origin certificate in a day.

"There is no pending applicant who is yet to get services after providing supporting documents," the Beza executive chairman said.

A few bad apples spoiling Bida's OSS barrel

FROM PAGE B1

However, there is no such hassle in availing services provided by Bida itself.

Bida launched the OSS in February 2019. It now provides 41 services and aims to integrate as many as 150 services from 35 agencies, all to facilitate investment processes in the country.

Up until December 31 last year, it said to have delivered 25,019 services.

Surprising, it is yet to get any application over land registration or mutation and gas connection.

Businesspeople said now they get electricity connections within a couple of weeks while the period officially stipulated was 14 workdays.

According to World Bank Group's flagship report Doing Business 2019, investors in 2018 needed to spend 150 days to obtain a new electricity connection whereas over 400 days in 2014. As per rules, investors are to receive environment clearance certificates against fresh industry or running industry anywhere between one week and 45 workdays, depending on the category and submission of required documents.

But the reality is a far cry from it. Md Idris Sheikh, managing director of Hasem Jute Mill in Faridpur, said he needed around six months to get the clearance from the DoE, that too with the help from a department official who is his friend. He did not need to spend any additional money.

Sayed Kaiser Ali, managing director of Metro Ispat, said he was able to get registered with Bida within two days. But he had to spend months to get the environment certificate, despite providing all necessary documents. He said the

environment clearance certificate was mandatory for the steel industry.

AHM Irfanul Huq, managing director of Luminous Pharmaceuticals, said the hassles had slightly reduced compared to that earlier when attempting to get registered with Bida and the registrar office.

However, he said his staff and those of a consultancy firm he availed services from had to visit the registrar office despite applying through the OSS.

According to him, the problem was that the OSS only connects investors to the different government service providers instead of providing the certificates or clearances itself.

He said there was still a lack of efficiency when it came to the government offices providing services through verifying documents and not being able to do away with seeking hard copies of documents.

Md Alkas Ali, owner of Parua LPG and Refuelling Station in Sylhet, said he got registered with Bida easily without incurring any additional cost. He even availed an import certificate through the OSS within one week.

But he spoke of having to wait for a few days to get a clearance from the Bangladesh Fire Service and Civil Defence, believing it had something to do with physical inspections.

One entrepreneur, seeking anonymity, accused the registrar office of intentionally dillydallying just to get him to pay speed money.

All the investors said they had to provide hard copies of documents.

Bida Executive Chairman Md Sirazul Islam said they were serious about improving in the

ease of doing business ranking and were working to ensure an investment-friendly environment.

He said the private sector was contributing to the development of the country's economy and for this reason, there was a need to improve the ease of doing business and create a business-friendly environment.

Regarding the allegation, he acknowledged that such irregularities were somewhat present.

He said the registrar office had even wanted to delay implementation of the integration with Bida for providing online services.

Bida took steps so that the applicants need not physically visit the registrar office, he said.

"The aim of the OSS is to do away with hassles of physical visits and remove bribe culture from public service entities," he noted.

Bida is putting emphasis on digital services as well as queries and objections, responses against which have to be provided online by the service providing entities themselves, which is an integral part of the ease of doing business, Islam said.

On being pointed out by The Daily Star that there was no portal in the OSS website to file specific complaints and seek redress, Islam immediately called over officials and asked to incorporate it. Jibon Krishna Saha Roy, director (OSS and regulatory reform) at Bida, said investors who face any bureaucratic hassle in any office should inform them.

Bida will intervene and take necessary steps, he said.

This correspondent also tried to reach the registrar of the Office of the Joint Stock Companies and Firms, but could not get his comment.

Lovello sets sights on untapped rural markets

MD of Taufika Foods and Agro that markets Lovello ice-cream shares plans and thoughts with The Daily Star

AHSAN HABIB

The government's efforts to ensure electricity at rural areas have opened the doors to a vast untapped market for the ice-cream and processed food sectors, said Md Ekramul Haque, managing director of Taufika Foods and Agro Industries.

Taufika Foods and Agro launched its Lovello Ice Cream brand on February 14, 2016.

Five years later, 60 per cent of Lovello's sales came from the country's rural areas.

And so, the company now aims to become the number one local ice-cream brand through higher sales in the countryside.

"We achieved the number three position in terms of market share within four years of inception," Haque said.

Lovello is available even in places where any branded ice-cream is seldom heard of such as St. Martin's island, Bandarban and Khagrachari.

"It might not be profit-worthy to always go for sales in the countryside but we do not think about profit in every step," he said, adding that when people find their product in remote areas, it boosts the brand image.

In response to a query, Haque said the absence of branded ice-cream products at affordable prices in rural areas made it possible for Lovello to grab such a great share of the market.

"Our research shows that around 150,000 shops in these areas can keep a refrigerator for their business but major ice-cream producers



Md Ekramul Haque

are yet to reach them.

"So, we are adding 16 more vehicles to our transportation fleet and adding 10 more depots," he added.

The export of locally made ice-cream also has good potential.

For example, India's domestic market for ice-cream is worth around \$124 crore, making it a potential destination for exports.

"So our target is not a dream only," Haque said.

Last year, the ice-cream industry registered sales of around Tk 1,500 crore whereas the market size was around Tk 2,000 crore earlier.

This is because there was a gap between the real market for ice-cream and sales due to the lack of preparation for Covid-19 from ice-cream producers.

On the other hand, the ice-cream market witnessed double-digit growth.

"So, we are going to expand our business," the managing director added.

Lovello currently has the capacity to produce Tk 500-700 crore worth of ice-cream products annually.

Taufika raised Tk 30 crore from the stock market when it got listed with the country's bourses earlier this month.

The company believes the proceeds from the initial public offering will help it increase its production capacity by another Tk 300 crore within 2022.

"So our production capacity would be around Tk 1,000 crore within one or one and a half years," he said.



"We dream to tie up with a good foreign ice-cream brand. But to do so we needed a compliant factory and needed to be listed with the stock market," Haque added.

"Raising a fund was not my intention but to be listed as a good company and see its valuation is the main target," Haque said, adding that Lovello will be a blue-chip stock within five years.

Blue-chip companies are those that have higher capital and pay dividends consistently.

In regards to product innovation and diversification, Haque said that Lovello recently launched its Shahi Khajur Malai ice-cream, which is made of date palm jaggery.

"This is our own recipe," he added.

Lovello launched a few smaller products at lower prices so that university students could afford them.

"A cone ice-cream worth Tk 70 is costly for a university student. So, we launched Mini Cone at half price. It was a first of its kind initiative in the industry and a hot product."

He said almost 15 per cent of the company's sales come from the single mini-cone item.

The low price also allows the general public in rural areas to easily afford the product.

The frozen foods sector has huge potential for export as well alongside local market demand.

Taufika Foods has plans to go for frozen foods now, Haque said.

"We have already selected our products to make a foray into the frozen foods market within the next six months."

Initially, Lovello will start with 10 lines where products such as Paratas and Samuchas will be produced.

"We also have a plan to produce chocolate in the country," Haque said.

Most of the chocolates consumed in Bangladesh are imported and so Lovello has plans to begin chocolate production from next year.

The brand's mother company is largely based on construction, engineering and consultancy while Haque has a presence in the banking sector as well. He is the director of NRB Bank.

"But my dream business is ice-cream," he said.

Haque admires the beauty of ice-cream as a product and that is why he came into the industry.

"We named our brand relating to the word love," the managing director said.

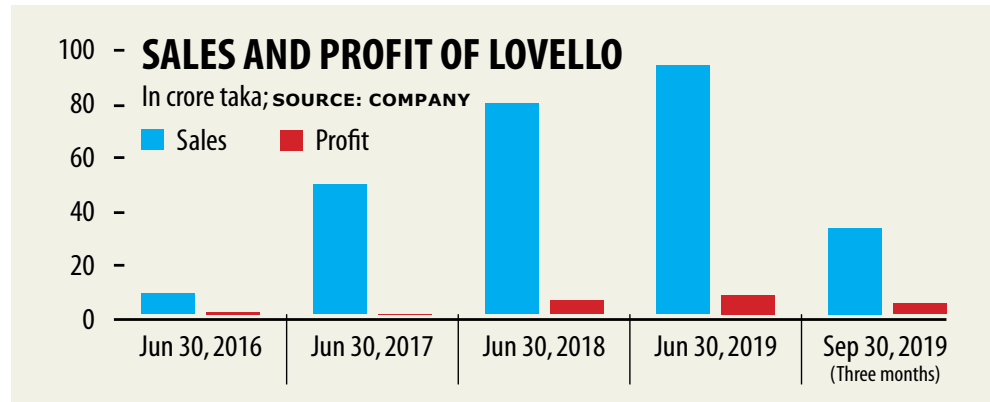
And so, it is no coincidence that its commercial operation started on February 14 or the Valentine's Day.

"Although I am a civil engineer, ice-cream suits my mindset better," he said with a smile.

The local ice-cream industry has huge potential but there are few market players, making it easy to reach the number one spot.

"Thanks to the government's massive works for rural electrification, we were able to launch operations in the rural areas," Haque said.

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CONTRIBUTION OF TOP 10 LOVELLO PRODUCTS TO ITS SALES

Mini Cone	15%
Hidden Heart-Single	15%
Cup Regular	15%
Maxi Cone	12%
Chocobar Regular	8%
Kulfi-50ml ice-cream	7%
Crunchy Bar Mini	5%
1 litre container normal	4%
500ml container	4%
250ml container	3%

Climate action in fashion, as big clothing brands back Bangladesh recycling scheme

REUTERS, Dhaka

Major fashion brands, including H&M, M&S and C&A, are getting behind an initiative in Bangladesh that aims to use more recycled materials in clothing production and significantly cut planet-heating emissions from manufacturing by 2030.

The Circular Fashion Partnership, announced this week, brings together more than 30 international brands, Bangladeshi recycling firms and garment manufacturers in a push to reuse textile waste from clothing factories to create new products.

If successful, the initiative could be replicated in other countries, such as Indonesia and Vietnam, and help cut the broader fashion industry's emissions, said the Global Fashion Agenda (GFA), a nonprofit body that is leading the new scheme.

In 2018, the sector's greenhouse gas (GHG) emissions were just over 2 billion tonnes, a figure that needs to be halved by 2030, to be in line with global climate goals, said the GFA.

"Reducing environmental impacts such as GHG emissions and circularity go hand in hand," said GFA spokeswoman Alice Roberta Taylor in e-mailed comments.

The partnership would cut carbon emissions from clothing production and demand for raw materials, which include fossil fuels, by slimming down the amount of waste and increasing the use of recycled materials over virgin materials, she noted.

Under the 2015 Paris climate accord, nearly 200 countries agreed to slash greenhouse gas emissions to net-zero by mid-century and limit global average temperature rise to "well below" 2 degrees Celsius above preindustrial times.

According to 2020 research by the GFA and McKinsey & Company, the fashion industry produces 4 per cent of global climate-warming emissions - equal to the combined annual emissions of France, Germany and Britain - and needs to intensify its efforts to align with the Paris Agreement goals to curb climate change.

The UN Environment Programme in 2019 put the fashion industry's share of global carbon emissions at 10 per cent - more than all international flights and maritime shipping combined - and said it was the second-biggest consumer of water.

Bangladesh - a low-lying nation considered highly vulnerable to



REUTERS/FILE

Bangladeshi garment workers make protective suit at a factory amid concerns over the spread of the coronavirus disease in Dhaka.

climate change impacts such as intensifying floods, storms and sea level rise - is the world's second-largest producer of clothes and its economy depends heavily on the garment industry.

But most waste from the industry is either exported or down-cycled for less

valuable uses, said the GFA, adding the circular plan aims to change that by increasing the value of the waste.

Miran Ali, a director at the Bangladesh Garment Manufacturers and Exporters Association, said it was time for the fashion industry to move away from a linear business model of

"take-make-dispose" and towards a circular approach.

As Bangladesh factories produce items in large volumes, their waste is standardised, making it relatively easy to deal with, he noted. "Therefore, Bangladesh can be a global leader in the area of circular economy," he said

in a statement.

The Green Climate Fund, set up to help developing nations adopt clean energy and adapt to climate change, approved a separate project last year to help cut emissions in Bangladesh's garment sector by enabling more efficient energy use.

H&M, one of the Bangladesh industry's biggest clients, told the Thomson Reuters Foundation it is working on transforming its whole business to become "fully circular and climate positive."

To get there, the Swedish fashion chain's targets include making its supply chain "climate neutral" - meaning it does not contribute to global warming - and only using recycled or other sustainably sourced materials, both by 2030.

"As we move towards a business model based on a circular economy, our climate agenda is pushed. And we want to use our size and scale to make a difference," Cecilia Strömblad Brännsten, H&M Group's environmental sustainability manager, said by email.

The Thomson Reuters Foundation is in a partnership with the Laudes Foundation, which is affiliated with the retailer C&A.

GLOBAL BUSINESS

Yellen urges G7 to go big on stimulus

REUTERS, Washington

US Treasury Secretary Janet Yellen on Friday urged G7 finance leaders to "go big" with additional fiscal stimulus to recover from the coronavirus pandemic and told them that the Biden administration was committed to multilateral engagement and fighting climate change.

The Treasury said in a statement that Yellen emphasized the need to provide more fiscal support to promote a robust and lasting recovery, telling her G7 counterparts: "the time to go big is now."

The Treasury also said Yellen expressed strong support for G7 efforts to tackle climate change, telling finance ministers and central bank governors that the Treasury Department's engagement on this issue would change dramatically compared to the last four years under the Trump



Janet Yellen

administration.

Yellen's predecessor, Steven Mnuchin, often resisted inclusion of language on climate change in G7 and G20 communiques.

"We understand the crucial role that the United States must play in the global climate effort," the Treasury statement quoted Yellen as saying.

Yellen also told the meeting that G7 countries should work with international financial institutions, such as the International Monetary Fund and World Bank, to address challenges facing low-income countries that are struggling to respond to the pandemic.

Her statement made no mention of increasing IMF resources to aid struggling countries, nor a new issue of IMF Special Drawing Rights, a topic that was to be discussed at the meeting.

ByteDance explores sale of Indian TikTok assets to rival firm Glance

REUTERS, Tokyo

China's ByteDance is said to be exploring the sale of the India operations of TikTok to rival unicorn Glance, Bloomberg News reported on Saturday.

The discussions, initiated by Japan's SoftBank Group Corp, are private, early and complex, the report said, citing people familiar with the matter.

Glance's parent, mobile advertising technology firm InMobi, also owns short-video app Roposo that has gained in popularity after TikTok was banned by the Indian government in July last year.

SoftBank is a backer of InMobi Pte as well as TikTok's Chinese parent, ByteDance, the report added.

Softbank, ByteDance and InMobi, did not immediately respond to Reuters request



AFP/FILE

A view of the TikTok building is seen in Culver City, California.

for a comment.

Last month, ByteDance reduced its 2,000-plus India team and said in a company memo that it's unsure of resuming operations in India.