

Tk 212cr project to expand cashew, coffee cultivation

STAR BUSINESS REPORT

The government has undertaken a project to introduce new varieties of cashew nuts and coffee while introducing modern technology and research to develop and expand their cultivation.

The project aims to increase cashew and coffee cultivation from the existing 2,000 hectares to a combined 6,000 hectares in order to increase production by 50 per cent.

The Executive Committee of the National Economic Council (ECNEC) endorsed the initiative, "Cashew nut, coffee research, development and

expansion", involving Tk 211.84 crore.

The Department of Agricultural Extension (DAE), a wing of the Ministry of Agriculture, will implement the project between July 2020 and June 2025.

Under the project, high yielding varieties of cashew and coffee will be developed. This will have a positive impact on the livelihoods of farmers in hill areas as these two cash crops can be grown on unused land with low investment.

According to project documents, the government also plans to increase the country's export earnings with these two products after meeting local demand.

The initiative will help reduce poverty and provide nutrition as well.

During the implementation period, the DAE will organise a total of 5,250 exhibitions on cashew nut cultivation and 5,250 exhibitions for coffee.

It will also provide training to 49,500 farmers and 480 officials of the department. This includes foreign training and exposure visits for DAE employees and scientists.

The farmers will be provided 1,350 coffee processing sets while a total of 500 solar irrigation units will be set up in hilly areas.

Besides, an office building will be constructed at Kaptai Horticulture Centre in Rangamati.

In addition, a modern field lab will be set up at the Bangladesh Agriculture Research Institute in Khagrachhari.

CASHEW NUT PLANT AT BANGABANDHU SHILPA NAGAR



Under the government project, high yielding varieties of coffee will be developed, which will put a positive impact on the livelihoods of farmers in hill areas.

PHOTO: STAR/FILE

Time to deal with weaknesses in credit policy to support MSMEs



MS SIDDIQUI

The Bangladesh Bank issued a circular on September 5, 2019, defining cottage, micro and small enterprises (CMSEs), CMSEs financing, women entrepreneur, and refinancing scheme and setting the credit ceiling. It proposes credit to industries, service, trading, women entrepreneurs, and new entrepreneurs. The CMSEs also include the business houses under the groups of industries, meaning conglomerates will be eligible to get the special loan offered to CMSEs.

The banks and financial institutions (FIs) are advised to develop financing strategies and give priority to innovative business. FIs are advised to give special training to their officials for CMSEs financing techniques and locate clusters and value chain to finance on a priority basis.

FIs may use agent banking if they don't have a branch in a location and distribute loans. They can use digital technology and digital financial services. FIs "may use" the service of MFIs having registration with the Microcredit Regulatory Authority (MRA), and all risks and responsibilities will be vested with FIs. Such funding will be treated as MSMEs finance. The loans are proposed to be regulated by the guideline of the MRA.

FIs were advised to introduce an application form in Bangla and different coloured papers. Officials will help entrepreneurs fill up the form. FIs will give a receipt after receiving the application and decide about credit within 10 days.

FIs "may consider" to delegate the authority of sanctioning loans to the concerned branches. The applicants shall get the opportunity to appeal to higher authorities. If the FIs refuse to lend the money, the applicant must be informed, citing the reasons for the rejection. The branches will keep the records of all applications and the details of loans for five years. FIs "may give" special facilities of repayments for about six months, considering the characteristics of a particular business on the basis of bank-customer relationship.

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Southeast Bank 1st Mutual Fund to be open-ended

STAR BUSINESS REPORT

The trustee committee of the Southeast Bank 1st Mutual Fund has decided to convert the listed closed-end fund into an open-ended one.

To materialise the plan, the committee has approved the modality of conversion of the fund as per a directive of the Bangladesh Securities and Exchange Commission dated July 8, 2015.

The Dhaka Stock Exchange shared this info in its website on Monday.

Mutual funds are investment tools that gather a fixed pool of money from many investors and re-invest them into stocks, bonds and other assets.

Closed-end mutual funds have tenure of 10 years when investors cannot get back funds from the fund manager but the open-ended ones are allowed to be liquidated anytime.

The fund will complete its 10-year tenure on May 15 this year, its trade at the stock exchanges will be suspended on May 16 and a unitholders' meeting will be held on May 25.

The conversion will take place only if at least 75 per cent unitholders present at the meeting approve the conversion proposal. Otherwise, the fund will be liquidated.

If converted, the investors will have options to remain invested in the fund or exit from it, said Shahidul Islam, CEO of VIPB Asset Management

Company Limited, manager of the fund.

"The fund has had an extraordinary performance track record so we believe that if converted into an open-ended fund, many existing investors will keep their money invested in the fund and it will attract many new," he added.

The fund was listed with the stock exchanges on May 16 in 2011 with an initial size of Tk 90.7 crore.

The fund has paid cash dividend amounting to Tk 88.8 crore. Currently, the fund's size in terms of total net asset value at market value is Tk 137 crore.

Yesterday, the fund was traded at Tk 12.50.



Financial institutions should give special training to their officials who deal with financing for cottage, micro and small enterprises, experts say.

STAR/FILE

GLOBAL BUSINESS

Amazon to make TV streaming device in India

REUTERS, New Delhi

Amazon.com Inc will start making its TV streaming device in India this year via a unit of Taiwanese contract manufacturer Foxconn, the U.S. online retail giant said on Tuesday.

The Fire TV Stick will be made by Foxconn subsidiary Cloud Network Technology in the southern city of Chennai, marking Amazon's first foray into having one of its devices manufactured in India.

Amazon said hundreds of thousands of Fire TV Sticks would be produced per year, helping it meet the demands of Indian customers.

"Amazon will continuously evaluate scaling capacity to additional marketplaces/cities depending on the domestic demand," the company said in a blog post.

The launch of conglomerate Reliance's telecoms venture Jio in 2016 began an era of cheap data tariffs in India, aiding

the growth of video and audio streaming services such as Amazon's Prime Video and Netflix. That created a market for streaming devices such as the Fire stick.

Seattle, Washington-based Amazon's move to make the device in India coincides with Prime Minister Narendra Modi's big policy push to make the country a hub for electronics manufacturing to compete with other Asian nations such as China and Taiwan, and create jobs.



Amazon will produce hundreds of thousands of Fire TV Sticks per year, helping it meet the demands of Indian customers.

REUTERS/FILE

Germany wants to work closely with Biden on trade, China, climate

REUTERS, Berlin

Germany wants Europe and the United States to strengthen transatlantic ties with a trade deal to abolish industrial tariffs, a WTO reform to increase pressure on China and a joint carbon-emission trading system to protect the climate.

Peter Beyer, transatlantic coordinator for Chancellor Angela Merkel's government, told Reuters in an interview published on Monday that Germany and the new U.S. administration under President Joe Biden should "think big" and aim for an ambitious agenda based on shared values and focused on joint interests.

"After the difficult years under Donald Trump, Germany and Europe now have a historic chance to breathe new life into the transatlantic partnership and improve relations with the U.S.," Beyer said.

Biden will hold his first event with other leaders from the Group of Seven nations, including Merkel, in a virtual meeting on Friday to discuss the coronavirus pandemic,

the world economy and China relations. German enthusiasm for a trade deal and stronger transatlantic ties may have to contend with a more cautious approach in France, where President Emmanuel Macron has made a priority of reducing European reliance on rival superpowers.

"We won't wait for the United States to give Europe its sovereignty. It's up to Europe to conquer it," French Finance Minister Bruno Le Maire said when asked about the transatlantic relationship and reviving the idea of a trade deal.

Beyer said while Germany and the United States would continue to have differences on issues like Russian gas imports, this should not stop them from liaising closely on economic, trade, tax and climate policies.

"Now is the right time to put a package of trade and economic policy proposals on the agenda. This must include a comprehensive and ambitious free trade deal," said Beyer, a member of Merkel's conservative party.

Stung by Covid-19, Indian businesses rethink worker benefits

REUTERS, Mumbai

As Kerala's industrial heartland cranks back to life post-lockdown, orders are returning to its printing presses, workshops and chemical plants. But to bosses' dismay, many workers are in no hurry to come back from their villages.

"There is a strong reluctance among the workers to return," said Rajesh Gopalakrishnan, head of an industry association representing 200 small businesses in the southern state. "Maybe they have jobs in their home states. Or maybe they just felt bad they were not taken care of properly during the lockdown," he said.

Anxious to plug the shortfall of informal workers and heal the scars left by last year's strict lockdown, a growing number of Indian companies are offering off-the-books labourers perks normally reserved for payroll staff.

More than 90 per cent of India's 450-million strong workforce are informal, recruited through tiers of labour contractors with low wages and no social security benefits such as health insurance or pensions.

Almost a quarter of the informal workers are migrants who typically travel from their villages to bigger cities in distant parts of the country to work at brick kilns, garment factories, in hospitality or at construction sites.

Many of them lost their jobs and savings at the start of the pandemic - their hardship making global headlines as they trekked hundreds of miles (kilometres) to distant villages. For Rati Forbes, director at Pune-headquartered engineering firm Forbes Marshall, the images of weary, penniless migrant labourers walking home from the cities impelled her company to rethink its relationship with informal workers.

"It was imperative to do something," she told the Thomson Reuters Foundation in a video call. "We realised we were employing many of these most vulnerable people and how we also could change some of our approaches." Her company is now planning health insurance for daily wage

workers, discussing an unemployment cover with other industry leaders and is contacting employees throughout its supply chains to find out what social security safeguards they have.

Two billion people work in the informal economy globally, with most of them in emerging and developing countries mainly in South Asia and Southeast Asia, according to a United Nations report, a challenge to achieve the "decent work for all" goal.

For years, informal workers in India have demanded higher wages, regulated work hours and better living conditions, but until now their voices went largely unheard.

Labour campaigners say it is a race against time to lock in long overdue improvements to employment terms before the visibility of the workers gained during the pandemic vanishes.

"The migrant story is already forgotten and

before it totally goes out of the window, we need to act," said Rajiv Khandelwal, co-founder of migrant rights group Aajeevika Bureau.

The non-profit is part of the Social Compact Project, an initiative backed by Forbes Marshall and other companies that aims to secure social security cover for a million workers by enlisting 150 firms in the cities of Pune, Mumbai and Ahmedabad.

"The project calls upon industries to improve labour standards in terms of wages, safety, health among others for contract workers. This is not about corporate charity but about core labour policies," Khandelwal said.

Another major problem for unregistered, unbanked workers during the COVID-19 crisis has been accessing state aid, prompting some of the country's biggest employers to address the workers' lack of documentation.



Migrant workers and their families wait to get on a bus to reach a railway station to board a train to their home state of Uttar Pradesh in India.

REUTERS/FILE

TikTok hit with consumer law breaches complaints across Europe

REUTERS, Brussels

Chinese-owned short video-sharing app TikTok was hit with multiple complaints from EU consumer groups on Tuesday for allegedly violating the bloc's consumer laws and for failing to protect children from hidden advertising and inappropriate content.

Owned by China's ByteDance, TikTok has been rapidly growing in popularity around the world, particularly among teenagers. It

faces growing criticism about its privacy and safety policies following a number of incidents.

European consumer group BEUC cited several issues in its complaint, among them its terms of service.

"They are unclear, ambiguous and favour TikTok to the detriment of its users. Its copyright terms are equally unfair as they give TikTok an irrevocable right to use, distribute and reproduce the videos published by users, without remuneration," it said.

It said the company's virtual item policy where users can purchase coins to use for virtual gifts for TikTok celebrities whose performance they like, contains unfair terms and misleading practices.

"TikTok fails to protect children and teenagers from hidden advertising and potentially harmful content on its platform," BEUC said.

The company's practices for the processing of users' personal data are misleading, it said.

In addition to BEUC's complaint,

consumer organisations in 15 countries have alerted their authorities and urged them to act.

"We're always open to hearing how we can improve, and we have contacted BEUC as we would welcome a meeting to listen to their concerns," a TikTok spokesman said.

The company said it has developed an in-app summary of its privacy policy to make it easier for teens to understand its stand on privacy.