STOCKS	Week-on-week
DSEX	CSCX
▼ 0.30%	▼ 0.13%
5,254.78	9,190.42

COMMODITIES	As of Friday
Gold ▲	Oil ▲
$1,743.10	$62.95
(per ounce)	(per barrel)

ASIAN MARKETS			Friday Closings
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.31%	▲ 0.20%	▼ 0.06%	▼ 0.92%
49,591.32	29,768.06	3,184.54	3,450.68

CURRENCIES — As on Thursday, STANDARD CHARTERED BANK

	USD	EUR	GBP	CNY
BUY TK	83.95	98.60	114.59	12.59
SELL TK	84.95	102.40	118.39	13.23

Star BUSINESS

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ONLINE ACCOUNT OPENING

More banks jump on the bandwagon

AKM ZAMIR UDDIN

People can open bank accounts from anywhere as an increasing number of lenders have made digital options available, helping customers avail financial services without visiting branches during the coronavirus pandemic.

Digital account opening that takes a maximum of six minutes has put an end to fill out paper documents and highlights the changes in the behaviour of banks and customers brought in by the unprecedented crisis. Many people are nervous about leaving their homes, let alone visiting bank branches. They have moved to digital platforms to work, shop, communicate and get entertained.

It prompted many banks to embrace the new system based on the central bank's e-KYC (electronic know your customers) guideline unveiled in January last year.

The guideline, which was formulated just two months before the pandemic hit the country, came in handy as it let the banks and other financial institutions open accounts to help people access the essential service throughout the crisis period.

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PALASH KHAN

These small light engineering workshops churn out products worth Tk 10,000 crore a year, meeting a third of the local demand of Tk 30,000 crore, according to Bangladesh Light Engineering Industry Owners Association. Electrical product makers say the local market for their items is worth Tk 20,000 crore to Tk 25,000 crore, and they cater to a portion of the gigantic market. The photo was taken at Dholaikhal in the capital last week.

ELECTRICAL, LIGHT ENGINEERING SECTORS

Tk 300cr industrial park in the making

SUKANTA HALDER

The government is developing the country's first industrial park for electrical and light engineering product manufacturers at a cost of Tk 300 crore in Munshiganj, which could herald a beginning to bring the highly scattered and unorganised industries under a single platform.

Already 83 per cent of the project work has been completed, and the Bangladesh Small and Cottage Industries Corporation (BSCIC) said the industrial city would be ready by June next year.

This is going to be the first organised industrial enclave for electrical products and light engineering items manufacturing units, which have sprung up in an unplanned manner across the country.

The BSCIC is developing the industrial area to provide all infrastructural facilities to engineering and electrical products making industries that cater to the huge domestic market.

The light engineering sector makes products worth Tk 10,000 crore, meeting a third of the local demand of Tk 30,000 crore annually, according to the Bangladesh Light Engineering Industry Owners Association.

Electrical products makers say the local market for electrical items is Tk 20,000 crore to Tk 25,000 crore, and they cater to a portion of the gigantic market.

"While allotting plots in the industrial park, we will give priority to the manufacturers that make fans, switches, sockets, light fittings, and small-scale substation equipment," said Enayet Hossain Chowdhury, a director of the Bangladesh Electrical Merchandise Manufacturers Association (BEMMA).

The association represents more than 700 members.

The number of plots is 362 in the industrial park. Half of them will go to the electrical products' makers and the rest to the light engineering makers.

"We will need more plots," said Chowdhury, also a former president of the organisation.

The project will create 10,750 jobs.

READ MORE ON B3

RMG exporters want factories up and running

Union leaders favour closure with full payment as lockdown looms

REFAYET ULLAH MIRDHA

Garment factory owners and union leaders are at loggerheads over the imminent tough lockdown the government is set to impose across the country to curb the rising cases of coronavirus infections.

Owners want to keep their factories up and running, while union leaders called for a closure of factories and a full payment of the wages for workers during the lockdown period.

The government plans to go for a large-scale lockdown from April 14 for seven days as its current efforts have not had much impact on bringing down the infection rate.

"We do not have the luxury to shut our factories as we have been on a recovery path from the devastating impacts of the first wave of Covid-19," said Fazlul Hoque, managing director of Narayanganj-based Plummy Fashions Ltd.

When international buyers are placing orders for the next autumn and winter seasons, any pause in production will put the industry in deep trouble.

"The order may be shifted to other countries as they have not imposed any lockdown. We will be isolated from the rest of the world if the lockdown is imposed. No competing countries such as China, Vietnam and Cambodia are in lockdown at the moment," he said.

Local suppliers will face order cancellation, deferral payment, discount for delayed shipment, or expensive air shipment if the production is halted due to the lockdown, Hoque said.

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If lockdown is imposed, garment suppliers will face work order cancellation, deferred payment, and expensive air shipment, an exporter said.

PHOTO: STAR/FILE

BD Finance eyes $2b US investment

Signs deal with a company

JAGARAN CHAKMA

Bangladesh Finance and Investment Company Ltd (BD Finance) has signed a deal with US-based Sovereign Infrastructure Group (SIG) to attract $2 billion worth of investment in infrastructure projects in the next two years.

BD Finance, a concern of Anwar Group, inked the agreement in Washington on Thursday, according to a joint press release.

The embassy of Bangladesh in Washington hosted the deal signing ceremony to commemorate the execution of a memorandum, which will serve as a long-term collaboration framework intended to enable SIG to bring American capital market investors to infrastructure projects in Bangladesh through BD Finance. "This is a commitment for the largest-ever foreign funding brought by a Bangladeshi financial institution," Manwar Hossain, chairman of BD Finance and group managing director of Anwar Group, told The Daily Star on Thursday.

With a project pipeline of more than $2 billion, BD Finance has mandated SIG on the initial financing of a direct loan of $40 million to be used for on-lending to SMEs, green energy projects, women entrepreneurs, social housing, economic empowerment initiatives for transgender individuals, and the refinancing of existing BD Finance obligations.

"We will finance different banks and financial institutions under the fund. BD Finance will utilise around $150 million from this fund," Hossain said.

"This is a historic event for the banking and financial sector of Bangladesh. This is the largest foreign investment effort by a financial institution in Bangladesh.

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66 stocks can fall max 2pc a day

STAR BUSINESS REPORT

Stocks of 66 listed companies, for whom the floor price was recently lifted, will be allowed to fall a maximum of 2 per cent a day instead of the usual 10 per cent.

The market has a circuit breaker or trading curb which limits abnormal price fluctuations to 10 per cent in both directions for all stocks.

However, the latest decision of the stock market regulator has kept unchanged the upper limit, meaning a 10 per cent rise will be allowed a day.

The floor price, which is essentially a limit on how low prices can go, was set for all stocks on March 19, 2020 by the Bangladesh Securities and Exchange Commission (BSEC).

It was aimed at stopping the index from falling amid the pandemic-induced rout.

The figures were calculated based on the stocks' average prices for the preceding five days.

But the decision was criticized as it impacted normal trade.

This prompted the BSEC to decide on April 7 this year to free the 66 in the first phase.

The next day, the DSEX, the benchmark index of the DSEX, dropped around 25 to 27 points solely for the free fall of the 66.

The whole market's impact that day was an 82-point plunge of the index.

Thanks to the new circuit breaker, the impact will be at most 5 points, even if all the companies fall, said BSEC Spokesperson Mohammad Rezaul Karim.

The order has already been issued and will take immediate effect from today (Sunday), he said.

"We have taken the decision as per investors and stakeholders' demand," he said.

The main reason behind taking the decision is to save investors, he said, adding that investors were in panic, so some shares might be downed to a high extent within the next three to four days.

When general investors sell off the shares, a vested group buys those, taking advantage of the low price. "We don't want to give them that opportunity," he added.

The BSEC also informed that the stock market would remain open in upcoming strict lockdowns if banks were kept open.

GODREJ BANGLADESH

Dhaka Metropolitan Police Commissioner Md Shafiqul Islam receives personal protective equipment from Godrej Bangladesh Country Manager Anand Singh at DMP Headquarters on Minto Road recently.

Canada jobless rate falls to lowest level since pandemic start

AFP, *Ottawa*

Canada added 303,000 net jobs in March, blowing past forecasts as the unemployment rate fell 0.7 percentage points to 7.5 per cent -- its lowest level since February 2020, the national statistical agency said Friday.

The pan-Canadian rebound felt by all ages coincided with a gradual lifting of pandemic restrictions, which have since been reimposed -- including a stay-at-home order in Ontario through the end of April -- as Covid-19 infections led by variants surged over the Easter holiday.

Prime Minister Justin Trudeau told a news conference that the jobs data were "encouraging," but he added "there is still a lot of work to be done." "Forecasts had been anticipating an echo after the hiring boom in February, but the economy was actually able to produce another boom in March. As officials continued to relax restrictions needed to curb the second wave of the virus, jobs reappeared in droves in sectors hardest hit by those measures," commented CIBC analyst Royce Mendes. "However, with another round of shutdowns needed to bend the curve once again, there will likely be another round of job losses set for the coming months which could offset some of the recent gains," he added.

According to Statistics Canada, the gains in both part- and full-time jobs brought overall employment just shy of pre-Covid levels.

Employment was notably up in industries most affected by the easing of public health restrictions, including retail trade, information, culture and recreation, accommodation and food services, and the goods-producing sector, which was led by a construction boom. Self-employment also rose for the first time in three months, up 56,000 or 2.1 percent, but remained below the February 2020 level.

The number of workers affected by the pandemic economic shutdown peaked at 5.5 million in April 2020, including a drop in employment of 3.0 million and an increase in Covid-related absences from work of 2.5 million.

BTMA president reelected

STAR BUSINESS REPORT

Bangladesh Textile Mills Association (BTMA), a platform of the primary textile sector, yesterday saw the reelection of Mohammad Ali Khokon, chairman of Maksons Group, as its president for fiscal 2021-23.

Khokon was reelected unopposed at a 37th BTMA annual general meeting at its Dhaka office, says a statement from the platform.

Md Fazlul Hoque, founder of Ahmed Group, Abdullah Al Mamun, managing director of Abed Textile Processing Mills, and Md Rezaul Karim, head of Reedisha Group, were elected vice-presidents.

Another 23 directors were also elected.

Biden aims $1.5tr budget at health, education, social services

AFP, *Washington*

President Joe Biden's administration on Friday unveiled a more than $1.5 trillion budget proposal that would see funding for health, education and social services eclipse defense spending, in a reversal of his predecessor's policies.

The discretionary spending request for fiscal year 2022 would allocate $769.4 billion to non-defense programs, surpassing the $753 billion apportioned for defense, which was prioritized under Donald Trump but only slightly increased under Biden's proposal.

The Biden administration characterized the increase in non-defense spending as necessary to help the country recover from the Covid-19 downturn and create a more equitable economy in the years ahead. "The President's funding request makes things fairer," Treasury Secretary Janet Yellen said in a statement. "It injects capital into communities where capital is usually hard to come by. It will make paying taxes a more seamless process for millions of Americans. And it makes sure that corporations actually pay what they owe.

"The nearly 16 per cent increase in non-defense spending would the total to 3.3 per cent of GDP, about equal to its historical average over the past three decades, Shalanda D. Young, acting director of the Office of Management and Budget (OMB), said in a letter to lawmakers.

Outside of the Defense Department, Health and Human Services would receive the most funding at $133.7 billion, a jump of more than 23 percent from the prior fiscal year, which runs from October to September.

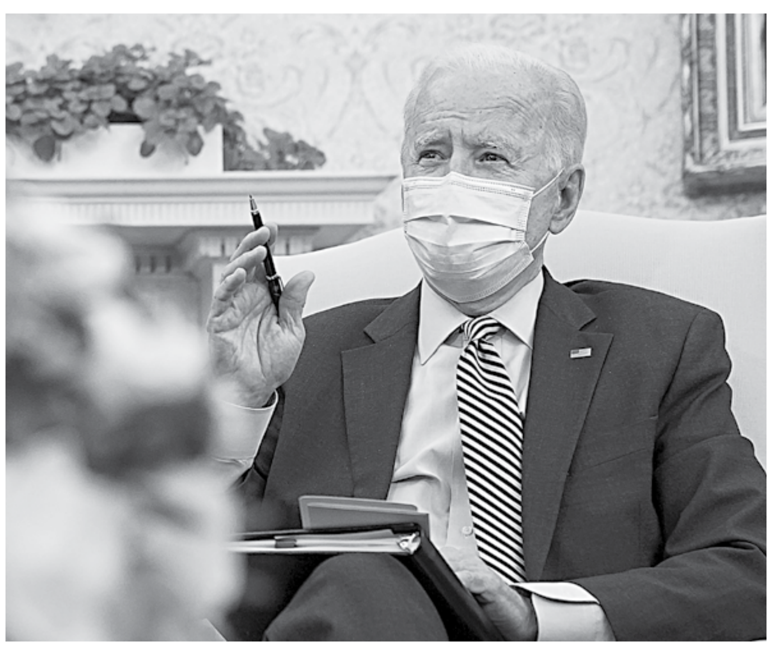
The Education Department would get a 40.8 percent funding increase that would bring its budget to $102.8 billion. "Over the past decade, due in large measure to overly restrictive budget caps, the nation significantly underinvested in core public services, benefits and protections," Young wrote, saying the plan would be a reversal of that austerity. The budget is a yearly undertaking for US presidents, signaling their major funding priorities, but must be approved by Congress.

The plan also proposes a funding increase of more than 10 percent to $13.3 billion for the US tax authority, Treasury's Internal Revenue Service (IRS), which would help it improve its services and better monitor corporations and high earners.

It also aims $36.5 billion at schools serving poor populations, $6.5 billion for federal health research and $10.7 billion to fight the opioid epidemic.

The spending bill will be considered by a Congress where Democrats hold small majorities in the House and the Senate, and where lawmakers currently are debating the $2 trillion jobs and infrastructure bill Biden unveiled last week.

Patrick Leahy, Democratic chair of the Senate Appropriations Committee, called the proposal's spending "necessary and urgent," and tied caps in federal spending over the last decade to the terrible toll wrought by the Covid-19 pandemic in the United States. "I look forward to receiving the administration's full budget in the coming weeks so that Congress can pass a budget resolution and the Senate Appropriations Committee can begin its work of marking up bills," he said in a statement.



REUTERS

US President Joe Biden speaks during an economic briefing in the Oval Office at the White House in Washington on April 9.

Brazil inflation tops target at 6.1pc

AFP, *Braslia*

Brazil's annual inflation rate broke through the ceiling of the central bank's target range in March at 6.1 per cent, officials said Friday, adding to headaches for policy makers facing an economic slowdown and rising prices.

The rate increased sharply from 5.2 per cent in February and far surpassed the central bank's target limit of 5.25 per cent, making it almost certain the bank will hike interest rates for the second straight time at its next meeting in May, analysts said.

That would further put the brakes on price increases but also economic growth, at a time when Latin America's biggest economy is already showing signs of trouble as a deadly surge of Covid-19 wreaks havoc on the country. "The central bank is clearly worried by above-target inflation and another 75 basis-point hike in the Selic (benchmark interest) rate, to 3.5 per cent, at the next meeting in May looks likely," said consulting firm Capital Economics.The monthly inflation rate came in at 0.93 per cent, a six-year high for March, said national statistics institute IBGE.

The central bank's annual inflation target is 3.75 per cent, plus or minus 1.5 percentage points.

Rising prices led the bank to hike the interest rate by a larger-than-expected 0.75 points last month, after holding it at a record low of two percent for seven months to counter the economic blow of the pandemic.

Brazil's economy shrank 4.1 per cent last year, its third-biggest contraction on record but better than many major economies. It is expected to regain some ground this year, but the outlook has been dimming amid an explosion of Covid-19.Experts polled by the central bank are forecasting GDP growth of 3.17 per cent this year, down from 3.26 per cent four weeks ago. Brazil's health system is struggling amid the world's highest average daily death toll in the pandemic, with 2,820 people a day killed by the virus over the past week in the country of 212 million people.Covid-19 has claimed more than 345,000 lives in Brazil, second only to the United States.

Far-right President Jair Bolsonaro, who has railed against lockdowns, face masks and vaccines to contain the pandemic, faces mounting pressure to get the health crisis under control, including from the business sector.

German industrial output continues to decline in February

AFP, *Frankfurt*

German industrial production dropped for the second month in a row in February after eight months of gains, as the economic impact of the pandemic began to bite, official data showed Friday.

Analysts said the data raised fresh doubts about the health of Europe's top economy after it recovered strongly from the coronavirus-triggered downturn of early last year.

Federal statistics agency Destatis said industrial output declined 1.6 per cent in February after a 2.0 per cent fall the previous month according to corrected data.

Analysts polled by Factset and Bloomberg had been counting on an increase of 1.5 per cent. Exports crept up by 0.9 per cent month-on-month while imports rose 3.6 per cent. The industrial output figures were "a real disappointment", said economist Jens-Oliver Niklasch of LBBW bank. "It matches up with the general perception of economic decline during the first quarter," he added.

Compared to February 2020, the month before the first coronavirus shutdown in Germany, industrial production plummeted 6.4 per cent.

However "if Covid doesn't stop it" and "if the indicators are right", the German economy coud be headed for a recovery in the second quarter, Niklasch said.

Year-on-year, exports, on which Germany relies heavily, slipped 1.2 per cent to 107.8 billion euros ($128.2 billion) in February, Destatis said.

Imports rose 0.9 percent in the same period, to 89.7 billion euros.

The trade surplus slipped to 19.1 billion euros, down slightly from January this year. Germany is in the grip of a third wave of the pandemic with more than 25,000 new infections in 24 hours and nearly 300 reported deaths amid a relatively slow vaccine rollout compared to the United States and Britain.

REUTERS/FILE

A worker wears a protective mask at Volkswagen assembly line in Wolfsburg, Germany.

Saudi Aramco in $12.4b oil pipeline deal with EIG-led group

AFP, *Riyadh*

Energy giant Saudi Aramco said it has struck a 12.4-billion-dollar deal to sell a minority stake in a newly formed oil pipeline business to a consortium led by US-based EIG Global Energy Partners.

The deal underscores how Aramco -- the kingdom's cash cow -- seeks to monetise its once-untouchable assets to generate revenue for the Saudi government as it accelerates efforts to diversify the oil-reliant economy.

"Upon closing, Aramco will receive upfront proceeds of around $12.4 billion, further strengthening its balance sheet through one of the largest energy infrastructure deals globally," the company said in a statement late Friday. "As part of the transaction, a newly-formed Aramco subsidiary, Aramco Oil Pipelines Company, will lease usage rights in Aramco's stabilised crude oil pipelines network for a 25-year period. "The EIG-led consortium will hold a 49 percent stake in the subsidiary, Aramco said, adding that it will retain "full ownership and operational control".

In a separate statement, EIG, a Washington-based energy investment firm, said the new venture is valued at approximately $25.3 billion.

The deal covers all of Aramco's "existing and future stabilised crude pipelines" in the kingdom, an elaborate network that connects oil fields to downstream facilities, EIG said. "We are proud to partner with Aramco in this marquee global infrastructure asset," said EIG chairman R. Blair Thomas. Neither company said which other firms were part of the consortium. The announcement comes as Aramco faces pressure to maintain hefty dividend payments to the Saudi government, its biggest shareholder, despite posting consecutive falls in profits since it began disclosing earnings in 2019.

AFP/FILE

An Aramco oil facility near al-Khurj area, just south of the Saudi capital Riyadh.

Last month, Aramco posted a 44.4 percent slump in 2020 net profit due to lower crude prices, piling pressure on government finances as Riyadh pursues multi-billion dollar projects to diversify the economy. The company's debt has climbed as Saudi Arabia, the world's biggest crude exporter, was hammered last year by the double whammy of low prices and sharp cuts in production triggered by the coronavirus pandemic.Even so, Aramco said it stuck by its commitment to pay shareholders dividends worth $75 billion in 2020 -- an amount that exceeds the declared profit and available cash flow.

"The (EIG) deal marks an innovative step for Aramco as it seeks to monetise assets to pay down debt, maintain its dividend payments and fund planned investments," the Energy Intelligence group said.

Long seen as the kingdom's "crown jewel", Aramco and its assets were once tightly under government control and considered off-limits to outside investment.

But with the rise of de facto ruler Crown Prince Mohammed bin Salman, who is pushing to implement his "Vision 2030" reform programme, the kingdom has shown readiness to cede some control.

Aramco sold a sliver of its shares on the Saudi bourse in December 2019, generating $29.4 billion in the world's biggest initial public offering. In January, Prince Mohammed said the kingdom would sell more Aramco shares in the coming years.

He said future share offerings would be a key way to boost the Public Investment Fund, the kingdom's sovereign wealth fund which is the main engine of its diversification efforts.

In a major new diversification push late last month, Saudi Arabia announced plans to pump investments worth $3.2 trillion into the national economy by 2030, roping in the kingdom's biggest companies including Aramco.

Under a programme named "Shareek", or partner, Aramco and other top Saudi companies will lead the investment drive by contributing five trillion riyals ($1.3 trillion) over the next decade, Prince Mohammed said.

In a briefing to reporters, he added that the companies, many of them listed, had agreed to lower their dividends and redirect the money into the domestic economy in exchange for incentives such as subsidies.

In the statement announcing the deal with the EIG-led group, Aramco chief executive Amin Nasser said the company was "capitalising on new opportunities that also align strategically with the recently-launched Shareek programme".

Greek restaurants on the ropes ahead of tourism restart

AFP, *Athens*

In the trendy Koukaki district, a discus throw from the Acropolis in Athens, owners of restaurants that have survived the virus lockdown are trying to keep themselves occupied as the weather and the noises from government improve.

"Everyone is frantically cleaning their storefronts, just to keep busy," says Elena, who sells ouzo, the popular anise-flavoured alcoholic drink, to the restaurateurs.

She is wandering the streets to see how many of the restaurants have managed to avoid going out of business.

Some five months after the Greek government ordered a restaurant shutdown in November as coronavirus cases began to increase, operators and their staff have been burning up both their financial and psychological reserves. "We have borrowed money and spend less. We have learned to live on little since the economic crisis," says Koukaki restaurant owner Venetia Avgerinou, referring to the ten-year debt crisis Greece has just exited.

His restaurant was only allowed to open for four months last year. Since November, all ten staff members have been put on a government partial employment scheme.

RMG exporters want factories up and running

FROM PAGE B1

"The lockdown will be suicidal for the garment sector as shipments are going on in full swing now," said Mostafiz Uddin, managing director of Denim Expert Ltd, a Chattogram-based factory.

He is one of the sufferers who had faced a lot of order cancellations during the first wave of the pandemic. "My buyers want continued shipment of goods as they also have a business plan."

"My buyers have already said that they would not extend the order execution time. I will face expensive air shipments of goods."

If factories are shut, Bangladesh will face fewer new orders.

"Buyers are exhausted due to last year's liability, store closure, and piling of stocks," said a top official of a buying house in Dhaka.

So, buyers might have to go for harder decisions such as cancellation without liability and shifting orders, he said.

Mohammed Abdus Salam, acting president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said if the lockdown was imposed, the garment sector would go into a long holiday like during Eid-ul-Fitr and Eid-ul-Azha.

"So, the sector will not be able to bear the losses."

Salam also the infection rate in the garment industry was too low as owners had taken a lot of safety measures as per the government's guidelines.

Mohammad Hatem, vice-president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said no competing countries were in lockdown now.

"They will do business, and we will lose our business," Hatem said, adding that factory owners had been running their units following the health guidelines.

The lockdown will affect the sourcing decisions of buyers as the factories in other apparel-producing countries are open, said Faruque Hassan, president-elect of the BGMEA.

During Ramadan, factories usually ship two months' equivalent of products in order to offset the production closure during Eid holidays.

"So, any lockdown in Ramadan means we will fail to carry out all these shipments. Buyers will hardly agree to take them after two months," he said.

Because of the safety measures taken by the factories, the infection rate among garment workers has been nominal, he said.

"So, I think the safety measures are enough to protect the workers from Covid-19," he added.

Citing a survey of the US-based Workers Rights Consortium, Faruque said buyers cut the price by almost 30 per cent after the pandemic.

"We are already struggling to stay afloat. The existence of four million workers hinges on the industry. So, factories cannot sustain and survive if any lockdown is enforced," said Hassan.

"I think the lockdown is okay for seven days. It should not be more than that," said Sirajul Islam Rony, a former member of the minimum wage board for the garment workers. "The sector might not face any big losses if a weeklong lockdown is imposed," he said.

However, factory owners must not deprive any worker of wages and other incentives.

"Such incidents happened during the lockdown last year. Many workers lost their jobs and faced a reduction in salaries and festival allowances," he said.

Md Towhidur Rahman, president of the Bangladesh Apparels Workers' Federation, called for full payment for the workers even if any lockdown is imposed in the sector.

Nazma Akter, president of the Sammilito Garment Sramik Federation, said if the lockdown caused workers' layoff, it would be very bad.

"Every worker must be paid fully during the lockdown. We will have to follow the government decisions."

The BGMEA, the BKMEA, the BTMA and the Exporters Association of Bangladesh would hold a joint press conference at the Pan Pacific Sonargaon Hotel in Dhaka today to call on the government not to order any factory closure.

New measures needed to offset second wave fallouts

FROM PAGE B4

The daily number of new patients eventually shrank to 385 by February 28 this year.

The whole country then strongly believed that the way it had handled the first wave -- by opening up economic activities and, despite the risks, with little adverse effect to people's lives -- was a successful approach and hence, there is less need to take safety measures to stop further contamination.

To address the livelihood concerns, the government had taken steps targeting affected people and businesses through monetary and fiscal policy support. However, those measures have partly contributed to coping with the vulnerabilities of a section of people and enterprises.

To address health concerns, the vaccination programme began in January, which has further built confidence among people for going back to normal life within a few months.

During the second wave, the virus -- mostly the South African variant -- is found to be deadlier with more complicacy among Covid patients and requires longer and costly treatment.

The benchmark on 'life' related concerns in the second wave are different compared to that of the first one. The available infrastructure to provide health related support -- supply of oxygen and ICU facilities -- is inadequate.

On the other hand, the 'livelihood' related concerns are different during the second wave. Unlike the first wave, most people now have very little amount of savings to survive even for a short period of time unless they are allowed to continue their jobs.

The government support for marginalised people would contribute little to their day-to-day living as experienced earlier. These marginal people could only survive by further reducing their consumption and selling the limited amount of assets that remain.

Moreover, there is a supply crisis of essential products particularly rice, oil, vegetables and sugar.

The open market sales operation, food-friendly programme and VGD/VGF have been implemented at an extended level. The volatility in the market due to limited supply would further increase the inflationary pressure in the coming days and would push the people into further distress.

Hence, an alternate approach is needed.

The new approach needs to be nuanced between different activities and initiatives with regard to public health and economic activities. One possible mechanism would be to ensure maintaining health protocol in public places through strict monitoring mechanisms and to allow economic activities on limited scale.

In case people are found to be ignorant about following health protocols, they should be punished.

Factories which do not comply with the protocol would be immediately punished. In extreme cases, the factory should be forced to shut down.

There should be three time periods for workers to enter and exit the factories. Regular visits by the factory inspectors should be ensured and they should have magistracy power to immediately enforce action.

The businesses, particularly shops and stores, will not be allowed to operate without following health protocols -- both the sellers and customers must wear masks.

Stricter rules should be there to allow limited number of customers in a departmental store at a time. Failure to comply with the rule should cost shop owners hefty fines or closure of the premises.

General people will be strictly forced to stay home and wear masks in case of moving outside; otherwise, they should be penalised.

A proper enforcement of such massive scale monitoring and enforcement drive for maintaining health protocol would be difficult only due to the limited number of officials currently in charge.

It is important to extend the monitoring and enforcement responsibility for a short period of time to other eligible public agencies.

All law enforcement agencies and armed forces need to be deployed in order to ensure full enforcement of the public order. The field officers of different agencies need to have magistracy power to quickly enforce the action.

Necessary government/office orders should be made in this regard.

However, the field officers and law enforcement agencies need to ensure transparency in their activities and should be free from any types of allegation of unethical and illegal activities.

The healthcare facilities should be significantly enhanced soon. The most important of these which has already been identified by the public health experts include increasing the number of ICU beds, ICU units and increasing the supply of oxygen and testing and other facilities.

Necessary investment should be made for making ready some unused facilities for Covid patients.

The government should help the private hospitals increase their treatment facilities for Covid patients. The government may provide financial support to private hospitals across the country to subsidise treatment facilities as well. The extent of government support to different categories of people will depend on how long and in which form the lockdown operation will be enacted.

However, the government should further increase the open market sales of essential foods at subsidised prices across the country immediately.

In order to stabilise the market price, import of essential consumer goods needs to be increased either by the private sector or partly by the government.

Appointment of different health professionals should be done immediately. The vaccination measures should be further extended for those who are still outside of the programme, including people below 40 years and people who did not register for vaccination.

The life and livelihood may need to continue side by side in the presence of the coronavirus as it might not vanish within the next few years.

The writer is the research director of the Centre for Policy Dialogue.

BD Finance eyes $2b US investment

FROM PAGE B1

We are committed to making lending very competitive and borrowing very affordable."

BD Finance is a financial institution and public limited company listed both on Dhaka and Chattogram stock exchanges. It provides financial services to a diversified base of clients and businesses to contribute to Bangladesh's social and economic development.

SIG is a global structured financing company that works with project sponsors and development finance institutions, and national and local governments in originating and structuring infrastructure investments in growth markets.

If SIG maintains at least 4 per cent shares in BD Finance during the term of the memorandum, the US company will be guaranteed a seat on the board of the Bangladeshi firm.

BD Finance and SIG will give priority to the projects that are supported by the government of Bangladesh, projects in economic zones and export processing zones.

Projects preferably structured as a public-private partnership and that benefit from an off-take agreement, availability payments, power purchase agreements, or other arrangements from a mutually accepted sovereign, sub-sovereign, or municipal government will receive focus.

Direct foreign investment nexus in the form of equity or debt co-financing, guarantee, or project structuring will be preferred to finance the projects, according to the statement.

Lerry Knox, co-founder and CEO of SIG, said SIG was founded to bridge the global infrastructure investment gap by mobilising US institutional investor capital into growth markets such as Bangladesh.

Bangladesh is a top priority for SIG and is one of the fastest-growing economies in the world, said Knox.

Bangladesh is currently on track to investing an impressive $417 billion in infrastructure by 2040, he said in the statement.

"Through our engagement with BD Finance, SIG hopes to play a leading role with our partners to support the country's tremendous growth."

Benjamin Levine, vice-president of SIG, said the event commemorating the memorandum between SIG and BD Finance was the beginning of a worthy endeavour—one that will support Bangladesh's economic growth for years to come.

Waeez Hossain, deputy managing director of Anwar Group of Industries, said the agreement was orchestrated to help strengthen the foundation of Bangladesh's infrastructure to compete on a global scale.

"I hope relationships like these can be a model for our competitors in Bangladesh, to support the ever-increasing requirements of the industrial sector."

Shares of BD Finance closed 0.65 per cent higher at Tk 30.90 on the Dhaka Stock Exchange on Thursday.

More banks jump on the bandwagon

FROM PAGE B1

People earlier had to fill in several papers, including KYC, and submitted many documents to the bank to have an account.

Dhaka Bank rolled out the opening method titled "ezyBank" last week, allowing clients to open an account on smartphones.

Clients have to download the lender's mobile banking app "Dhaka Bank Go" to enjoy the service.

"This helps the prospective customers maintain a maximum level of social distancing and avoid being exposed to the deadly flu," said Emranul Huq, managing director of the private commercial bank.

A willing customer has to take a picture of his or her passport-sized photograph and the national identification card using the smartphone. The images have to be uploaded to the app.

The person needs to insert some information required by the app, including the name of the nominee.

The account-holder and the nominee will have to sign on a paper, take the snapshots of them, and upload them on the app.

Banks will complete the process after verifying the client's NID information with that of the Election Commission's (EC) database.

The EC has already allowed banks to access its NID database so that they can check customer details while opening an account or settling any financial transaction.

Clients will have to keep an initial deposit of Tk 1,000 with Dhaka Bank.

Once the account is open, the lender will send the debit card and cheque book to the account-holder's address without any charge, said Huq.

Customers will not need to state the information about their other bank accounts in the new form, according to the e-KYC guidelines formulated by a government-formed committee comprising officials of the finance ministry, the central bank and banks.

If the monthly transaction through an account crosses more than Tk 1 lakh, the account-holder will have to visit a branch to give a signature in person, Huq said.

Mutual Trust Bank introduced an instant bank account opening product named "MTB Simple Account" last month, said its Managing Director Syed Mahbubur Rahman.

The account can be opened from any digital devices such as smartphone, laptop and desktop. The debit card will be sent to clients' address.

"This has helped people to a large extent carry out hassle-free banking from their home or offices," Rahman said.

The digital account opening will help build a less-cash society in the quickest possible time and give a boost to branchless banking in future. The digital financial inclusion programme of the government will receive a shot in the arm as well."

The number of deposit accounts in the banking sector stood at 12.23 crore as of December last year.

Eastern Bank Ltd introduced the product several months ago, said Ahsan Ullah Chowdhury, head of its card and digital banking department.

The private commercial bank is operating the digital service under the brand name "EBL Insta Account".

"We have received a huge response from clients since rolling out the product," Chowdhury said.

City Bank launched the digital account-opening product "Ekhoni Account" in September last year, said Mashrur Arefin, managing director of the lender.

Some 17,000 clients have so far opened accounts from home, he said.

Abul Kashem Md Shirin, managing director of Dutch-Bangla Bank, said his bank came up with the digital product two months ago.

Bank Asia, Mercantile Bank, and Southeast Bank have already rolled out the service, said bankers.

IFIC Bank is also offering the service, according to its website.

Brac Bank, South Bangla Agriculture and Commerce Bank, and Jamuna Bank are set to make the digital account opening service available for its clients within a month. Premier Bank and NCC Bank plan to roll it out shortly.

Prime Bank has completed the preparation to introduce the product, which may hit the market within the next two months, an official of the bank said.

Ease stimulus conditions for SMEs

FROM PAGE B4

In response to these demands and suggestions, Syed Golam Kibria, a member of the National Board of Revenue, said they would consider different tax facilities for the CMSME, agricultural, and livestock sectors in the next budget.

"Next year's target for generating revenue from customs duty will be Tk 100,000 crore," Kibria added.

M Tamim, another former adviser to a caretaker government, said the frequent hikes in energy prices create uncertainty among businesspeople.

Bangladesh will have to depend on primary sources of energy for at least the next 20 years as alternative sources are yet to be readily available in the country, he added.

Moshiur Rahman, the prime minister's adviser on economic affairs, said the tax net should be widened to improve the tax-GDP ratio.

Mustafiz Shafi, editor of The Daily Samakal, demanded the import duty on newspaper materials to be reduced to zero per cent from the existing 5 per cent.

He also asked for a reduction in corporate tax, which currently stands at 32.5 per cent. Similarly, the DCCI demanded that corporate tax be brought down to a rational level.

The global average of corporate tax is 23.8 per cent while it is 21.13 per cent in Asian nations, the DCCI said in its budget proposal, which was previously submitted to the National Board of Revenue.

The chamber also demanded a gradual reduction of income tax for listed and non-listed companies.

For instance, the chamber asked for income tax to be reduced to 30 per cent from 32.5 per cent in the budget for 2021-22, 27.5 per cent in fiscal 2022-23, and 25 per cent in fiscal 2023-24.

The DCCI also demanded that VAT registration be made mandatory only for firms with turnovers of over Tk 4 crore.

The discussion was moderated by DCCI President Rizwan Rahman.

A supplier's plea to reopen clothing stores in West

FROM PAGE B4

For instance, if 10,000 jobs in Europe's fashion industry are affected, it will affect 100,000 workers in Bangladesh, said Uddin, who faced work order cancellations after two major European buyers went bankrupt last year.

However, his business is now running well because of the partial reopening of stores.

Many local garment suppliers faced work order cancellations or abnormal payment delays and are still struggling to get payments from buyers who themselves are in financial troubles, he said.

If stores are reopened, even partially, opportunities will be created for money transactions, he said.

"At this moment, retail stores are physically opened on appointment basis for customers or for online purchases," said Steven Collet, ambassador for business and development at the Netherlands ministry of foreign affairs.

"Within the current corona measures, and with the continuing pressure on the national health system, the government does not yet see room to fully (physically) reopen the retail stores," said Collet in response to the letter.

Tk 300cr industrial park in the making

FROM PAGE B1

The project was approved by the Executive Committee of the National Economic Council in June 2016. Initially, the cost was estimated at Tk 213.26 crore. The cost was later revised up to Tk 309.59 crore, according to project documents.

Abdul Jalil, director of the project, said: "Currently, the coronavirus situation is worsening. If there is no major crisis, I will be able to complete the project before the deadline."

The park is located over 50 acres of land. The construction of the administrative building of the project is underway.

The minimum size of a plot is 6,000 square feet. However, if an entrepreneur seeks a larger plot, the BSCIC will provide it if it deems the demand logical, the state-run agency said.

Abdur Razzak, president of the Bangladesh Light Engineering Industry Owners Association, said the association had been calling for setting up the park since 2006.

"We have 350 members. All of them are interested in getting a plot."

Entrepreneurs say the quality of the products produced in the sector has not improved in a major way as they still use century-old technology. But at the industrial city, there will be opportunities to run business in an organised manner and improve the quality of products.

The journey of the light engineering industry started after independence. Initially, factories were concentrated in Dholaikhal, Tipu Sultan Road, Narinda, Taher Bagh, Banagram, Jinjira, Keraniganj and other parts of old Dhaka.

Later, factories were set up in Bogura, Syedpur, Jessore, Chattogram, Kishoreganj, Brahmanbaria, Pabna, Natore, Rajshahi, Naogaon, Cumilla, and Noakhali.

There are about 50,000 factories all over the country.

According to the association, $15 billion has so far been invested in the light-engineering sector.

The industry directly employs six lakh skilled and about one million semi-skilled workers. Indirectly, about 6 million people are making a living from this industry.

The annual growth of the sector is 10 per cent.

BSCIC Chairman Mustaq Hasan said after the implementation of the project, entrepreneurs would be able to produce electrical and light engineering products in eco-friendly places.

"SMEs will be able to contribute to the GDP," he said.

Electrical products' manufacturers employ 5 lakh people, and the sector is growing at 20 per cent annually.

Entrepreneurs say if the project is implemented, there will be a facility for waste disposal, and the environment will not be polluted.

Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, said: "If the industrial city is built, it will be the first step to overcome all these problems."

"This will reduce the transaction cost, make it easier to procure raw materials, broaden the image of the country, and attract more companies to invest in the park."

"At the industrial city, entrepreneurs will pay more attention to the production of quality products."

Entrepreneurs need to apply for the plot through the two associations.

Hilsa traders, fishermen in hot water

FROM PAGE B4

But since most markets are now closed or operating on a limited capacity due to a lack of customers, just 200 to 500 maunds of hilsa is being sent.

As a result, hundreds of traders, and fishermen have been affected, Tutul said.

Ujjal, a hilsa trader from Port Road in Barishal, said hilsa was previously sent in large quantities to hotels in Dhaka at a price of about Tk 2,000 per kilogramme (kg) for the Bangla New Year.

This time though, there is no stock of fish as there is no demand while transport has been suspended, he added.

Hilsa is currently sold for Tk 1,200 per kg but even with the reduced price, buyers are not turning up in adequate numbers.

Belal, a labourer at a hilsa wholesale market, said at least 2,000 of his peers are now sitting idle.

Intense monitoring in the country's hilsa sanctuaries also led to the drop in supply, said Bimal Chandra Das, the local fishery officer (hilsa) of Barishal.

Since March 1, more than 100 mobile drives have imposed fines totalling Tk 6.5 lakh for violating the ban on fishing at sanctuaries.

"They also arrested 316 fishermen for the act," Das said.

Hilsa traders, fishermen in hot water

They incur losses amid fresh restrictions; sales ahead of Pahela Baishakh not adequate, insiders say

STAR

More than 60 per cent of the country's hilsa production takes place in and around Barishal.

DISTRICTS IN FOCUS

SUSHANTA GHOSH

Fishermen and fish traders have found themselves in hot water as the ongoing nationwide pandemic restrictions have hampered sales ahead of Pahela Baishakh, the first day of the Bangla calendar.

The demand for panta-ilish (a combination of rice soaked in water overnight and hilsa fried, steamed or in curry form) tends to soar on the occasion of Pahela Baishakh, held on April 14, as it is traditionally enjoyed as a part of celebrations.

But in order to tame the recent surge in coronavirus cases across the country, the government announced a seven-day "lockdown" that began on Monday last week.

During this period, restrictions have been placed on public movement, transport and gatherings, making it difficult for people to visit their local markets or prepare for the country's biggest cultural festival.

During a visit to a hilsa wholesale market, it was seen that most traders were passing idle times while others had closed up shop altogether.

According to data from the Department of Fisheries office in Barisal, hilsa production has increased to 5.5 lakh tonnes this year from 3.6 lakhs tonnes in 2020.

More than 60 per cent of the country's hilsa production takes place in and around Barishal.

"There is a huge demand for hilsa fish during Pahela Baishakh but fishing at six hilsa sanctuaries was halted between March 1 and April 30 this year," said Anisur Rahman Talukder, deputy director of the Department of Fisheries' Barishal office.

And so, the supply of hilsa decreased as there were no fishing activities in most catching areas, including Meghna river, Arial Kha, Bishkhali and Ilisha of Barishal division.

At the same time, supply fell due to the ongoing Jatka Conservation Week.

"But the demand remains high at this time of year, when hilsa is sold for more than double the normal price, Talukder added.

At least 500 tonnes of hilsa from Barishal's largest wholesale market and another 500 tonnes from the Patharghata, Bhola and Kuakata hilsa wholesale hubs are sent to the country's metropolitan cities ahead of Pahela Baishakh each year.

"This year though, no hilsa has been shipped," said Nirab Hossain Tutul, president of Barishal's Matso Arotdar Samity, a platform of fish wholesalers.

The total value of hilsa supplied to Dhaka and other major cities during this time of year is usually around Tk 10-20 crore.

READ MORE ON B3

New measures needed to offset second wave fallouts

OPINION

KHONDAKER GOLAM MOAZZEM

The second wave of the Covid-19 pandemic hit Bangladesh in early March this year -- almost exactly a year after the initial wave reached the country's shores.

The second wave has brought with it a completely new set of experiences, causing fresh disruptions in regards to the people's lives and livelihoods.

The first wave was all about fighting an unknown contagion and coping with livelihood challenges, which were previously left unattended.

In contrast, the second wave has attacked people more directly at a time when it was largely perceived that the disease was no longer 'unknown' and the livelihood challenges are likely to be solved.

But the fact is that the second wave has emerged as a set of new benchmarks for adversity on life in the country.

These benchmarks are – (a) the disease will not be 'short-lived'; (b) the new variants of the virus are deadlier than the earlier ones; (c) the vaccine given is not effective against all variants and hence, (d) the people have realised that their livelihoods would need to continue along with the continuous attack of the coronavirus.

These new benchmarks need to be well understood and the ways to handle this new situation needs alternate approaches.

In January, the people were under the impression that the pandemic was over as the rate of infection had declined significantly after peaking on July 2, 2020, when it was 4,019 new patients per day.

READ MORE ON B3

STAR/FILE

To keep the economy open amid the pandemic, the government should introduce new health and safety protocols to save people from Covid-19 infections.

A supplier's plea to reopen clothing stores in West

REFAYET ULLAH MIRDHA

Mostafiz Uddin

Chattogram-based Denim Expert's managing director, Mostafiz Uddin, has been sending an open letter to some leaders in Europe, the UK and the US since February 26 urging reopening clothing stores to ensure sustainable supply chains in garment business.

"The continuing lockdowns…are killing the industry in Bangladesh, leading to hundreds of thousands of job losses, sharp rises in poverty and destitution for young women who rely on this industry as a lifeline," read the letter.

Literally hundreds of factories are shutting down and most may never come back to operation, he said.

Retailers and brands have kept stores closed since December to contain the second wave of Covid-19 infections.

Many European countries started reopening stores partially since March 14 with governments realising employees of consumer and supplying countries were losing jobs, said Uddin.

READ MORE ON B3

Ease stimulus conditions for SMEs

DCCI says in its budget proposals

BUDGET PROPOSALS FOR FY2021-22

STAR BUSINESS REPORT

The repayment period for loans from the stimulus package aimed at cottage, micro, small and medium enterprises (CMSMEs) should be extended by two years as those firms have been severely impacted by the pandemic, according to speakers at a virtual discussion.

In its budget proposal for fiscal 2021-22, the Dhaka Chamber of Commerce and Industry (DCCI) yesterday demanded that the government ease the terms for the CMSMEs to avail stimulus funds.

The leading business chamber went on to suggest forming a national database of the CMSMEs across the country to ensure transparency in disbursements.

Since firms in the sector face numerous difficulties when availing loans from the stimulus package, the DCCI also urged for the CMSMEs to be given funding with national identity cards being the only required document.

Economists, bankers, businesspeople and senior government officials at the discussion, organised by the DCCI, echoed the same.

"The government should consider mobile financial services (MFS) as a platform for disbursing loans for the CMSMEs as banks fear the risks," said Hossain Zillur Rahman, an economist and former adviser to a caretaker government. Besides, there is uncertainty over the country's economic recovery amid the recent upsurge of Covid-19 infections, he added.

Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh, suggested easing the conditions and expanding access to credit guarantee schemes for the CMSMEs.

"We need to think about how to protect our very small and small entrepreneurs," said Md Fazlul Hoque, former president of the Bangladesh Knitwear Manufacturers and Exporters Association.

Hoque also asked the government to enable import of all chemicals and equipment required for effluent treatment plants (ETPs) duty-free in the upcoming national budget.

"This would help factory owners feel encouraged to establish ETPs and thereby save the environment," he added.

Md Jasim Uddin, chairman of Bengal Commercial Bank, suggested the introduction of a self-assessment facility and five-year tax holiday for the CMSMEs.

So far, around 68 per cent, or Tk 13,600 crore of the Tk 23,000 crore allocated for the CMSMEs, has been disbursed.

The rate of disbursement in the sector has been slow compared to other stimulus packages, said Masudur Rahman, chairman of SME Foundation.

"About 98 per cent of the fund for the export-oriented sectors has already been disbursed," he said, adding that workers employed by the CMSMEs have witnessed a 10 per cent reduction in wages over the past year.

The SME Foundation chairman also suggested reducing the taxes for light engineering sector, garment accessories and packaging, and motor vehicle spare parts manufacturing as these industries were growing.

READ MORE ON B3

SUGGESTIONS FOR SMALL ENTERPRISES

DCCI
ঢাকা চেম্বার অব কমার্স অ্যান্ড ইন্ডাস্ট্রি

- Allow two more years for stimulus loan repayment
- Ease terms, such as requiring only NIDs
- Disburse through MFS
- Form database
- Give 5-year tax holiday

GLOBAL BUSINESS

Amazon's win in union fight shows harsh realities facing labour movement

REUTERS

Amazon.com Inc's fierce resistance to unionization, skepticism among workers that organizing could get them a better deal and decisions on election parameters all contributed to the apparently lopsided defeat of a labor drive at the company's warehouse in Bessemer, Alabama, people close to the events said.

A vote by workers on whether to unionize failed on Friday by a more than 2-to-1 margin in a major win for the world's largest online retailer. The union plans to challenge the results based on Amazon's conduct during the election.

Union leaders had hoped the campaign just outside Birmingham would create Amazon's first organized workplace in the country and spark a new era of worker activism. Instead, it has illustrated the continued challenges facing the labor movement.

Officials at the Retail, Wholesale and Department Store Union (RWDSU) argued that Amazon's unfair tactics were to blame in an election where only just over half of eligible workers cast ballots.

REUTERS/FILE

A protester dressed as a nun holds a banner, as people protest in support of the unionising efforts of the Alabama Amazon workers, in Los Angeles, California.

In a statement, the RWDSU said, "The results of the election should be set aside because conduct by the employer created an atmosphere of confusion, coercion and/or fear of reprisals and thus interfered with the employees' freedom of choice."

Amazon in a blog post denied the outcome resulted from intimidation of its employees.

"We've always worked hard to listen to them, take their feedback, make continuous improvements, and invest heavily to offer great pay and benefits in a safe and inclusive workplace," it said.

The e-commerce company campaigned for weeks, plastering the warehouse and even a bathroom stall with anti-union notices, stopping work for mandatory employee meetings on the election, and bombarding staff with text messages criticizing the RWDSU.

In one of the messages seen by Reuters, warehouse leadership warned that collective bargaining could result in workers losing benefits - something the union has disputed. "Everything is on the table," the text declared.

And in one of the mandatory meetings, presentations asserted union leaders used membership dues for improper purposes such as expensive cars and vacations, a former employee at the company's warehouse told Reuters. The union did not immediately comment on the claim.

But some warehouse workers pointed to shortcomings in the union drive. Many younger workers, lacking experience with unions and knowledge of labor history, were never persuaded of the benefits of organizing, these people said.

China fines Alibaba record $2.75b for anti-monopoly violations

REUTERS, *Shanghai/Hong Kong*

China slapped a record 18 billion yuan ($2.75 billion) fine on Alibaba Group Holding Ltd on Saturday, after an anti-monopoly probe found the e-commerce giant had abused its dominant market position for several years.

The fine, about 4 per cent of Alibaba's 2019 domestic revenues, comes amid a crackdown on technology conglomerates and indicates China's antitrust enforcement on internet platforms has entered a new era after years of laissez-faire approach. The Alibaba business empire has come under intense scrutiny in China since billionaire founder Jack Ma's stinging public criticism of the country's regulatory system in October.

A month later, authorities scuttled a planned $37 billion IPO by Ant Group, Alibaba's internet finance arm, which was set to be the world's biggest ever. The State Administration for Market Regulation (SAMR) announced its antitrust probe into the company in December.

While the fine brings Alibaba a step closer to resolving its antitrust woes, Ant still needs to agree to a regulatory-driven revamp that is expected to sharply cut its valuations and rein in some of its freewheeling businesses.

"This penalty will be viewed as a closure to the anti-monopoly case for now by the market. It's indeed the highest profile anti-monopoly case in China," said Hong Hao, head of research BOCOM International in Hong Kong. "The market has been anticipating some sort of penalty for some time ... but people need to pay attention to the measures beyond the anti-monopoly investigation."

Jack Ma, founder and executive chairman of China's Alibaba Group

The SAMR said it had determined that Alibaba, which is listed in New York and Hong Kong, had been "abusing market dominance" since 2015 by preventing its merchants from using other online e-commerce platforms.