

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.71%	▲ 0.83%	\$1,769.71	\$67.01	▲ 1.61%	▲ 0.21%	▲ 0.16%	▲ 0.42%	BUY TK 83.95	100.69	116.15	12.72
5,461.34	9,526.89	(per ounce)	(per barrel)	49,733.84	29,053.97	3,219.56	3,457.07	SELL TK 84.95	104.49	119.95	13.37



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BUSINESS

DHAKA THURSDAY APRIL 29, 2021, BAIASHAKH 16, 1428 B5 • starbusiness@thedailystar.net

Is FBCCI becoming a puppet organisation?

Lack of participatory election, leaders chosen through consensus making it weak

REFAYET ULLAH MIRDHA

The business community is deprived of an opportunity to choose their leaders through a participatory election as directors of the FBCCI are picked through consensus among hopefuls, who are often backed by the ruling parties.

In the last decade, the leaders of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) have been chosen either through partial election or were selected on the basis of consensus among the potential candidates, said a former presidential hopeful and a number of former directors.

Fake voters and political pressure exerted by the voters backed by



Mir Nasir Hossain	2005-07	[Partial election]
Annisul Huq	2008-10	[Elected]
AK Azad	2010-12	[Elected]
Kazi Akram Uddin Ahmed	2012-15	[Election and consensus]
Abdul Matlub Ahmad	2015-17	[Election and consensus]
Md Shafiqul Islam Mohiuddin	2017-19	[Partial Election]
Sheikh Fazle Fahim	2019-21	[Based on consensus] *for president

ruling parties mainly dominated the election over the last few years, they said, all on condition of anonymity.

Sheikh Fazle Fahim, the outgoing president of the federation, became the president based on the consensus among the directors.

The trend is on repeat this time as well.

All 46 directors were elected uncontested as four candidates withdrew their candidature from the election due May 5, a member of the FBCCI election board said. The election board is expected to declare 46 candidates as the winners. Thirty-two nominated directors from 16 associations and 16 from chambers will join the FBCCI board for 2021-23.

Md Jasim Uddin, chairman of Bengal Commercial Bank, is likely to be the new president as all directors from his panel have been elected uncontested at the final scrutiny by the election board on Monday.

Shafiqul Islam Mohiuddin, the predecessor of Sheikh Fahim, was elected similarly as the chamber group did not contest in the polls.

Abdul Matlub Ahmad, Kazi Akram Uddin Ahmed, AK Azad, and Annisul Huq all went on to helm the top post of the federation thanks to the blessing of the government.

"The FBCCI leadership comes from the government-backed people," said a former presidential candidate.

"As a result, the FBCCI is failing to protect the interests of the business community and negotiate with the government and international communities."

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ADB cuts growth projection for second wave

GDP growth may fall to 5.5-6pc

REJAUUL KARIM BYRON and DWAIPIYAN BARIUA

The Asian Development Bank (ADB) has downsized its projection about the Bangladesh's GDP growth in the current fiscal year of 2020-21, considering the second wave of Covid pandemic and fresh lockdown that restricted economic activities.

The ADB in its annual flagship publication titled 'Asian Development Outlook (ADO) 2021' released yesterday had projected that Bangladesh's GDP growth would pick up to 6.8 per cent in 2020-21 with stimulus package implementation and recovery in global growth and trade.

However, ADB Country Director Manmohan Parkash in a virtual press briefing on the launch of the flagship report yesterday said, "As the second wave of Covid-19 is ongoing and the situation is still fluid, these impacts were not considered in our outlook."

"These impacts could possibly shave off at least one percentage point from our current projection...it may be in the range of 5.5 to 6 per cent, which is also quite enviable in the circumstances," he said.

The economy was showing signs of recovery with higher remittances, exports and other indicators, but the recent surge of the pandemic and lockdown are likely to trim the growth projection, he said.

The current outlook was based on data prior to March, he said.

According to the ADB outlook, Bangladesh's GDP growth in fiscal 2021-22 is expected to edge up further to 7.2 per cent as both exports and imports were picking up under sustained global recovery.



ADB OBSERVATIONS

- GDP growth in FY21 may slow to 5.5-6% due to resurgence of Covid cases
- Containment measures and travel restrictions will slow down economic recovery
- Effective management of Covid and implementation of vaccination programme will be key to faster recovery in FY2022
- Inflation to edge up slightly in FY2021 and remain steady in FY2022. Effective and affordable universal primary health care is essential

The government also on Sunday for a second time revised down the GDP growth forecast to 6.1 per cent for FY21, reflecting the devastating impacts of the second wave of the coronavirus pandemic on the battered economy.

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Govt floats tender to lease out 25 jute mills

AKANDA MUHAMMAD JAHID

The government has floated an international tender to lease out 25 state-run jute mills for a period of five to 20 years even though industrialists seem uninterested on the short-term deals.

The tender, issued by Bangladesh Jute Mills Corporation (BJMC) on April 27, aims to encourage both domestic and foreign entrepreneurs to join the jute industry through an open bidding system.

"So, both international and domestic entrepreneurs will get the opportunity," BJMC Chairman Abdur Rouf told The Daily Star.

He also said they would give priority to foreign direct investment (FDI) in the leasing process.

The government closed all state-run jute mills on July 1 last year, prompted by heavy losses and excessive production costs, laying off more than 50,000 workers in three categories -- permanent, temporary and substitute.

When discussing the tender, Mohammed Mahbubur Rahman Patwari, chairman of Bangladesh Jute Mills Association, said although the tender system was a long process, he applauded the decision.

But the main challenge now is finding out what will be the investors' financing system.

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STAR/FILE

BB forms panel to probe IT debacle

AKM ZAMIR UDDIN

The central bank yesterday formed a committee to examine its latest ICT infrastructure's debacle that had halted the inter-bank cheque transactions and electronic fund transfers (EFT) more than for a week.

The committee named "ICT Infrastructure Management Team" will have to submit a report to the central bank higher-up by May 15, explaining the actual reasons behind the debacle, according to a central bank document.

The body will also detect the existing condition of the central bank's IT system and give recommendation to avoid further incidents.

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Kamal unaware of FBCCI plan for new bank

STAR BUSINESS REPORT

Finance Minister AHM Mustafa Kamal apparently has no idea about the Federation of Bangladesh Chambers of Commerce and Industry's (FBCCI) plans to set up a commercial bank.

"I don't know about this. I have not received any such proposal," Kamal said yesterday. The country's apex trade body also wants to establish a university to develop Bangladesh's workforce in line with industry requirements.

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Banks asked to operate on limited scale till May 5

STAR BUSINESS REPORT

Bangladesh Bank yesterday ordered banks to run operations on a limited scale until the ongoing restrictions on movement end on May 5.

Clients will be allowed to secure banking services from 10:00 am to 1:00 pm during the period. However, branches will remain open until 2:30 pm to complete their regular procedures, according to a central bank notice yesterday.

The decision came after the government extended the strict measures by another week to keep the coronavirus pandemic at bay.

After Covid-19 infections and deaths from the virus began rising alarmingly, the government enforced the lockdown-like control from April 5.

As the situation worsened, it went for a strict countrywide lockdown from April 14. The restriction was later extended to April 28.

Plastic pipe industry growing fast

JAGARAN CHAKMA

The domestic plastic pipe industry is growing at around 20 per cent a year thanks to its rising demand in the ongoing government development projects and modern water supply, sewerage and irrigation systems.

Around Tk 6,000 crore worth of plastic pipes were sold in 2020 and 80 per cent of the demand was met by the major local manufacturers, including RFL Plastics, National Polymer, Lira, Gazi, Anwar Polymer Industries Ltd and Bengal Plastic.

"The rising purchasing capacity of people and increasing tendency of using modern technology in water supply and sewerage system have fuelled the demand for pipe," said Riad Mahmud, managing director of National Polymer.

Widespread urbanisation has also played a major role, he said.

People are adopting state-of-the-art technologies to boost agricultural yield to ensure best use of land amid rising population and depleting agricultural lands, he said. "These are giving a boost to the demand for pipe."

Among the local manufacturers,

RFL Plastics and National Polymer are the major suppliers in the sector where 15,000 people are directly employed.

Pipes are one of the most important construction materials

that are used for a variety of purposes, including house construction, irrigation, drinking water supply and sewerage, said Kamruzzaman Kamal, director for marketing of Pran-RFL Group that

run RFL Plastics, the market leader.

The manufacturers produce various types of components along with main pipe, which are used to connect the pipes to the pipeline, change the direction of the pipeline,

remove the branch line from the main pipeline and connect the small pipes with the big ones, he said. Two decades ago, Bangladesh used to meet 90 per cent of its demand for pipe through imports from China, India, Malaysia and other countries, he said.

"The situation has changed a lot, as very high quality pipes are produced locally now. Around 80 per cent of the pipes used in the country at present are manufactured locally."

Bangladesh will be self-sufficient in pipe manufacturing and will also be ready to export its produce in the next few years, said the official of RFL Plastics, where over 5,000 people work in the manufacturing of RFL pipes and fittings.

The country and the buyers will benefit if a standard can be maintained in pipe and fittings production, said Mahmud of National Polymer.

The subsidy the government now provides to the pipes that are imported for their use in development projects is a barrier to the growth of the local pipe industry, he said.

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Govt to set up 15MW plant in Hatia

STAR BUSINESS REPORT

The government will set up a 15 megawatt heavy fuel oil-based power plant in Noakhali's Hatia upazila.

The project of Bangladesh Power Development Board-to be set up by Desh Power Ltd-will cost Tk 1,396.65 crore and run for a period of 15 years.

The cabinet committee on public procurement gave go-ahead to the project proposal in a meeting yesterday.

"It's not possible to set up a solar power plant everywhere. The power plant was approved because there is not enough space to install a solar plant," said AHM Mustafa Kamal, finance minister.

"Generally we discourage heavy fuel oil-based power plants."

Shahida Aktar, additional secretary to the cabinet division, said the lowest bidder got the project and the price of electricity per kilowatt hour will be 12.1 cents.