DHAKA BANK

Dhaka Bank virtually celebrated its 26th anniversary at its Gulshan head office yesterday. Chairman Abdul Hai Sarker, Founder Mirza Abbas Uddin Ahmed, Founding Vice Chairman ATM Hayatuzzaman Khan and Managing Director and CEO Emranul Huq were also present.

China extends probe into US-listed tech firms after Didi blow

AFP, *Beijing*

Beijing widened a crackdown on its embattled technology sector Monday by announcing probes into two more US-listed Chinese companies, a day after banning ride-hailing giant Didi Chuxing from app stores following its huge New York initial public offering.

The country's major internet firms wield massive influence among its army of consumers, but have in recent months had their wings clipped in a regulatory crackdown that has scuppered listings and hit business as the government seeks to rein in their influence.

The latest targets are newly listed companies Full Truck Alliance -- a merger between truck-hailing platforms Yunmanman and Huochebang -- and Kanzhun, which owns online recruitment platform Boss Zhipin.

"The overarching message here from regulators is, you need to have your house in order domestically before listing abroad," said Kendra Schaefer, head of tech policy research at Beijing-based consultancy Trivium China.

The three platforms have been told to stop new user registrations during the investigation "to prevent security risks to national data, safeguard national security and protect public interest", the Cyberspace Administration of China (CAC) said.

Hours earlier, the watchdog ordered the removal of Didi from app stores following a similar probe, which it said found the firm's user data collection and use in "serious violation" of regulations.

It also cited national security for the probe, an unusual move against a domestic tech firm. However, there were few details on the probe or Didi's alleged violations.

Didi has pledged to rectify any problems, and said that the takedown "may have an adverse impact on its revenue in China".

The move does not prevent existing users from booking through Didi, but throws a wrench in the company's growth plans after its bumper New York IPO last week raised $4.4 billion, one of the biggest in the US over the past decade.

The investigation was announced just after China wrapped up tightly-choreographed celebrations for the centenary of its ruling Communist Party.

It also comes at a time of heightened tensions between Beijing and Washington with the tech sector a key issue of disagreement.

Dubbed China's Uber, Didi was founded just nine years ago by former Alibaba executive Cheng Wei.

It has gone on to dominate the country's ride-hailing market after winning a costly turf war against the US titan in 2016 and taking over Uber's local unit.

It now claims more than 15 million drivers and nearly 500 million users, with services available in 16 countries, including Russia and Australia.

But its rise also comes amid what Kevin Kwek, senior analyst on Asian financials at Bernstein, called a clear "trend towards tightening on tech".

Chinese tech companies fell in Hong Kong Monday as investors assessed the situation, with e-commerce platform Meituan down 5.6 per cent, Alibaba dropping nearly three percent and Tencent -- which has a stake in Didi -- sliding 3.6 per cent.

Tokyo-listed SoftBank, which has a 21.5 per cent stake in the firm, plunged 5.4 per cent.

Didi, with a near monopoly on ride-hailing, is "the most high profile cyber security case" of its kind, University of Hong Kong law professor Angela Zhang told AFP.

But the action was lauded by state-run Global Times, which said the country must not allow "any internet giant to become a super database of Chinese personal information even more detailed than the state".

A top Didi executive took to social media over the weekend to rebuff rumours the firm had been sharing domestic data with the United States, calling it "absolutely impossible".

Better infrastructure, policy can create more online jobs: experts

FROM PAGE B1

Rahman said the government should act to protect the rights of workers in the digital platforms as well as consumers' rights.

He was speaking at a virtual event on "Digital Platform Economy in Bangladesh" organised by the CPD and Friedrich-Ebert-Stiftung (FES) Bangladesh Office.

The onslaught of the fourth industrial revolution is tremendous and it will change the way of life overwhelmingly, Fahmida Khatun, executive director of the CPD.

"Technologies such as artificial intelligence, machine learning, internet of things are changing the way we live, take services and work," she said.

She said digitalisation had also significantly impacted the labour market, with less tech efficient people losing jobs, and many jobs would turn redundant as technology would enable accomplishing many things in many areas.

"On the other hand, there will be many new areas for jobs and with skilled human resources and regulatory framework, Bangladesh can maximise the benefits from the changing labour market," she added.

"We have to be prepared to take advantage of the benefits of the Fourth Industrial Revolution. We can benefit from this sector by providing incentives and creating policies. Digital platforms are playing an important role in entrepreneurship and consumer growth as well as job creation," she said.

The CPD recently concluded an exploratory study on the online platform-based economy in context of Bangladesh. Syed Yusuf Saadat, senior research associate of the think tank, gave a keynote presentation on the study.

He said Bangladesh now accounts for 16 per cent of the world's online labour market, and was now the world's second largest online labour supplier.

At present, there are 2,000 web-based entrepreneurs in Bangladesh and about 50,000 Facebook-based entrepreneurs.

"Online-based business opportunities through digital platforms have increased, especially in the context of the ongoing pandemic. The digital platform is expected to create around five lakh jobs in the next one year," said Saadat.

According to the study, although a lot of mobile applications are coming into the market due to increasing internet coverage and popularity of smartphones, no proper policy has been formulated on those apps yet.

It said although the concept of the digital platform economy was new in Bangladesh, it was gradually gaining confidence and spreading rapidly among the new generation.

To enhance their credibility and acceptability, many digital platforms need improvements in their strategic approach and customer services.

The study recommends ensuring product quality, timely delivery of services, efficient management of inventory, flexible return policy and overall transparency, all of which would result in greater growth of the digital platform economy in Bangladesh.

According to the study, the ridesharing business in Bangladesh has grown significantly, amassing $260 million in the digital platform economy with 6 million rides availed each month.

A study has estimated that the size of the ridesharing market of Dhaka city would be around Tk 2,200 crore a year.

Citing data of the e-Commerce Association of Bangladesh, it said online payments in Bangladesh have increased from Tk 168 crore in 2016 to Tk 1,978 crore in 2019.

Online payment is projected to reach Tk 4,000 crore due to the surge in online transactions during the Covid-19 pandemic, it added.

Due to its low cost labour, Bangladesh has been deemed as the next big IT outsourcing destination in the world, according to the study.

Felix Kolbitz, resident representative of the FES, said the digital platform-based economy was a promising sector.

He said research and discussions involving stakeholders would help create a favourable environment for the expansion of this new sector.

Farhana A Rahman, senior vice president at the Bangladesh Association of Software and Information Services, said adequate policy support was needed to facilitate remittance inflow from this sector, especially in freelancing.

She also emphasised on the need to use domestic platforms to expand the local market.

Hussain M Elius, CEO of Pathao, highlighted a lack of skilled manpower having high quality technical knowledge.

Imul Haque Sajib, co-founder of Sheba.xyz, Fahim Uddin Shuvo, founder & CEO, Garbageman; Fahad Ifaz, co-founder and CEO, iFarmer; and Mohammad Abdul Matin Emon, CEO of Doctorola, also spoke.

Spain maintains tourism target despite British travel restrictions

AFP, *Madrid*

Spain expects to meet its target of welcoming around 45 million foreign tourists this year despite virus travel restrictions faced by Britons, its main market, the government said Monday.

"We can still recover half of our international tourism this year, its a prudent goal," Tourism Minister Maria Reyes Maroto said in an interview published in top-selling daily newspaper El Pais.

"We expect around 17 million international tourists during the summer and many will be British because it is a market that is very faithful to Spain," she added.

The minister announced in mid-May that Spain, the world's second most popular destination after France before the pandemic, expected to draw 45 million foreign visitors this year, more than half the 83.5 million it received in 2019. Between January and May, Spain welcomed 3.2 million foreign visitors, including about 130,000 Britons, according to the latest official figures.

Britain allowed international travel to resume in May after months of banning most trips abroad, but Spain is not included in its so-called "green list" of safe destinations.

That means Britons returning from trips to mainland Spain must self-isolate on arrival for 10 days and take two Covid-19 tests. Only Britons heading to Spain's Balearic archipelago, which includes Ibiza and Mallorca, are exempt due to the lower numbers of Covid-19 infections there.

In 2019, 18 million Britons visited Spain, including 3.7 million who headed to the Balearics.

In May, Spain exempted British tourists from having to present the results of covid tests as it tried to boost tourism, a mainstay of the Spanish economy.

But the following month it reversed the policy and now demands a negative Covid-19 test or proof of vaccination.

Airbus delivered more than 70 jets in June

REUTERS, *Paris*

Europe's Airbus delivered more than 70 airplanes in June to leave first-half deliveries in touching distance of the 300 mark, according to industry sources and tracking data.

Between January and May, Airbus handed over a total of 220 airplanes, up 38 per cent compared with the same period of 2020 which was heavily affected by coronavirus lockdowns from late March.

June's performance puts the first-half total comfortably above 290 and marks one of the strongest monthly totals since the start of the pandemic, behind a peak of 89 in December 2020, the sources said.

Airbus declined to comment ahead of the publication of first-half deliveries on Thursday.

Exports make strong rebound

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Garment shipment, which accounts for about 85 per cent of the national export, registered 12.5 per cent year-on-year growth, fetching $31.45 billion in the last fiscal year.

Knitwear emerged as a major driver as earnings rose 22 per cent to nearly $17 billion in FY21.

Woven export, which had been stuck in the negative territory in the last one and a half years, registered 3.24 per cent growth to $14.49 billion.

Home textile posted spectacular growth.

For the first time, the shipment of home textile crossed the $1-billion mark. The export from the segment soared 49 per cent to $1.13 billion in FY21.

Exporters say the demand for both knitwear and home textile items has gone up globally as people are spending more time indoors because of the lingering coronavirus pandemic.

Md Shahidullah Chowdhury, executive director of Noman Group, the biggest home textile producer and exporter in Bangladesh, said the shipment of bed sheets, curtains and towels helped his company boost the export growth by 10 per cent.

Work orders from China shifted to Bangladesh to some extent, he said.

"The export trend looks bright as international retailers and brands are coming back with a handful of work orders for the next season," said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association.

He said the export earnings should be compared with the pre-crisis period.

In fiscal 2018-19, Bangladesh exported garment items worth $34.13 billion. It dropped to $27.94 billion in the following year as the sales collapsed in the western markets because of the pandemic.

"With the reopening of the clothing stores in Europe and the US, the shipment of garment items is rising," Hassan said.

According to the business leader, the export of knitwear had already returned to the pre-pandemic level, and woven export was rebounding.

The price of garment items made in Bangladesh also increased to a bit as buyers are taking into account the high cost of raw materials like fabrics and yarn. But the cutting and making charges have almost remained unchanged.

Hassan thanked the workers, owners and the government for keeping open the garment factories during the lockdown.

The export of jute and jute goods clocked 31.6 per cent growth to reach $1.16 billion in FY21. Leather and leather goods brought home $942 million, up 18 per cent year-on-year, EPB data showed.

Md Saiful Islam, president of the Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh, said the increase in the proceeds from leather and leather goods shipment was driven by the sales of previously unsold goods and the reopening of Europe and the US.

"The western customers are going out and spending thanks to the mass vaccination. So, I hope the positive trend in the shipment of leather and leather goods will continue."

Frozen foods, agricultural products, pharmaceuticals, ceramics, footwear, and carpets also fared well.

Plenty of empty containers, only a few are handy

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The most required MLOs for transporting goods from Bangladesh are Hapag-Lloyd, Mediterranean Shipping Company (MSC), Hyundai Merchant Marine, CMA CGM, and Maersk Line.

"There is an acute shortage of empty containers of these MLOs," Sujan said.

Hapag-Lloyd currently has 390 boxes of 40-foot containers sitting idle, while the company has a weekly demand for over 700 of them, according to the local agent of the German shipping company.

Abul Kalam Azad, general manager of operations at GBX Logistics and the local agent of Hapag-Llyod, said they are bringing 300 TEUs of 40-foot empty containers from transhipment ports, and they would be available after a week.

According to officials of several shipping companies, most of them are unwilling to give bookings for their containers due to an acute space shortage in the mother vessels at transhipment ports.

A total of 1,650 boxes of 40-foot empty containers owned by MSC are lying idle at the ICDs, but the company has slowed the booking process due to a space shortage in the mother vessels that sail from Colombo and Singapore transhipment ports.

Hong Kong-based Orient Overseas Container Line (OOCL) currently has 3,000 boxes of 40-foot empty containers in the ICDs. However, it also suspended new bookings for exports to the EU mainly for the same reason.

OOCL Country Head Giasuddin Chowdhury said they were unable to take new bookings since most mother vessels had reduced capacity or were avoiding voyages to various EU ports because of acute vessel congestion at the ports.

HC appoints 5 independent directors at Int'l Leasing

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Placing the affidavit, Khurshid Alam Khan, representing the ACC, said unless the board members obtained bail from a court, they could not attend any board meeting.

Md Mahfuzur Rahman Milon, representing the NBFI, told The Daily Star yesterday that the accused were namely M Nurul Alam, Nasim Anwar, Bashudeb Banerjee, Nowsherul Islam, Md Anwarul Kabir, Barrister Nuruzzaman and Muhammad Abul Hasem.

The HC bench recently released the full text of its order observing that because of their fugitive status, the present board members were not competent to attend any board meeting, extraordinary meeting and annual general meeting.

"It means that the company is currently not in a position to call any type of meeting with the required quorum towards smoothly running its business because of not having sufficient members in its board of directors," said Justice Sarkar.

Under the circumstances, the company's prevailing situation falls within the purview of Section 85(3) of the Companies Act as had been in the case of "Tees Mart Inc Vs BIFCL", said the court.

Among the newly inducted directors, Syed Abu Naser Bakhtear is the former managing director and chief executive officer of Agrani Bank, Prime Bank and South East Bank.

The others include Md Shafiqul Islam, a retired senior district and sessions judge and a former ACC director, Brig Gen (retired) Md Meftaul Karim, Barrister Md Ashraf Ali and Enamul Hasan, FCA.

The company has been directed to pay each an honorarium of Tk 25,000 for attending each board meeting.

The HC also ordered Bangladesh Bank to do the needful to let the board of directors form and run the NBFI as per the court's order.

The HC on January 21, 2020 placed a bar on 20 people, including the much-talked about Proshanta Kumar Halder, also known as PK Halder, from leaving the country for allegedly embezzling Tk 3,000 crore from the NBFI.

The HC also directed the central bank and all private banks to freeze the accounts of PK Halder, his five relatives, Bank Asia's former managing director Erfanuddin Ahmed and Halder's cohort Uzzal Kumar Nondi for allegedly misappropriating the funds.

UK new car sales rise in June compared to difficult 2020

REUTERS, *London*

British new car registrations rose by an annual 28 per cent in June compared to the same month last year, when some dealerships were closed for much of the month due to Covid-19 restrictions.

A total of 186,128 new cars were registered, according to the Society of Motor Manufacturers and Traders (SMMT), which said the level remained down on the 10-year average for June.

In 2020, dealerships reopened their doors to customers on June 1 in England, June 8 in Northern Ireland, June 22 in Wales and June 29 in Scotland.

Remittance surges at sharpest pace in three decades

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"The government initiative to pay a two per cent incentive on remittance has had a good impact on the inflow as well," he said.

On top of the government incentive, Agrani Bank itself provides an additional one per cent incentive, taking the benefit of using the formal channel to 3 per cent.

Agrani is the second-largest bank in terms of mobilising remittance, bringing home $2.82 billion last fiscal year.

The state-run lender rolled out a mobile application – Agrani Remittance App – for the remitters last year, allowing them to send money from their offices, factories, or residences to Bangladesh.

The beneficiaries also do not require to visit branches of the bank to collect the money as funds are automatically deposited in their accounts, Islam said.

Annual remittance flow may increase to $30 billion within the next five years if the authorities take appropriate measures, said Shariful Hasan, head of the migration programme of Brac.

The majority of migrant workers are unskilled, and they are facing challenges abroad, he said.

"Their job is vulnerable, and they hardly get any support from Bangladesh's embassies."

The demand for skilled professionals will go up sharply after the pandemic peters out.

"So, the government should take initiatives to provide training to the those who intend to go abroad for jobs," Hasan said.