

# Korean mentoring for Bangladeshi startup teams

STAR BUSINESS REPORT

A demo-day and closing ceremony of Korea's six-month-long mentoring programme for five Bangladesh startup teams were held virtually yesterday with the presence of Ambassador Lee Jang-keun and ICT State Minister Zunaid Ahmed Palak.

The five teams with innovative startup ideas were chosen through rigorous competitions in Bangladesh under the project agreement signed on December 24 in 2020 between Bangladesh's ICT Division and the

Korea Productivity Centre.

The selected teams were sent to Korea in March 2021, the embassy of the republic of Korea in Bangladesh said in a statement today.

Through mentoring, meetings and networking events with experts in Korea from March to August 2021, the five startup teams could improve and upgrade their business items and ideas, and some teams filed patent rights for their ideas.

The names and items of the five startups are:

Krishian.com – Smart Farm, Char

Chokka – A.I Based Education App, ANTT Robotics – Arduino Education System, Rokki Limited – Building Management and Security

Chobir Baksho – Image Platform. Ambassador Lee emphasized that Bangladesh is well positioned for success in the era of the Fourth Industrial Revolution with its sizable population and full of talented young people. Additionally, he stated that Korea would be a natural and the most suitable partner in Bangladesh's journey towards a brighter future, especially in the development of its ICT sector.



Korean Ambassador Lee Jang-keun and ICT State Minister Zunaid Ahmed Palak attend a virtual closing ceremony of the mentoring programme yesterday.



SOCIAL ISLAMI BANK

**Social Islami Bank signed an agreement with Bangladesh Bank yesterday on an “Automated Challan System” enabling the latter to smoothly collect passport fees, VAT, tax and other government fees. The agreement was signed by Md Tajul Islam, managing director (current charge) of Social Islami Bank, and Md Forkan Hossain, general manager of Bangladesh Bank. Ahmed Jamal, deputy governor of Bangladesh Bank, AKM Mohiuddin Azad, executive director, and Walid Mahmud Sobhani, senior executive vice president of Social Islami Bank, were present.**

## Oil prices weighed down by weak Asian demand

REUTERS, London

Oil prices fell on Tuesday, with both contracts heading for a fourth straight session of losses, weighed down by a weak demand picture in Asia and OPEC and its allies saying the market does not need more crude.

Brent crude was down 26 cents, or 0.3 per cent, at \$69.25 per barrel as of 0918 GMT, after rising as high as \$69.77 earlier in the session.

US West Intermediate crude (WTI) slid 31 cents, or 0.4 per cent, to \$66.98

a barrel, after reaching \$67.66 earlier.

On the demand side, daily crude processing in China, the world's biggest oil importer, fell to its lowest in July since May 2020 as independent plants slashed production amid tighter quotas, high inventories and weakening profits.

China's factory output and retail sales growth also slowed sharply and missed expectations in July, as new Covid-19 outbreaks and floods disrupted businesses.

Hedge funds sold petroleum last

week for the sixth time in eight weeks as resurgent coronavirus infections in China, Europe and North America dampened hopes of a rapid resumption in long-distance air travel.

Japan was set to extend its state of emergency in Tokyo and other regions to September 12 and widen curbs to seven more prefectures.

On the supply side, US shale oil output is expected to rise to 8.1 million barrels per day (bpd) in September, the highest since May 2020, according government data.

## Brazil's lower-carbon oil projects can lure majors, lift sales

REUTERS, Houston

Rising calls to cut carbon emissions and to reduce global warming could generate more offshore partnerships and increase the output of cleaner oil for Brazil, the production chief of state-controlled Petrobras said in an interview.

Brazil oil officials are in Houston at an offshore oil conference shopping for partners to develop deep water oilfields that will be auctioned in December. The fields will employ lower-carbon technology that can help oil majors meet demand for lower greenhouse emissions, officials said.

Officials have scheduled meetings with Exxon Mobil Corp, TotalEnergies and Ecopetrol, Reuters has learned. BP PLC and Chevron Corp also were invited for discussions, said people close to the talks.

This year's conference, a shrunken version due to rising coronavirus hospitalizations, has seen at least one major exhibitor pull staff from the event.

"Projects that produce less CO2 will be the last ones to go" offline, Petroleo Brasileiro E&P head Fernando Borges told Reuters on Sunday at an event in Houston kicking off the first Offshore Technology Conference (OTC) in more than two years. "This environment made our new projects

more attractive."

Brazil is proposing offshore projects designed to run on carbon-efficient, electric-driven platforms instead of more polluting fossil fuels. The switch can cut platform emissions by about 20 per cent. That shift, to higher-volume wells and lower sulfur crude, could help oil majors produce cleaner fuel, Borges said.

Final investment decisions secured in its offshore fields will allow Petrobras to raise its production target in its next five-year business plan, Borges said. The production target will be disclosed later this year.

Petrobras, which accounts for more than two-thirds of Brazil's output, pumps about 2.7 million barrels of oil and gas a day (boepd) and has aimed for 3.3 million boepd by 2025.

Brazil's December auction will be the second time its Sepia and Atapu blocks will be offered for sale. An auction several years ago flopped for lack of investors.

Petrobras also is seeking partners for Brazil's Equatorial area, where the state-controlled firm is struggling to get permits to drill in blocks as close as 30 kilometers (19 miles) to Guyana's border and its discoveries. Exxon has disclosed more than 9 billion barrels of potentially recoverable oil and gas off the coast of Guyana.

## Afghan changeover won't affect trade

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"The future of trade...is depending on the decision of the new government in Afghanistan," he told The Daily Star.

Pointing out that Afghanistan is a landlocked country, he said most of its trade took place through border land ports with neighbouring countries like Iran and Pakistan.

The Saarc Chamber of Commerce and Industry, a regional trade body of the South Asian Association for Regional Cooperation (Saarc), could have been a good platform for trade negotiations among members, including Afghanistan, Babu also said.

However, the Saarc chamber's activities are not that much visible although the platform had very good potentials for boosting regional trade, he said.

"We are not that much worried about the trade with Afghanistan as our export to this country is not that high," said Mohammad Hatem, first vice-president of the Bangladesh Knitwear Manufacturers and Exporters Association.

Bangladesh exported garment items worth \$75,000 to it last year albeit indirectly through Dubai as direct shipments of apparel items to Afghanistan are very rarely made, he said. "We are also not worried about the current situation of Afghanistan as we do not export garments to Afghanistan," he also said.

## Cash incentive on loans for women-owned SMEs

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Banks will have to preserve all cash incentive-related information at their respective databases.

Clients will be able to enjoy the incentive within five working days after banks manage the fund from the central bank.

On August 4, the central bank took another initiative allowing female entrepreneurs to take loans at a lower interest rate than what was stipulated earlier from one of its refinane schemes.

Under the programme, women entrepreneurs are able to borrow at a 5 per cent interest rate.

Both male and female entrepreneurs could earlier avail loans from the refinane scheme, but only women-headed businesses are now allowed to get financing from the facility. The volume of the fund is Tk 1,500 crore.

Under the scheme, banks and non-bank financial institutions will receive funds from the central bank at 0.50 per cent interest rate. The lenders can charge 5 per cent as the lending rate.

## Anwar Galvanizing to double production capacity

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Anwar Galvanizing's paid-up capital was Tk 15 crore and it disbursed 10 per cent cash and 5 per cent stock dividends for the year ending on June 31, 2020.

Its sales dropped 9.7 per cent to Tk 14 crore in the January to March period of 2020-21. Meanwhile, its profits fell 10 per cent to Tk 82.4 lakh.

However, in the nine-month period of the financial year, its profits rose 49 per cent to Tk 3.24 crore.

## Safe-haven currencies hold firm

REUTERS, Tokyo

Safe-haven currencies such as the yen held firm against riskier currencies on Tuesday as disappointing economic data from China, the spreading Delta variant of the coronavirus and political tension in Afghanistan weighed on risk appetite.

The dollar eased to 109.24 yen, having lost about 1% over the past two sessions while the euro slipped to as low as 128.50 yen, touching its lowest level since late March.

The Swiss franc also held on to latest gains at 0.9124 franc per dollar. On the euro, it stood at 1.0745 franc to the euro, staying near its nine-month high of 1.0720 set earlier this month. The U.S. dollar, which is also often seen as the ultimate safe-haven currency, held firm against many other rivals, including the euro and commodity-linked currencies.

## New Yorkers largely back mayor's vaccine mandate to dine out

REUTERS

New Yorkers interviewed by Reuters on Monday were largely backing the push by the city's mayor, Bill de Blasio, to require proof of Covid-19 vaccination to enter restaurants, gyms and other businesses.

The policy is set to launch Tuesday as the delta variant continues to make progress.

With vaccines widely available, political leaders were combating the latest surge in infections with shots and masks rather than ordering businesses to close and Americans to stay home as they did last year.

The US government and several states, along with some hospitals and universities, already require employees to get inoculated to combat the virus that has killed over 600,000 in the country. And denizens of New York City say they are looking forward to joining the club.

"It's a great message," Anthony Tapia, an area landscaper, said. "The virus is 'going to grow faster, the quicker people are not vaccinated."

New York City's policy requires proof of at least one dose and will be enforced starting September 13. Like mask mandates and last year's stay-at-home orders, the plan is destined to meet stiff resistance.

Those interviewed by Reuters acknowledged the leap of faith for many.

"It's a little bit of an extreme situation," West Village barber Roman Khaimov said. "But if it collectively will make a difference for the time being, I think they should do it."

Roughly 60 per cent of all New Yorkers have received at least one dose of the Covid-19 vaccine, according to city data. But certain areas, largely poor communities and communities of color, have much lower vaccination rates.

## Spinners won't cut yarn price

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uninterrupted supply of yarn at competitive prices in order to cater to the increasing number of work orders from international retailers and brands. The number of work orders are rising in line with the reopening of economies in the western world.

"We may sit in another round of meetings with garment manufacturers and exporters on Saturday or Sunday to find an amicable solution to this impasse," Khokon said.

The BTMA chief also mentioned that spinners honoured a previous commitment made during a meeting with garment exporters last week to maintain the current yarn prices.

The most highly demanded 30 carded yarn was selling for about \$4.25 per kilogramme in local markets as of yesterday, he added.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said he is yet to

receive any invitation from the BTMA for the next meeting.

The meeting was supposed to be held a bit earlier as per the commitment made in the previous meeting.

"If invited, I will attend to discuss the yarn prices," Hassan told The Daily Star by phone.

"However, everything has been stated in a letter to the commerce minister," he added.

Echoing Hassan's views, Shahadat Hossain Sohel, chairman of the Bangladesh Terry Towel & Linen Manufacturers & Exporters Association, also demanded an adequate supply of yarn at competitive prices as they have a lot of work orders from international buyers.

Mohammad Hatem, first vice-president of the Bangladesh Knitwear Manufacturers and Exporters Association, expressed hope that the impasse regarding yarn prices will soon come to an end through consultation among the leaders of relevant trade bodies.

## NBFIs asked to ensure credit discipline

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swindle a huge amount of money through fraudulent means, a BB official said.

For instance, the central bank unearthed that Proshanta Kumar Halder, popularly known as PK Halder, and his accomplices had used the same tricks to embezzle thousands of crores of taka from four NBFIs. The financial health of the NBFIs – International Leasing & Financial Services Ltd, FAS Finance, Peoples' Leasing, and Reliance Finance – is in dire straits due to the scams.

In another move, the central bank asked NBFIs to collect audit reports prepared by chartered accountant firms before approving loans or renewing the existing ones.

NBFIs will have to give out loans based on the audit reports.

The instruction came as many companies

submit management audit reports or review reports instead of the actual audit reports prepared by the chartered accountant firms.

"The practice has created an impediment to ensuring credit discipline in the NBFI sector, which has pushed up default loans as well," the notice said.

NBFIs will also have to preserve the audit reports with the credit register of the companies.

The lenders also will have to verify the audit reports using the document verification system (DVS) of the Institute of Chartered Accountants of Bangladesh (ICAB).

The ICAB has developed the DVS, a piece of software that aims to prevent unruly firms from submitting falsified or multiple audited financial statements to the National Board of Revenue, banks, and NBFIs.

## IFC commits \$791m for private firms

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"That's why we've focused our attention on supporting moves to improve resilience on multiple fronts, as all indications are that the road to recovery will be long," Mora said.

In Bangladesh, the IFC has provided a total of \$260 million in working capital to banks and liquidity support to companies since the beginning of the Covid-19 crisis.

These investments are helping keep businesses open and preserve jobs, which is critical to sustaining Bangladesh's economy, it said.

IFC's focused and sustained investments in South Asia continued to have a strong impact in the fiscal year 2021, with support for medical facilities, vaccines and supplies, and to hard-hit micro, small, and medium enterprises while also spurring investments in renewable energy, affordable housing, and distressed assets resolution.

It has committed \$590 million in Covid-response deals in South Asia, with additional deals worth over \$100 million in the pipeline.

Its fast-track financial support has helped clients across sectors at a time when the economic fallout of the pandemic have severely impacted market sentiment.

Further, it committed \$353 million in climate finance and \$490 million in IDA/IFCS (International Development Association/Fragile and Conflict-Affected Situations) countries in the region.

It has already provided financing and advisory support for the production of critical pharmaceutical products and medical equipment such as personal protective equipment and vaccines.

It will further focus on providing much-needed liquidity to private sector companies in the region so that they can maintain operations,

preserve, and create jobs.

"The impact of the pandemic coupled with the region's vulnerability to climate change has highlighted the need for a collaborative, resilient and climate-friendly recovery that can withstand future shocks," said Hector Gomez Ang, new regional director for South Asia at the IFC.

"This is especially important for South Asia, which is home to three of the top five countries in terms of vulnerability to climate change globally."

While South Asia is one of the fastest-growing regions in the world, estimates suggest that climate impacts could reduce its annual gross domestic product by an average of 1.8 per cent by 2050.

The region is also estimated to have an untapped climate investment potential of \$3.4 trillion by 2030, the press release said.