

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.86%	▲ 0.74%	\$1,792.07	\$71.45	▲ 0.09%	▼ 0.57%	▲ 0.09%	▲ 0.49%	BUY TK 84.25	98.43	114.92	12.75
7,258.74	12,673.04	(per ounce)	(per barrel)	58,305.07	30,008.19	3,071.70	3,693.13	SELL TK 85.25	102.23	118.72	13.41



BUSINESS

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Take actions against wilful loan defaulters

FBCCI urges banks

STAR BUSINESS REPORT

Bangladesh's top trade body yesterday urged banks to take actions against the wilful loan defaulters to bring down the amount of bad loans.

"Action should be taken against wilful defaulters while extending cooperation to unintentional defaulters," said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI).

He made the remark at a view-exchange meeting with the managing directors and chief executive officers of commercial banks styled "Role of the banking sector in the development and progress of the economy: challenges and opportunities" organised by the FBCCI at the Sheraton Dhaka hotel.

Business leaders and CEOs expressed their keenness to work together to move against the wilful defaulters to reduce the default loans.

Non-performing loans stood at Tk 99,205 crore in June, up 11.80 per cent

Non-performing loans stood at Tk 99,205 crore in June, up 11.80pc from six months earlier and 3.21pc year-on-year

from six months earlier and 3.21 per cent year-on-year, data from the Bangladesh Bank showed.

Ali Reza Iftekhar, chairman of the Association of Bankers Bangladesh (ABB), a platform of CEOs of the banks, sought cooperation from the FBCCI to recover the default loans.

Obayed Ullah Al Masud, managing director of Rupali Bank, said the FBCCI could organise a meeting on the recovery of defaulted loans. "This will be very beneficial for all banks."

Ghulam Mohammed Alomgir, chairman of Max Group, said: "Time has come to stand by those who are bad customers. Now is the time to help them become better customers."

"If banks think of profit at this time, it will not work."

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Govt goes all out to sign FTAs

Taking measures for post-LDC trade benefit, says official

REFAYET ULLAH MIRDHA

Bangladesh is gearing up to sign free trade agreements (FTAs) and amend labour laws to continue to avail duty benefits on merchandise export once it comes out of the least developed country (LDC) status, said Commerce Secretary Tapan Kanti Ghosh yesterday.

FTAs and preferential trade agreements (PTAs) with major trading partners are considered to be the major tool for future market access once the country graduates from a least developed to a developing nation in 2026.

Moreover, negotiations with the European Union (EU) are underway for becoming eligible for the Generalised System of Preferences (GSP) Plus after the expiry of the European GSP in 2029, said Ghosh.

He was talking to The Daily Star over the phone after a second meeting of the Sub-committee on Preferential Market Access and Trade Agreement at his Bangladesh Secretariat office.

However, to become eligible for the GSP Plus, Bangladesh needs to amend its existing labour law and those involving economic processing zones (EPZs).

This is to comply with 27 international conventions, including four core ones centring labour rights, good governance, protection of environment and human rights.

"We discussed the issue of labour

FOR POST-LDC TRADE BENEFITS

- ▶ Bangladesh gears up to sign FTAs
- ▶ Labour law will be amended
- ▶ Dhaka lobbying with EU for GSP Plus benefit
- ▶ Bangladesh needs to improve on 27 int'l conventions for GSP Plus
- ▶ Bangladesh is trying to sign FTA with Indonesia and CEPA with India
- ▶ Dhaka and Kathmandu are in negotiation to sign PTA
- ▶ Bangladesh and Bhutan signed PTA last December



law amendment at the meeting as the labour ministry is trying to do it in accordance with international standards for market access after the graduation," Ghosh said without elaborating further.

Availing the GSP Plus is important because the EU is the largest trade bloc for the country. Some 58 per cent of merchandise and 64 per cent of garment items

in particular are destined for the EU from here every year.

If the country loses its competitiveness in exports to the EU, local industries and employment might fall into trouble as Bangladeshi goods would have to face a 12 per cent duty.

However, if Bangladesh can avail the GSP Plus, local exporters will continue to enjoy zero-duty benefit

to the EU.

The commerce ministry has been lobbying with other LDCs through World Trade Organization (WTO) to avail the duty benefit for 12 more years as most economies have fallen victim to the pandemic's fallout, Ghosh also said.

Ongoing negotiations for signing the FTAs and PTAs with different countries will go on while the country continues to enjoy current preferential trade benefits, he said.

For instance, Bangladesh has been negotiating with Nepal over the last couple of years to strike a PTA over some select goods of both countries, said the commerce secretary.

Despite the efforts over the years, Bangladesh has been able to sign only one PTA with Bhutan in December last year.

Experts and senior government officials said signing of the PTA with Bhutan was just a learning curve for Bangladesh as the bilateral trade was still below \$60 million.

Both Bangladesh and India have been negotiating for signing a comprehensive economic partnership agreement (CEPA) for more bilateral trade, investment and employment.

However, both countries so far only conducted a few studies on the signing of a potential CEPA.

A CEPA is similar to an FTA, but comprehensive including investment and employment.

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Refiners cut sugar prices after govt directive

STAR BUSINESS REPORT

Following a government directive, sugar refiners yesterday lowered the prices of the commodity amid a continuous rise at the retail level.

As per the new rate, the price of loose sugar has been set at Tk 74 per kilogramme (kg) while packaged sugar will cost Tk 75 per kg.

The decision was taken after a meeting between Bangladesh Sugar Refiners Association, the commerce ministry and Tariff Commission, according to a press release.

The prices were readjusted considering the current international prices and product costs, it said.

Biswajit Saha, director for corporate and regulatory affairs at City Group, said they will implement the new rates fixed by the government.

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PHOTO: MOSTAFA SHABUJ

A farmer ploughs his land with cattle for cultivating vegetables in Sariakandi upazila of Bogura recently with the receding of floodwaters. Use of cattle in farm work has drastically come down with increasing mechanisation. Farmers are switching to power tillers and tractors as cattle maintenance turns costly while being more time-consuming when used for tilling the land. The government is currently giving 70 per cent subsidy to farmers in the haor areas and 50 per cent subsidy to the farmers in the rest of the country to buy agriculture machinery.

MICROINSURANCE

Tackle crisis with tiny premiums

MD ABU TALHA SARKER

Microinsurance is not new in Bangladesh, but the general public know very little about it, although it can deliver much-needed cushion to the largely uninsured population in times of crises.

Microinsurance, which is inexpensive and protects people with lower incomes from economic shocks and prevents people from falling below the poverty line in times of crises, operates like a regular insurance scheme.

But it typically targets the segments of the society that are often ignored by mainstream commercial and social insurance schemes.

It deals only with marginalised, low-income and economically vulnerable groups by offering insurance plans tailored to their needs.

The solution provides an opportunity to the people living on \$1 to \$4 a day so that they can protect themselves or their families during any medical emergencies and other types of crises.

Microinsurance may cover various risks.



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Five power plants add 779MW to national grid

STAR BUSINESS REPORT

The government is all set to inaugurate four new power plants and an upgraded one, which will have the capacity to produce 779 megawatts of electricity.

The new plants are: Bibiyana-III 400 MW Combined Cycle Power Plant in Habiganj, Jhulda 100 MW Power Plant Unit-2 in Chattogram, Meghnaghat 104 MW Power Plant in Narayanganj, and Modhumoti 100 MW Power Plant in Bagerhat.

Sylhet 150 MW Power Plant has been upgraded to 225 MW Combined Cycle Power Plant.

All five plants are already connected to the national grid, according to Bangladesh Power Development Board (BPDB).

Prime Minister Sheikh Hasina will inaugurate the plants through videoconferencing from Gono Bhaban in Dhaka on September 12, Saiful Hasan Chowdhury, director for

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Bangladesh currently has an electricity generation capacity of 25,235MW, including captive power, said Nasrul Hamid, state minister for power, energy and mineral resources.

GROUP INSURANCE IN INDUSTRIES

Regulator moves to ensure compliance

THINGS TO KNOW

- ▶ Group insurance made mandatory in labour law
- ▶ Coverage applicable for factories with 100+ permanent workers
- ▶ Income tax is waived on the premium and proceeds
- ▶ Most industries have not availed it

SURANTA HALDER

The Insurance Development and Regulatory Authority (IDRA) has taken up an initiative to make all industries and factories adopt group insurance, made mandatory in the Bangladesh labour law, against the backdrop of recent tragedies in the industrial sector.

In a recent letter, the regulator requested the secretary to the labour ministry to hold a high level stakeholders' meeting to devise implementation strategies.

However, the IDRA has also sent another letter to the financial institutions division recently to pursue the matter with the labour ministry.

One IDRA official said the issue came to light after a recent deadly fire at a factory in Narayanganj that claimed over 50 lives and injured many.

Under a provision of the labour law, owners of factories and industrial units with 100 or more permanent workers must purchase group insurance for them.

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72pc of youths with smartphones use internet: survey

STAR BUSINESS REPORT

Over 72 per cent of youths out of the 86 per cent who have smartphones have access to the internet.

However, only 28 per cent have recently searched for materials related to technical and vocational education and training (TVET), according to a survey by Brac.

The NGO carried out the survey on youth perceptions on skills development training and post-training employment, it said in a press release.

The survey said 65 per cent of the young participants identified Facebook as the most effective digital platform for raising public awareness.

The survey was made public at an event titled "Changing perspectives of youths regarding vocational education in Bangladesh".

KAM Morshed, senior director, Brac, said stigma was associated with skills and vocational training in the society. "We must partner with communities at large and fight together against this," he said.

Tasmiah Tabassum Rahman, current in-charge of Brac Skills Development Programme, said jobs related to technical and vocational education in Bangladesh were still considered blue collar jobs.

This is why it is very important to create awareness and tell the society about the importance of TVET and its prospects, she said.

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