

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
Week-on-week		As of Friday		Friday Closings				As on Thursday STANDARD CHARTERED BANK			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.86%	▲ 0.74%	\$1,787.34 (per ounce)	\$72.92 (per barrel)	▲ 0.09%	▲ 1.25%	▲ 0.88%	▲ 0.27%	BUY TK 84.25	98.43	114.92	12.75
7,258.74	12,673.04			58,305.07	30,381.84	3,098.80	3,703.11	SELL TK 85.25	102.23	118.72	13.41



# BUSINESS

DHAKA SUNDAY SEPTEMBER 12, 2021, BHADRA 28, 1428 BS • starbusiness@thedailystar.net

## POST-LDC ERA

# Govt hopeful of 12-year duty benefit

REFAYET ULLAH MIRDHA

Bangladesh is hopeful that it will enjoy the duty-free export benefit for a more extended period after graduating from the grouping of the least-developed countries (LDCs) as the negotiation with the World Trade Organisation is underway.

The country was supposed to become a developing nation from an LDC in 2024, but the United Nations Committee for Development Policy (UNCDP), which assesses the transition procedures, has pushed back the deadline to 2026 following a request from Dhaka.

"We have sought an extension of the LDC-linked facilities for 12 years after the formal graduation to a developing country takes place," said Commerce Secretary Tapan



### LDC GRADUATION AND DUTY BENEFITS

Bangladesh, other LDCs seek 12-year duty facility

Current duty facility comes to an end in 2026

WTO Ministerial Conference begins Nov 30

LDC Summit in Doha in January

Exporters to face 12pc duty in EU after LDC graduation

EU has already extended duty-free facility for three more years

of Covid-19, which has hurt the poorest countries very hard, the demand for the time extension has grown louder.

According to the WTO, 10 per cent of the export of the LDCs has been impacted by the first phase of fallouts of Covid-19. So, the LDCs initiated a move for the continuation of the preferential trade treatment through the WTO in April.

Representatives of LDCs and developing and developed countries discussed the extension issue constructively in Geneva last week during the preparatory meeting for the 12th WTO Ministerial Conference.

Ghosh and senior officials from the commerce, foreign, planning and finance ministries participated in the meeting.

Bangladesh is also getting ready to place the demand for the extension for 12 more years in the WTO Ministerial Conference, the highest decision-making platform of the global body, in Geneva between November 30 and December 3.

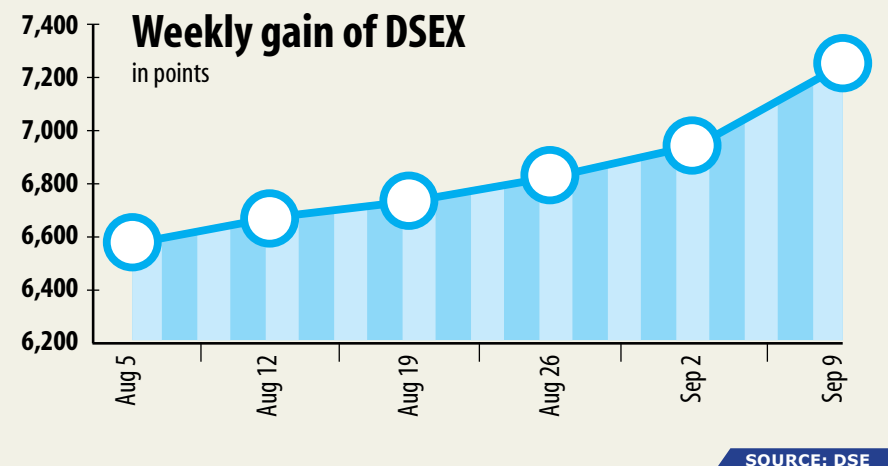
"We expect that the WTO members will announce the extension in the conference," Ghosh said.

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Kanti Ghosh last week.

The WTO members might not grant the extension for 12 years, but they are positive about providing a reasonable time to graduating LDCs as all the LDCs, and the influential members of the global body agreed to extend trade facilities for low-income countries after their graduation, he said.

Because of the severe fallouts



SOURCE: DSE

# A memorable week for stock market

AHSAN HABIB

Last week will certainly remain memorable for the stock market, with its indexes reaching record levels every day while market capitalisation a historical high over the five-day period.

The very first day of trade was marked by the DSEX, the benchmark index of Dhaka Stock Exchange (DSE), reaching 7,000 points, the first time it has done so since being launched in 2013.

There was no sign of profit booking, rather the index soared 277 points, or around 4 per cent in the last five sessions.

The positive side of the market was that people poured money into many good profit-making companies, for which some of them ended up in the top turnover and gainers' list, said a stock broker.

Beximco Ltd topped the turnover list, followed by British American

Tobacco Bangladesh Company Limited, Beximco Pharmaceuticals Ltd, Square Pharmaceuticals Limited and Saif Powertec Limited, shows the DSE data.

Libra Infusion Ltd gained the most, rising 39 per cent, followed by Pharma Aids Limited, Eastern Lubricants Ltd, Agricultural Marketing Company Limited (Pran), and Apex Footwear Limited.

Over the past few weeks, the index had risen by some 10 per cent, with advances being made mostly by companies with poor performance records and those with capital of small amounts. Growth of companies with good performance records was slow, said the stock broker.

The trend was slightly the opposite last week, which means people are choosing good stocks on seeing that the index was at an all-time high. "It's a good decision," he said.

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# NBR against back-to-back LCs for firms without bonded warehouse

STAR BUSINESS REPORT

The National Board of Revenue has requested the Bangladesh Bank to order banks to refrain from opening back-to-back letters of credit for factories that do not have bonded warehouse licences.

The move has stoked concerns of increased working capital cost among 500 export-oriented factories. Still, NBR officials say the agency is open to granting the licence to factories so that they enjoy the benefit while buying raw materials for exports from both domestic and international markets.

"We have taken the step after finding abuses of the benefits," said a senior official of the NBR seeking to remain unnamed.

As per rule, an export-oriented factory with the bonded warehouse licence is entitled to open back-to-back LCs -- a financing facility that is extended by a bank to enable an exporter to purchase raw materials against an export LC and enjoy the zero-duty benefit.

On the other hand, a firm without a bonded warehouse licence does not have permission to get the back-to-back LC facility.

The benefit is given based on the recommendation from the related trade body.

The NBR found that a factory, Krishnachura Design Ltd, availed the privilege of the back-to-back LC and bought raw materials from local markets without paying any value-added tax, although it did not have any bonded warehouse licence.

The firm opened the LC based on the Utilisation Declaration permission from the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), according to the NBR.

At the same time, the company availed cash incentive against the export from the government, which, the NBR said, is not allowed as per a previous Bangladesh Bank circular.

The NBR, in a letter to the central bank, says a firm can claim cash incentive against exports if it does not enjoy the bonded warehouse facility or claim a duty refund.

Krishnachura can't claim the cash incentive as it secured back-to-back LC benefits.

The NBR took the stance after the Customs Valuation and Internal Audit Commissionerate unearthed that Krishnachura misused the benefit of the back-to-back LC against the bonded warehouse licence and the cash incentive.

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The usual hubbub of stevedores and traffic of goods-laden lighters have made a comeback at Chattogram's 16 private ghats or quays from September 1 after four months of depressed activity, thanks to consensus being reached on charter prices. A prior disagreement had led big businesses to boycott private organisation Water Transport Cell (WTC), which controls some 1,500 of the around 2,200 lighters engaged in transporting cargo from large ships at the Chattogram port's outer anchorage to the 39 landing places around the country. The conglomerates instead opted using around 300 such vessels of their own alongside around 200 non-registered vessels. This had left most of the WTC vessels out of work. The photo was taken at Anu Majhir Ghat recently.

RAJIB RAIHAN

# Direct flights to Cairo from November

STAR BUSINESS REPORT

Good news for the Bangladeshis who want to see the pyramids in Egypt as direct flights between Dhaka and Cairo are set to begin on November 1.

Egyptair, the state-owned airline of Egypt, will initially operate two weekly flights between Dhaka and Cairo.

"The starting of flights from November will be a milestone for our bilateral relations," said Haytham Ghobashy, Egypt's ambassador in Dhaka, at an event at the InterContinental Dhaka yesterday.

The embassy, in association with Egyptair, Air Cairo and ALO Dhaka Aviation, arranged a ceremony for local media and different stakeholders, including travel and tour operators, to celebrate the beginning of the bilateral air connectivity.

"Egyptians have a high regard for the people of Bangladesh and are very inclined to visit this country as well," Ghobashy said.

Taking trips to and from Bangladesh and Egypt used to take several hours,

excluding the various transits. "Now, though, everything will be easier," the envoy added.

According to industry people, various airlines operate Dhaka-Cairo flights with transits in Middle East countries.

With an Egyptair flight, it would take six hours and five minutes for a passenger to reach Cairo, bringing

down the time taken by the existing flights by half.

About 25,000 Bangladeshis flew to Egypt annually before the Covid-19 pandemic, and there are more than 25,000 Bangladeshi students enrolled at different Egyptian universities, especially the Al-Azhar University in Cairo.

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Egyptair, the state-owned airline of Egypt, will initially operate two weekly flights between Dhaka and Cairo.

REUTERS/FILE

# Differently-abled women face huge barriers when seeking jobs: experts

STAR BUSINESS REPORT

Differently-abled women face considerable barriers when seeking employment in Bangladesh and so changing any negative mindset must become a top priority, according to speakers at a webinar yesterday.

"The gaps in the labour market regarding employer confidence on people with disabilities and employment readiness and self-confidence of jobseekers remain as relevant in 2021 as it was in 2019," said Simon Brown, global technical lead (economic empowerment) of Sightsavers International.

He was presenting a keynote paper at the webinar styled, "Towards a Covid-resilient disability inclusive labour market", jointly organised by the Bangladesh Business and Disability Network (BBDN) and The Daily Star.

Brown went on to say that cottage and micro industry and small and medium enterprises (SMEs) become even more relevant for employment

*"There is a need for skills development and training to ensure decent jobs for differently-abled people," says an expert*

pandemic, with a majority in April and May of 2020.

Of them, approximately 85 per cent were unemployed for more than a month, and just under 30 per cent were unemployed for more than three months, he said.

The report suggests that self-employment and day labouring accounted for 90 per cent of incremental jobs, indicating a shift to more informal sector employment.

Moreover, working hours were significantly reduced in the agricultural and industrial sectors (8 per cent and 4 per cent respectively).

Income impacts have been material, with an average decline of 12 per cent across all sectors, most noticeably in agriculture, forestry, and fishing (17 per cent), manufacturing (13 per cent) and wholesale and retail trade and motor vehicle repair (14 per cent each).

Income impacts were consistent across age groups and urban or rural contexts as well.

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