

Brac Bank, Green Delta to offer microinsurance to livestock farmers

STAR BUSINESS DESK

Brac Bank Limited and Green Delta Insurance Company Limited recently signed a memorandum of understanding to offer microinsurance services to livestock farmers in rural areas.

The initiative is supported by the Switzerland embassy through its microinsurance market development programme (BMMDP/Surokha) managed by Swisscontact, said a press release.

While the bank is to mobilise at least Tk 15 crore (1.8 million Swiss franc) through tailor-made loan products, the insurer will provide the microinsurance services.

The microinsurance will cover both the asset (livestock) and liability (outstanding loan amount) in case of death or permanent disability of the insured cattle.

The project will facilitate approximately 600 farmers with a unique cattle outreach of 1,600. The project is also expected to reduce the vulnerability for 6,000 farmers through complementing livestock extension services.

Syed Abdul Momen, the bank's deputy managing director, and Syed Moinuddin Ahmed, the insurer's additional managing director, signed the MoU at the bank's head office.

Selam RF Husain, managing director and CEO of the bank, Corinne Henchoz Pignani, deputy head of cooperation at the Switzerland embassy, Syeda Zinia Rashid, senior programme officer, and Mujibul Hasan, country director of Swisscontact, were present.

Farzanah Chowdhury, managing director and CEO of the insurance company, joined virtually.

Cricketer Shakib DBL Ceramics' brand ambassador

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DBL Ceramics, a concern of DBL Group, yesterday announced that cricketer Shakib Al Hasan would play the role of brand ambassador for the company.

DBL Group Chairman Abdul Wahed and Shakib signed the agreement at Lakeshore Hotel Gulshan in the capital, said a press release.

"As a premium ceramic tile brand, we have been growing with a dynamic capability to evolve with the ever-changing aesthetics demand for modern décor solutions over the years," said Wahed.

"Shakib Al Hasan's decisive nature for perfection towards performance always resembles DBL Ceramic's thrive for a progressive pace of mind," he added.

MA Rahim, vice-chairman of the group, MA Quader, deputy managing director and group CEO, and Md Bayezed Bashar, general manager of DBL Ceramics, were present.



Abdul Wahed, chairman of DBL Group, and Shakib Al Hasan, premier all-rounder of Bangladesh national cricket team, exchanged documents after striking an agreement with DBL Ceramics in the capital yesterday.

Greece to boost its 2021 growth estimate: PM

AFP, Thessaloniki

Greece will revise its 2021 economic growth estimate to 5.9 per cent from 3.6 per cent earlier, after an unexpectedly positive second quarter, the prime minister said Saturday.

Seasonally adjusted Greek data earlier in the week showed the economy growing 3.4 per cent between the first and second quarters of 2021, and a better-than-expected 16.2 per cent year-on-year rate, despite partial lockdowns.

"I am able to announce a revised growth target of 5.9 per cent," Prime Minister Kyriakos Mitsotakis said in a keynote speech at the Thessaloniki International Fair.

Halfway through his four-year term, Mitsotakis is seeking to repair the political damage from summer wildfires and opposition to his government's management of the Covid-19 pandemic.

Govt doubles down on efforts to attract foreign investment

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In the fiscal year of 2020-21, the private investment-to-GDP ratio declined to 21.25 per cent, from 22.06 per cent the previous year, amidst the onset of Covid-19 in March last year, according to the Bangladesh Bureau of Statistics (BBS).

The ratio was 23.5 per cent of the GDP in FY19 when the country received FDI worth \$3.89 billion, the highest on record. However, the pandemic adversely impacted the growth of investment as in FY20, Bangladesh could attract only \$2.37 billion, down 39 per cent from a year ago.

It stood at \$1.96 billion in the nine months to March of the last fiscal year.

The Bida said the investment scenario has been favourable in Bangladesh, and investors were optimistic until the pandemic.

It said the government took a lot of initiatives to improve the business environment, and they would be highlighted at the summit on November 28-29 at the Radisson Blu Dhaka Water Garden in Dhaka.

This will be the second summit after the first one took place in 2016. Prime Minister Sheikh Hasina is likely to inaugurate the event virtually.

Md Sirazul Islam, executive chairman of the Bida, said the agency was trying to attract more FDI in all sectors to ensure economic growth.

The Bida will spend Tk 1 crore for the programme, while the International Finance Corporation (IFC) will bear all of the expenditures of the summit.

Islam hopes the number of participating investors will be at least 1,000 from home and 10 target countries that will actively explore investment opportunities in Bangladesh.

Representatives of governments and investors from the US, the United Kingdom, Japan, South Korea, Singapore, Hong Kong, China, Saudi Arabia, the United Arab Emirates, India, Turkey, Thailand, Malaysia, and the Netherlands have been invited.

The Bida has also invited the World Bank, the Asian Development Bank, the Asian Infrastructure Development Bank, and the Japan International Cooperation Agency to participate in the summit.

Local policy-makers, investors, and economists will also take part.

Talking to The Daily Star, Rupali Chowdhury, managing director of Berger Paints Bangladesh, a multinational company, said the government was trying to woo FDI by improving the environment, which is an effective one.

With a view to attracting investment from external sources, the government is keen to sign free trade agreements with many countries, she said.

She suggested targeting FDI from Asia as Japanese and Chinese investors are

interested in investing in Bangladesh.

Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, suggested implementing the laws and rules regarding to easing doing business to draw FDI, in line with arranging summits and roadshows.

"There is a requirement of immediate development of regional connectivity, port facilities, and proper implementation of one-stop service of the Bida to bring FDI."

He alleged that there was no proper implementation of the OSS Act in delivering gas and electricity connections to industries and providing the environment clearance certificate within the stipulated time that discouraged investors.

However, he is optimistic about the FDI in the economic zones.

"The summit will also result in increased awareness about the business environment, policies, regulations, and investment facilitation and services," Prof Rahman said.

Regarding the summit, Bida's Islam said it would provide an effective platform to promote private sector investment opportunities in an integrated manner.

The summit will showcase private sector investment opportunities, highlighting national competitiveness, policy priorities, and deeper economic cooperation.

According to the concept note of the summit, by hosting both in-person and virtual participants, the event will promote opportunities in high-growth thrust sectors, while facilitating networking and exchange of investment ideas.

It will bring together industry experts, policymakers, existing and potential investors, development partners, diplomats and media representatives.

Rizwan Rahman, president of the Dhaka Chamber of Commerce and Industry, suggested focusing on the success story of foreign investors.

"We need proper branding of Bangladesh, focusing on investment opportunities, particularly for the foreign investors who have succeeded in Bangladesh," he said.

He also said the ministry of foreign affairs could play a significant role in branding the country through its missions abroad.

Md Tofazzel Hossain Miah, secretary to the Prime Minister's Office, Shaikh Yusuf Harun, executive chairman of the Bangladesh Economic Zones Authority, Md Nazrul Islam, executive chairman of the Bangladesh Export Processing Zones Authority, Sultana Afroz, chief executive officer of the Public Private Partnership Authority, Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industries, and Nuzhat Anwar, acting country manager of the IFC, were present at the media briefing.

Bakhrabad Gas installs central monitoring system

OUR CORRESPONDENT, Cumilla

Bakhrabad Gas Distribution Company Ltd (BGDCL) has installed a central monitoring system at its head office in Cumilla to oversee the activities of commercial franchisees.

Shankar Mazumder, managing director of BGDCL, inaugurated the system at the engineering services department. General Manager Abul Bashar was also present.

Mazumder expressed hopes that all CNG and industrial customers would come under the remote monitoring in a few days.

Mir Fazle Rabbi, manager of the engineering services department, said the state-run company had installed 40 internet protocol (IP) cameras in 20 CNG stations from Chandina to Paduabazar.

Using the cameras, CNG stations, power plants, fertilizer factories, captive power plants, industrial and commercial franchisees will be monitored from a central server.

"The cameras will help a lot in managing gas distribution smoothly, observing any illegal interference, ensuring smooth supply, and responding to emergencies," Rabbi said.

"It will cut the supervision cost and ease the hassles of physical visits."

Community Bank transactions enabled through bKash app

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Mobile financial service provider bKash has recently launched an integrated transaction service with Community Bank Bangladesh Limited.

The bank customers will now be able to deposit money, pay instalments of deposit pension schemes and loans along with conducting money transactions round the clock through the bKash app, says a press release.

Besides, bKash customers will also be able to avail cash from the bank's 165 ATM booths around the country at a 1.49 per cent service charge.

Benazir Ahmed, inspector general of police and the bank's chairman, inaugurated the service at a hotel in the capital.

Govt working to increase utility of saline lands

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According to the Department of Agricultural Extension (DAE), coastal areas take up 28.30 lakh hectares of land in the country, of which 21.62 lakh hectares are cultivable.

However, 10.56 lakh hectares are salinity-prone and over 5 lakh hectares remain uncultivated during the dry season every year due to the adverse effects of saline water.

As per the survey of the Institute of Soil Research and Development, out of the total 213,000 hectares of cultivable land in Khulna, the amount of saline land is 190,000 hectares, or 89 per cent of the total cultivable land.

FOREX CRISIS Sri Lanka central bank chief quits

AFP, Colombo

Sri Lanka's central bank chief resigned Friday over "political and personal issues" as a foreign exchange crisis intensified and the government imposed new import controls.

WD Lakshman said he will step down next Tuesday, six weeks ahead of his planned retirement at the age of 80, citing severe "mental stress" over the past 10 days.

Lakshman said he had drawn up President Gotabaya Rajapaksa's economic policy, but he was unable to implement it fully due to ideological and personal clashes.

"There have been unpleasant reports in the media in the past week to 10 days," he told reporters.

"There are some political issues, there are some personal issues. Generally, getting things done according to my plan was not easy."

HSBC introduces cash flow forecasting service

STAR BUSINESS DESK

HSBC Bangladesh has recently introduced an HSBC Cash Flow Forecasting tool that allows businesses to generate a more accurate view of their future finances and liquidity position.

The tool is accessed via the bank's digital banking platform, HSBCnet, providing clients with a single point of access for all their cash management needs, says a press release.

It is fully integrated, automatically loading data from a client's account, and can also work cohesively with the client's own systems.

This allows details of pending invoices or future-dated events to be added automatically, reducing manual intervention and significantly cutting the time taken to prepare a forecast.

The tool reduces engagement of resources in manual spreadsheet administration which is generally involved in cash flow forecasting to allow businesses to focus on higher-value generating activities.

It produces sophisticated cash forecasts covering a three-year horizon.

The modelling and scenario testing capability allow clients to create customised forecasts with ease.

Detailed variance analysis will highlight differences between forecasts and actual performance - meaning clients can spot cash surplus or deficits and further refine their forecasting accuracy.

"...it is more important than ever for Treasurers to have an accurate and timely forecast of their liquidity position," said Kevin Green, country head of wholesale banking at HSBC Bangladesh.

Pran-RFL turning plastic waste into new products

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The group collects about 30,000 tonnes of used plastic items every year from dealers, collectors, plastic item producers, and depots at a rate of Tk 60-70 per kg.

About 27,000 tonnes of raw materials are produced from the used plastics.

Had the raw materials been imported, it would have cost the company around Tk 400 crore annually, said Kamruzzaman Kamal, director for marketing of Pran-RFL Group.

"As a result of recycling, a huge amount of foreign exchange is being saved every year."

The group has turned to recycling as part of its social responsibility.

"It is our responsibility to protect the environment," Kamal said.

"We want to produce about 20 per cent of our products through recycling. So, we will set up 10 more collection centres soon."

He said people in many countries feel pride in using recycled products. "We want to reach that stage."

Kamrul Hasan says the use of PET (polyethylene terephthalate) bottle and PET-related packaging is increasing day by

day. So, Pran-RFL plans to build a plant to recycle PET bottles in the next two years.

"The management has approved the plan. The staff have been selected. We are buying machinery. Now, we will go for the investment."

Pran-RFL Group is in touch with other countries to know about the machines being invented to recycle new plastics.

"We will use advanced equipment to recycle plastics in keeping with the times," Hasan said.

Recycled products are also being exported. Products needed for gardening are mostly being sold in overseas markets.

In the last financial year of 2020-21, the shipment of recycled products fetched \$6 lakh for the company.

In Bangladesh, the use of plastics is rising thanks to their durability, lower prices and availability.

About 24 lakh tonnes of plastic items are used every year, with per capita consumption standing at nine kilograms, way lower than the global average of 60 kg.

There are 4,000 plastic manufacturing companies in Bangladesh that employ more than two million people, directly and indirectly.

Stocks snap eight-day gaining streak

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The key index of the main bourse experienced a "much-needed" correction, breaking the winning streak after a continuous gaining trend, said International Leasing Securities in its market review.

The investors' cheery mood reversed later in the day as evidenced by the index's trajectory after the session's first hour when it started to decline gradually, it added.

Almost all the sectors posted losses except life insurance and miscellaneous.

The DSES, the Shariah-based index, and the DS30, the blue-chip index, registered losses of 16.35 points and 9.04 points respectively. Out of 376 traded scrips, 83 advanced, 261 declined, and 32 remained unchanged.

Uttara Bank topped the gainers' list, rising

9.82 per cent, followed by Nitol Insurance, Alif Industries, National Housing Finance, and Kohinoor Industries.

Mithun Knitting shed the most, falling 10 per cent, followed by Shyampur Sugar, Beach Hatchery, Meghna Pet Industries, and Alltex Industries.

Stocks of Beximco Limited traded the most, worth Tk 80 crore, followed by Beximco Pharmaceuticals, Square Pharmaceuticals, LankaBangla Finance, and British American Tobacco.

The shares on the Chattogram Stock Exchange (CSE) also fell as the CASPI, the general index of the port city bourse, declined 146 points, or 0.69 per cent, to 20,984.

Among 330 traded stocks, 96 advanced, 241 fell, and 20 remained unchanged.

Govt seeks 12-year duty-free access to EU

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The government supported the garment industry through stimulus packages, facilitating payment of salaries and wages to workers during the pandemic when the sector was severely affected, he said.

Rensje Teerink assured the minister of the EU's continued support to Bangladesh in trade.

"The EU gives a lot of importance to Bangladesh in trade," she said, adding that the country had efficiently tackled the fallouts of Covid-19.

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"So it seems that the government is addicted to cigarette revenue and it will continue," said Mansur, but added that the share of cigarette revenue in the total should come down with the expansion of the economy.

"Share of other sectors should increase," he said.

Mansur, a former economist at International Monetary Fund, suggested the government use an existing health surcharge tax to create awareness about the negative effects of tobacco.

A senior official of Large

Taxpayers' Unit (LTU), VAT, the main collector from cigarette, said revenue collection from mobile, banking and pharmaceuticals has increasing in recent years and share of these sectors in total VAT and SD collection has been growing.

For example, share of mobile in total VAT collection by the LTU, VAT rose to 9 per cent in fiscal year 2020-21 from 7 per cent two years ago, according to LTU data.

"Insurance, electricity and cement are also coming up," said the official, adding, "It

appears that contribution of other sectors in total revenue will increase. What is needed is policy support."

Md Masud Sadiq, member of VAT Policy at the NBR, said the NBR was increasing taxes to discourage cigarette and tobacco use. But it is not a healthy sign for revenue, he said, but added that collection of VAT from other sectors was increasing.

"We are increasing the base of VAT. Collection from other sectors will increase with expansion of business activities," he said.