



Md Anwarul Islam, general manager of the department of off-site supervision at Bangladesh Bank, and M Reazul Karim, managing director of Premier Bank Limited, exchanged signed documents of a participation agreement on a refinancing scheme for cinema hall owners to allow them to renovate and modernise existing cinema halls and construct new ones, at a programme at the central bank headquarters recently. Md Aminur Rahman Chowdhury, deputy general manager of the department of off-site supervision, Tonmoy Saha, joint director, and Sayed Abul Hashem, deputy managing director of PBL, were present.



Anup Kumar Sarker, executive director (marketing) of Concord Entertainment Company Limited (CECL), and Rafeuzzaman, president of the Tour Operators Association of Bangladesh, exchanged documents after signing a memorandum of understanding to promote the tourism industry, at an event at the Fantasy Kingdom Complex recently. Manzoor Uddin Ahmed, general manager of Fantasy Kingdom Complex, Uzzal Kumer Basak, assistant general manager (marketing) of CECL, and Arif Nowshad, assistant general manager (sales), were present.

Shift to EVs means huge 'reskilling' job for Europe

REUTERS
The shift to electric vehicles will force huge changes in the auto industry and require EU backing for 'reskilling' programs to help workers prepare for a zero-emission future, according to a report published on Tuesday.

The Platform for Electromobility, an industry group, said a report by the Boston Consulting Group showed by 2030 European auto industry employment will drop by less than 1 per cent from 5.7 million people today amid the transition to electric vehicles.

But jobs at manufacturers and traditional suppliers focused on combustion engines will drop 20 per cent and 42 per cent respectively - between them shedding a cumulative 500,000 positions. At the same time, employment at suppliers focused on zero-emission technology will rise by 300,000 workers, representing a 10 per cent increase, the study said.

The European Commission has proposed an effective ban on new gasoline and diesel cars from 2035.

Automakers have warned that jobs at conventional combustion engine plants will be particularly at risk and have called on the European Union to help mitigate the impact the shift to electric will have on those manufacturing workers.

Platform for Electromobility said the study predicts huge job increases for energy production related to the auto industry, and charging infrastructure for electric vehicles.

The group said the EU, governments and companies should focus on investing in education, training, 'upskilling' and

'reskilling' of workers to "ensure no one is left behind" as the industry makes the transition to electric vehicles.

"The auto industry is so strategic for Europe across the board involving an awful lot of people that reside everywhere, so it's important that the EU work with member states on accompanying policy," Platform for Electromobility chair Arne

Richters told Reuters.

"Reskilling and making that a strategic priority is a crucial point."

The group represents a number of organizations and corporations including carmakers Tesla Inc, Renault and Nissan, charging company ChargePoint, and US conglomerate 3M.



A taxi is being charged at a BP Pulse electric vehicle charging point in London.

German election leaves investors braced for more spending

REUTERS

The purse strings have been loosened and will stay that way, no matter who heads Germany's new government. That's the verdict from investors who see potential gains for segments such as green finance alongside modestly higher bond yields.

After Finance Minister Olaf Scholz's centre-left Social Democrats (SPD) narrowly defeated the ruling Christian Democratic bloc (CDU/CSU) in Sunday's election, both parties will woo the Greens and the pro-business Free Democratic Party (FDP) to form a coalition.

Based on the colours of the parties involved, a potential Social Democrat-led alliance has been dubbed the 'traffic light' coalition, with a conservative-led one named after the flag of Jamaica.

And for investors following the negotiations, that may be the main difference between the two groupings. Apart from the FDP which wants a speedy return to the debt "brake" capping new federal borrowing, all the other parties have expressed some willingness to spend more flexibly.

"It seems that the Greens are going to be part of the coalition ... So whether it's a Jamaica or a traffic light coalition, that means more expansionary fiscal policy," said Anna Stupnytska, global macro economist at Fidelity International.

She saw the 'traffic light' option of the Social Democrats, Greens and the FDP as the most positive option for markets and "a real change from politics of the past several decades".

Higher spending from this coalition is expected to provide a bigger boost to public investments, supporting economic growth.

The CDU has led Germany since 2005, a period characterised initially by stringent austerity both at home and across the euro zone, which critics say has depressed public investments. But the Covid-19 pandemic hitting in March 2020 gave way to greater spending.

Last year's spending burst was financed with record new borrowing of 130 billion euros, rising up to 240 billion euros in 2021. Constitutionally mandated borrowing limits will likely be suspended for the third year running in 2022 to allow 99.7 billion euros in borrowing.

Thomas Kruse, chief investment officer for Germany at Amundi, said an SPD-led coalition could unleash more government spending but a conservative-led grouping was likely to stimulate private sector investment via tax cuts, favouring equities either way. Given the Greens will be key in either coalition, Kruse is particularly seeking opportunities in companies that benefit from a speedier green transition.

"In general, there will be a lot of spending," he said.

There are some differences between the parties that must be resolved, particularly for the Greens and the FDP, who will hold talks seeking compromise before negotiations with the other parties.

The Greens' have pledged to "reform" the debt brake and, like the SPD, favour higher taxes on the wealthy. The CDU has pledged not to raise income taxes and seeks cuts for companies while the FDP advocates tax cuts for wealthy individuals and companies.

There could also be sticking points over housing reform and the pace of the transition towards decarbonisation.

Central bank digital currencies can cut cross border payment time

REUTERS, Hong Kong

Central bank digital currencies (CBDCs) can slash the time needed for cross border payments to seconds from days and cut costs, the Bank of International Settlements (BIS) said, citing a pilot scheme to test the digital forms of fiat currencies.

The trial showed cross border transactions could be made in a few seconds, instead of three to five days, as CBDCs help skirt complicated arrangements under which payments are passed via a network of banks, the BIS said in a report on Tuesday.

CBDCs also helped reduce costs by up to 50 per cent, it added. Typically, global banks with no network in a given country channel payment there via a local bank that acts on its behalf.

But the process has become long and complicated with banks cutting ties with potentially risky partners and withdrawing from some markets due to compliance and cost reasons.

"Enabling faster and cheaper cross-border wholesale payments, including to jurisdictions that don't benefit from a vibrant correspondent banking system, would be positive for trade and economic development," said Benedicte Nolens, head of the BIS Innovation Hub, Hong Kong Centre.

Timber trader finds fortune in dragon fruit farming

FROM PAGE B4

One such visitor, Fazlur Rahman of Kaliganj upazila, said he was astonished by the vast cultivation of dragon fruit.

Jahangir Hossain, a dragon fruit trader based in Dhaka, said he purchases the fruit from Ali as the quality of his produce is very rich.

"We purchase each maund (37 kilogrammes) for Tk 10,000," he added. Fellow traders Selim Hossain and Raihan Mia echoed the same.

Dr Md Ashrafuzzaman Zahid Hossain, chairman of the department of Nutrition and Food Technology at the Jashore Science and Technology University, said the Lal variety of dragon fruit is rich in antioxidants like flavonoids, phenolic acid and betacyanin.

It is naturally fat free and high in fibre as well, and may even help lower blood sugar.

Asgar Ali, deputy director of the Department of Agricultural Extension in Jhenaidah, said Ali earns more than Tk one crore a year by selling dragon fruits grown on his vast plots.

US Senate fails to advance debt ceiling

REUTERS, Washington

A sharply divided US Senate failed on Monday to advance a measure to suspend the federal debt ceiling and avoid a partial government shutdown, as Republican lawmakers denied the bill the votes necessary to move forward.

The legislation by President Joe Biden's Democrats was aimed at beating two fast-approaching deadlines that, if left unaddressed, threaten to destabilize the US economy as it struggles to emerge from the Covid-19 pandemic.

The near party-line vote of 48 votes to advance against 50 opposed fell short of the 60 votes needed to push the bill ahead in the 100-seat Senate.

Senate Democratic leader Chuck Schumer voted "no" to allow him to call another vote.

Democrats who narrowly control both chambers of Congress now have just three days to find another way to keep the government operating beyond Thursday - when current funding expires.

Republican Senator Richard Shelby predicted that lawmakers would not resolve the standoff any time soon.

"Probably will be here Thursday," he told reporters.

Lawmakers also will have to figure out how to raise the debt ceiling to head off the risk of default, with independent analysts warning that the US Treasury Department is likely to exhaust its borrowing authority fully sometime between October 15 and November 4.

Schumer, who has warned that a default would hammer the economy, said afterward that Democrats would take further action this week to avoid a government shutdown and debt default. He did not specify what the

next step would be.

"Our country is now staring down the barrel of two Republican-manufactured disasters," he said on the Senate floor after the vote.

A government shutdown - or worse, a default - would be a huge hit to Biden's Democrats, who have positioned themselves as the party of responsible government after Republican Donald Trump's chaotic presidency.

Senate Republican leader Mitch McConnell tried unsuccessfully to force the chamber to vote for a funding extension, separate from the provision that would suspend the government's \$28.4 trillion debt limit through the end of 2022.

"We could have a bipartisan vote to fund the government today, if not for the odd tactics of the Senate Democratic leader," he said on the Senate floor.



A US flag flies outside of the Capitol dome in Washington.

Bangabandhu Shilpa Nagar: a visionary industrial enterprise

FROM PAGE B4

At the same time, BSMSN will be the first "green" or eco-industrial city in the country in terms of nature, energy system, and waste management. It has been designed to address five central elements of industrial development: governance, economy, ecology, resources, and community.

It will be easier to get a one-stop service facility in the city. The power plant will help attract investors.

Social infrastructure such as gas and water connections, central waste management, water treatment plants, housing, hospitals, marine drives, tourism parks, schools, universities, administrative buildings and residential areas will be established.

The BSMSN may be extended to Companiganj of Noakhali and Sandwip upazila of Chattogram district. The Internet of Things will be used to monitor the city's infrastructure, such as traffic, parking, water, and air pollution.

Among the companies that are already investing in the industrial city are Nippon Steel and Sojitz Corporation of Japan, Asian Paints of India, Berger Paints, China Jindun Group and top industrial groups of Bangladesh.

Entrepreneurs in BSMSN are engaged in a single or joint venture on various types of industries, such as garments and its supporting industries, agro-products and agro-processing products, integrated textiles, leather and leather goods, shipbuilding, motorbike assembly, food and beverage, paint and chemical, paper and products, plastics, light engineering (including auto-parts and bicycles), pharmaceutical products, power, and solar parks.

With the growing economic potential and industrialisation, the shift of rural people to urban areas has now become the biggest challenge in the country. As a result, population pressure is increasing in urban areas.

At present, there are 46,400 people living per square kilometre. As the urban population grows, Bangladesh may face challenges in meeting the growing demand for jobs and other public services, as well as housing, transportation, energy and other infrastructures.

A state-of-the-art industrial city can be the right solution to tackle the problems of urbanisation, which will accelerate the growth of the economy, lead to the development and meet the needs of present and future generations by combining economic, social and environmental aspects.

The primary goal is to ensure that critical infrastructure is economically sustainable, and public services are interactive, transparent and responsive. The BSMSN will pave the way for establishing a truly world-class business and industrial centre.

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