



324.62

Lockdown lifted

in almost all

destinations

export

267.94

FY2019

Non-leather

exporters fared

footwear

better

Cards



DHAKA TUESDAY OCTOBER 12, 2021, ASHWIN 27, 1428 BS 😐 starbusiness@thedailystar.net

RECOVERING BAD LOANS State banks far away from targets

AKM ZAMIR UDDIN

The Bangladesh Bank yesterday ordered four state banks to speed up cash recovery from defaulters as their record in realising delinquent loans has remained dismal

In addition, the central bank asked them to take prompt measures to bolster the capital base since they have been facing a capital shortfall for a long time.

The four state-run lenders - Sonali, Janata, Agrani and Rupali - were also asked to invest their excess liquidity to make a profit.

The BB gave the instructions at a quarterly meeting as part of its memoranda of understanding with the four banks. Governor Fazle Kabir presided over the meeting at the central bank headquarters, where the managing directors of the lenders were present.

The central bank had set a loan recovery target of Tk 1,610 crore from the top defaulters of the banks for 2021. But they got back only Tk 53.38 crore as of June.

Similarly, the banks recovered Tk 320 crore from other defaulters in contrast to an annual target of Tk 1,700 crore, according to data from the central bank.

Non-performing loans (NPLs) at the lenders stood at Tk 43,836 crore, which accounted for 45 per cent of the total bad loans in the banking industry in Bangladesh.

The BB asked the banks to beef up efforts to recover the delinquent loans as their performance has so far been dismal to this end, said three central bankers.

Md Abdus Salam Azad, managing director of Janata Bank, said the central bank had instructed them to recover NPLs by initiating effective drive.

The banking regulator also asked the banks to avoid seeking regulatory forbearance related to keeping required provisioning against the NPLs and unclassified loans. READ MORE ON B3

RECOVERY FROM TOP 20 DEFAULTERS

<i>In crore taka</i> SOURCE: BB						
Bank	Target for 2021	Recovery till June	In % of recover			
Sonali	350	10	3			
Janata	800	7	1			
Agrani	240	36	15			
Runali	220	0.38	0.17			

Leather goods export exceeds pre-pandemic level

YCN

12.92

JAGARAN CHAKMA

Exports of leather and leather products from Bangladesh exceeded the pre-pandemic level in the first quarter of the current fiscal year as Western economies reopened following extended coronavirus pandemic-induced closures, pushing up demand.

Manufacturers shipped leather and leather products worth \$271.34 million from July to

September, up 21 per cent from \$225.15 million in the same period last fiscal year, data from the Export Promotion Bureau (EPB) showed.

The receipts were 6.66 per cent higher than \$254.39 million recorded in the same threemonth period of FY2019-20. Exporters fetched \$324.62

million in the July-September quarter in FY2017-18, the highest in five years But the shipment declined

in the following years for a loss of consumers' appetite for leather goods and a lack of environmental compliance by local firms. The pandemic hit the sector hard, prompting the exports to plummet.

In the first quarter of FY22, leather exports rose 33.29 per cent, leather products 33.34 per cent, and leather footwear 13.72 per cent, EPB data showed.

READ MORE ON B3

Capital market can help achieve SDGs: experts

REASONS

THE RISE

STAR BUSINESS REPORT

The stock market, insurance and pension funds could actively contribute in financing the roughly \$928 billion needed by Bangladesh to ichieve its Sustainable Development Goals (SDGs) within 2030 as bank lending alone will not suffice, various experts told a webinar yesterday. The country needs an additional \$928.48 billion from 2017 to 2030 to implement the SDGs, as per the findings of a recent study. The webinar on "Sustainable Finance in Bangladesh: Strategies and Options for Implementation" was organised by the Bangladesh Association of Publicly Companies (BAPLC). Listed "Bangladesh aims to meet its SDG targets within this period but we need a wonderful economy with strong foundation to this end," said Prof Shibli Rubayat Ul Islam, chairman of the Bangladesh Securities and Exchange Commission (BSEC). The banking sector alone cannot supply the long-term finance needed as it puts undue pressure on the

industry whereas the stock market, stock market has huge potential. insurance and pension funds could be a remedy in this regard.

As such, the domestic stock market has a variety of fundraising boards, such as the alternative trading board and SME board aside from the main board

20

Buyers of the

increased

export order

USA and Japan

When people are confident about the market, it can make big Besides, the BSEC has worked to contributions as proven in recent make the bond, mutual funds and times with market capitalisation at secondary stock markets more vibrant. the DSE having risen by more than Tk

Osman re-elected **BKMEA** president uncontested

EXPORT OF LEATHER AND

254.39

FY2020

LEATHER GOODS

225.15

FY2021

Jul-Sep period; In million \$

271.34

FY2022

SOURCE: EPB

Bangladesh

markets

explored more

non-traditional

STAR BUSINESS REPORT

AKM Osman, Salim president of Bangladesh Knitwear Manufacturers and Exporters Association BKMEA) has again been elected to the top post of the trade body unopposed. "There was





BB has instructed us to speed up cash recovery from defaulters and lend to good borrowers.

MD ABDUS SALAM AZAD, **MD OF JANATA BANK**

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"We are bringing new products also so that the stock market can be a strong source of sustainable finance," Islam said.

Eunusur Rahman, chairman of Dhaka Stock Exchange (DSE), said Bangladesh would need around Tk 78,92,000 crore within 2030 to achieve the SDGs.

In other words, about Tk 480,000 crore is required annually for this period. "So, how can this fund be financed?" Rahman asked.

Since the banking sector is suffering from a high rate of non-performing loans, it will be unable to provide adequate financing.

Similarly, the insurance sector is also not a viable option but here, the

Lack of accredited lab

220,000 crore in the last one year.

"So, a huge financing demand can be met by the stock market if well performing private sector companies opposition in the election come to the market to raise funds, of the BKMEA this time. So, the DSE chairman said. the election commission

"Apart from the five basic needs, finance for entrepreneurship should be considered as a basic need of the people but we cannot ensure finance for all," he added.

Bangladesh's GDP to market capitalisation ratio is still very low at 21 per cent while it is 76 per cent in neighbouring India.

"So there is a huge opportunity to enlarge the market and source of financing," said Shaikh Shamsudding Ahmed, a commissioner of the BSEC.

The number of listed companies in the country, which currently stands at about 390, should be increased as well.

READ MORE ON B3

AKM Salim Osman

announced the 35-member panel of Salim Osman elected on Sunday," said Mohammad Hatem, first vice president of BKMEA. This is the sixth consecutive time Osman has been made chief of the knitters' platform, four of which were unopposed.

The last time a contest took place in the BKMEA election was in 2012 when Md Fazlul Haque, managing director of Narayanganj-based Plummy Fashions Ltd, also ran for presidency. Osman, a member of the parliament, also won in the election of 2010.

This time, the election was scheduled to be held both in its Dhaka and Narayanganj offices on November 30, said Hatem, for whom a new post has been created in the BKMEA organogram for the first time.

Hatem is now an executive president. The new post was created in recognition of the hard work Hatem put in for the BKMEA for a long time with Osman.

READ MORE ON B3

No tax fair this year: NBR

STAR BUSINESS REPORT

Individual taxpayers will have to submit their income tax returns at tax offices this year too as the annual tax fair will not be held this time to avoid mass gatherings amid the Covid-19 pandemic.

The National Board of Revenue (NBR) took the decision in a meeting on October 7 regarding facilitating submission of tax returns.

The idea of holding a tax fair was to motivate people into paying taxes and increasing the country's tax-GDP ratio, one of the lowest globally.

The initiative created a lot of enthusiasm among taxpayers to furnish returns at the fair.

The tax authority said it would create festive environment in all field offices of taxes from November 1 to November

READ MORE ON B3

AGRICULTURAL PRODUCTS Govt eyes \$2b exports in 2yrs

STAR BUSINESS REPORT

The agriculture ministry plans to double export earnings from fresh vegetables, fruits, processed spices and foods to \$2 billion in the next two years by addressing bottlenecks faced by exporters, according to a draft plan.

The initiative comes as export receipts from overall agricultural sector crossed \$1 billion for the first time in fiscal 2020-21, buoyed by a surge in shipment of dry foods and spices apart from fresh vegetables, fruits and other foods. To attain the goal, the draft roadmap said works were in progress to ensure a dedicated gate at Hazrat Shahjalal International

Airport for entry of fresh farm produce alongside a scanner. Bangladesh Agricultural Development Corporation

(BADC) has taken steps to increase the capacity of the airport's cold storage by 120 tonnes. The government has also taken

up an initiative to set up globally accredited lab in order to increase export of agricultural goods, which brought \$550 million in export earnings five years ago.

The Department of Agricultural Marketing (DAM), an agency under the agriculture ministry, has also set up an export cell.

Meanwhile the agriculture ministry has also established a cell to implement Good Agricultural Practices (GAP)-2020 at the ministry, said the draft roadmap placed at a meeting at Bangladesh Agricultural Research Council (Barc).

"We are in surplus in various crops and this has created prospects for exporting vegetables, potato and fruits. We want to export our surplus crops abroad. This is why, we are working to remove the bottlenecks," said Agriculture Minister Muhammad Abdur Razzaque at the event.

"Our preparation is almost complete," he added.

READ MORE ON B3



Work underway to establish dedicated gate and scanner at airport Expansion of BADC's cold storage capacity by 120 tonnes Process underway to set up accredited lab Opening an export cell at DAM A cell at ministry to implement good agricultural practices Issuance of online quarantine certificates

Trade thru 5 land ports suspended for Puja

STAR BUSINESS REPORT

Trade through Banglabandha, Hili, Birol, Sonahat and Burimari land ports is set to remain suspended for six days beginning yesterday for Durga Puja, the biggest religious festival of the Hindu community in Bangladesh and neighbouring India.

Exporters, importers and clearing and forwarding agents of both countries on Saturday decided to stay off work during the period, reports our correspondents in Dinajpur and Thakurgaon.

However, immigration services will be available. Trade will resume on October 17.

Banglabandha land port is in Panchagarh, Hili and Birol in Dinajpur, Sonahat in Kurigram and Burimari in Lalmonirhat.



Mohammed Monirul Moula, managing director of Islami Bank Bangladesh Ltd, yesterday inaugurated the lender's 375th branch on Kalibari Bazar Road, Palashbari in Gaibandha. Muhammad Qaisar Ali, additional managing director of IBBL, Md Mahboob Alam, senior executive vice-president, Miftah Uddin, executive vice-president, Md Abdus Sobhan, head of the Bogura zone, AKM Moksed Chowdhury Bidyut, chairman of Palashbari Upazila Parishad, Md Kamruzzaman, upazila nirbahi officer, and Md Golam Sarwar Biplob, mayor of Palashbari municipality, were also present.

Asian markets mostly up as traders keep eye on inflation

AFP, Hong Kong

Most Asian markets rose on Monday to extend last week's rally after US lawmakers averted a painful debt default, but another jump in oil prices added to inflation concerns as the Federal Reserve prepares to taper its ultra-loose monetary policy.

A big miss on US jobs creation last month did little to change expectations that the Fed will start winding back its massive bond-buying programme as it looks to keep a cap on price rises just as the global recovery shows signs of slowing.

The US Labor Department said just 194,000 new posts were taken up last month, less than half what was forecast, owing to weakness in the service sector, though there was an upward revision to gains in the

previous two months.

"Notwithstanding the soft payrolls headline, the inner strength in the report suggests the numbers have passed the Fed's test for a 'reasonable enough' report to allow for a... tapering announcement in November," said National Australia Bank's Rodrigo Catril.

Wall Street's three main indexes ended in the red, but Asia fared much better in early exchanges on Monday.

Tokyo was boosted after new Prime Minister Fumio Kishida said he was not considering hiking capital gains tax any time soon, soothing investor worries that the government was planning such a move.

A rise in the dollar to a three-year

Hong Kong jumped two percent with tech firms enjoying some muchneeded buying after China fined food delivery giant Meituan less than expected over monopolistic practices. The firm ended up more than eight percent, ecommerce giant Alibaba climbed 7.9 percent, while gaming firm XD put on more than

nine per cent. Singapore, Mumbai and Manila also enjoyed gains, though Bangkok, Sydney and Wellington dipped. Shanghai was flat.London and Paris rose in morning trade, but Frankfurt slipped.

The broad advances built on Friday's positive performance that came in the wake of news that Democrats and Republicans had agreed a deal to lift the US debt ceiling to avoid an economically catastrophic default.

China has won AI battle with US Pentagon's ex-software

chief says **REUTERS**, London

China has won the artificial intelligence battle with the United States and is heading towards global dominance because of its technological advances, the Pentagon's former software chief told the Financial Times. China is likely to

dominate many of the key emerging technologies, particularly artificial intelligence, synthetic biology and genetics within

a decade or so, according to Western intelligence assessments. Nicolas Chaillan,

the Pentagon's first chief software officer who resigned in protest against the slow pace of technological transformation in the US military, said the failure to

respond was putting the United States at risk. "We have no competing fighting chance against

China in 15 to 20 years. Right now, its already a done deal; it is already over in my opinion," he said. told the newspaper.

UAE, Syria agree to enhance economic

cooperation **REUTERS**, Cairo

The United Arab Emirates'

economy ministry said on

Still no decision on whether IMF chief keeps her job

AFP, Washington

The International Monetary Fund said Sunday it still had not decided whether its embattled chief would keep her job, with the lack of clarity over Kristalina Georgieva's future threatening to overshadow the body's fall meetings this week.

An investigation by a law firm has concluded that the Bulgarian managing director manipulated data in favor of China while in a senior role at the World Bank.

The IMF board met again with representatives of the firm, WilmerHale, and with Georgieva over the weekend.

The board said in a statement published late Sunday that it made "further significant progress today in its assessment with a view to very soon concluding its consideration of the matter".

It added: "The Executive Board has consistently expressed its commitment to a thorough, objective, and timely review.

"The 24-member board -- which usually makes decisions by consensus -- could meet again Monday, according to two sources

familiar with the matter. The week-long fall meetings of both the IMF and the World Bank are also scheduled to start Monday, when Georgieva, 68, is due to speak during a roundtable, as well as give a press conference Wednesday.

The storm at the top of the fund could pull focus from topics nominally at the top of the agenda, such as threats to global economic growth and helping countries bounce back from the Covid-19 pandemic.

WilmerHale's controversial findings center on the drafting of the 2018 and 2020 editions of the World Bank's report ranking countries according to their ease of doing business. The World Bank's ethics

committee called in the law firm when the report proved controversial, and led to the resignation of the bank's former chief economist Paul Romer.

WilmerHale found that Georgieva -along with her associate Simeon Djankov, a former Bulgarian finance minister who created the "Doing Business" report, and Jim Yong Kim, then president of the World Bank -- pressured staff to change the calculation of China's ranking to avoid angering Beijing.

The push came while bank leadership was engaged in sensitive negotiations with Beijing over increasing the bank's lending capital.



KRISTALINA GEORGIEVA IMF MANAGING DIRECTOR

Georgieva -- who took over as head of the fund in October 2019 -- has repeatedly denied the WilmerHale report's conclusions. There was no immediate reaction from her on Sunday.

Her fate divides members of the IMF, with Europe and Africa wanting her to stay in post, while the United States and Japan are reluctant to see her continue, according to several sources familiar with the matter.





high against the yen -- on expectations for tighter US monetary policy -provided added support.

Azharul Islam, chief executive officer of Ace Autos Private Ltd, cuts a ribbon to inaugurate the company's third nationwide service campaign of motor vehicle brand HAVAL, at the firm's head office in Dhaka recently. Jan Van Der Poorten, CEO of Expo Freight, Elahi Manzurul Haque, general manager of Ha-Meem Group, Ghazi Mamunur Rashid, deputy general manager of Evercare Hospital Dhaka, and Brig Gen (Retd) Nasim Akhter, were also present,

বাংনাদেশের
याजमाललमा जूबर्गजग्रही
Bangladesh

Government of the People's Republic of Bangladesh Local Government Engineering Department Office of the Executive Engineer District: Cox's Bazar. www.lged.gov.bd



Memo No. 46.02.0022.000.14.001.21/ 6463

Dated : 10/10/2021

This is an online Tender; where only e-Tender will be accepted in the National e-GP portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System portal (http://www.eprocure.gov.bd) is required. The fees for downloading the e-Tender Documents of following Packages from the National e-GP System portal have to be deposited online through any registered Banks' branches up to Date and Time given below.

e-Tender Notice-08/2021-22

SI No.	Package No	Name of Works	Tendering Method	Tender ID	Last Date & Time of Selling	Last Date & Time of Submission
1.	GCHDP-WD-VZR-COX- SADA-21/01	Development of By Pass Nurul Alam Co.House -(Ghatta Khali) Raj Ghat Road By HBB at Ch: 00m - 630m, Under Sadar Upazila, District: Cox's Bazar.[Road ID: 422244072] [Salvage Materials Cost:	LTM	612923	25-10-2021 17:00	Documents 26-10-2021 15:00
2.	GCHDP-WD-VZR-COX- CHAK-MAIN-NEW-21/01	2,06,698.00] Maintenance of Dulahazara - Malumghat RHD Road By BC at Ch: 920m- 2080m,Under Chakaria Upazila, District: Cox's Bazar.[Road ID: 422164104].	LTM	618624	25-10-2021 17:00	26-10-2021 15:00
3.	GCHDP-WD-VZR-COX- KUTU-21/05	Development of Shah Alam Sikder Para Road By HBB at Ch: 00m - 220m, Under Kutubdia Upazila, District: Cox's Bazar.[Road ID: 422455069] [Salvage Materials Cost: 3,68,628.00]	LTM	612924	25-10-2021 17:00	26-10-2021 15:00
4.	GCP-3/cox/WD-92	Development of Joarianala Sowdagurpara Road by BC at Ch: 500m-1500m,Under Ramu Upazila, District: Cox's Bazar.[Road ID: 422664001] [Salvaged Materials Cost : 3,54,909.00]	LTM	612919	25-10-2021 17:00	26-10-2021 15:00
5.	GCP-3/cox/SWD-93	Improvement of Dula Fakir Mazar Road by Uni-Block at Ch: 00m-575m, Under Sadar Upazila, District: Cox's Bazar.[Road ID: 422244033] [Salvaged Materials Cost : 3,71,037.00]	LTM	616918	25-10-2021 17:00	26-10-2021 15:00
6.	FDR/Cox/21-22/UZR/W-29	Rehabilitation of Zagiraghona - Fakirghona Road from Ch: 00m-1510 & 2878m-3015m, Under Upazila: Moheshkhali, District: Cox's Bazar.[Road ID: 422494001]	LTM	618712	25-10-2021 17:00	26-10-2021 15:00
7.	GCP-3/cox/SWD-83	Improvement of Middle Esakhali Road (Choddo Kaniya Para Road) By Uni Block Pavement at Ch: 00m-1750m.[Road ID: 422245053] Under Sadar Upazila, District: Cox's Bazar.[Salvage Cost: Taka- 2,69,146.00]	OSTETM	612920	08-11-2021 17:00	09-11-2021 15:00

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

(Md. Anisur Rahman) Executive Engineer Local Government Engineering Department

District: Cox's Bazar

Sunday that the Gulf state (e) WGIWMP_II_RE_KHAL_05. and Syria had agreed on Re-excavation of Bamunia-Katakhali Khal from km 0.000 to km 1.700 = 1.700 km, Nawhata Khal from future plans to enhance km 0.000 to km 1.000 = 1.000 km and Tungibari Khal from km 0.000 to km 0.550 = 0.550 km (total = economic cooperation and 3.250 km) at Upazila-Muksudpur, District-Gopalganj in c/w 'West Gopalganj Integrated Water explore new sectors. Management Project (Phase-II)' under Gopalganj O&M Division, BWDB, Gopalganj during the year The ministry wrote on 2021-2022. Twitter that the value of 4 This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no non-oil trade between offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System the two countries in the Portal (<u>http://www.eprocure.gov.bd</u>) is required. For more details please contact Support Desk contact number (01762625528-31, e-mail: <u>helpdesk@eprocure.gov.bd</u>) from 9:00am to 17:00pm. first half of 2021 was one The fees for downloading the e-Tender documents from the National e-GP System Portal have to be billion dirhams (\$272 5 million). deposited online through any registered bank's branches up to banking hours. Last selling Closing date The ÚAE re-opened its 6 10-Nov-2021, 10-Nov-2021 date &time 12:00 & time 16:00 to 16:20 mission to Damascus in late Stated in the e-GP Tender Notice and to be deposited through e-Tender document price 2018 in a bid to counter e-GP Portal. the influence of non-Arab 8 The procuring entity reserves the right to accept or reject all or any tenders and work may actors like Iran, which along increase/decrease or totally dropped without assigning any reason. with Russia backs Syrian Md. Faizur Rahman President Bashar al-Assad, পানি-২০৬/২০২১-২০২২ Executive Engineer and Turkey, which backs Gopalganj O&M Division ৭x৩ rebel forces. GD-1822 BWDB, Gopalganj



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Office of the Plant Manager (Superintending Engineer)

Sirajganj 225 MW Combined Cycle Power Plant (Unit-3) NWPGCL, Soydabad, Sirajganj-6700.

e-Tender Notice

Ref: 27.28.8878.301.07.001.20.156

Date: 11/10/2021

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SI.	Tender	Brief Description of Tender	Publication	Last Selling	Opening
No.	ID	Brief Description of Tender	Date & Time	Date & Time	Date & Time
1 616985	Procurement of Spares for GT Base Module.	10/10/2021,	31/10/2021,	01/11/2021,	
		10:00 AM	3:00 PM	11:00 AM	
2 617214	Procurement of different types of Transducer	10/10/2021,	31/10/2021,	01/11/2021,	
	and Variable Frequency Converter.	10:00 AM	03:00 PM	12:00 PM	
3 617215	Procurement of Spare for Firefighting system.	10/10/2021,	01/11/2021,	02/11/2020,	
		10:00 AM	03:00 PM	2:00 PM	
4 617217	Procurement of spares for GT Speed and Flame	10/10/2021,	01/11/2021,	02/11/2021,	
	monitoring system.	10:00 AM	03:00 PM	10:00 AM	
5 618194	Procurement of Special tools for Mechanical	10/10/2021,	01/11/2021,	02/11/2020,	
	010194	Maintenance.	10:00 AM	03:00 PM	2:00 PM
6 618195	Procurement of Spares for Cooling Tower.	11/10/2021,	01/11/2021,	02/11/2021,	
		10:00 AM	03:00 PM	10:00 AM	

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icmo

(Shyamal Kumar Das) Plant Manager (S.E) Sirajganj 225 MW CCPP (Unit-3) NWPGCL, Soydabad, Sirajganj-6700. Contact No.: + 8801777736401

GD-1817

GD-1816



Abdul Halim Sarkar Tuhin

Mizanur Rashid Russell

New body for Paper Cone and Tube Manufacturers Association

STAR BUSINESS DESK

The Bangladesh Paper Cone and Tube Manufacturers Association has recently witnessed the election of new office bearers

Abdul Halim Sarkar Tuhin and Mizanur Rashid Russell were elected president and general secretary, said a press release.

A total of 18 candidates contested for the post of 13 directors in the bi-annual election held at Khandaker Tower, Kaptan Bazar in Dhaka.

Akbar Ali, senior vice-president, Mosharraf Hossain Sunny and Mohammad Mohsin Mollah, vice-presidents, Mohammad Jahangir Alam, vice-president for finance, and Farid Mia, Abul Kalam Azad, Md Kamal Hossain, Md Mominur, Anisul Islam Palash, Fayez Ahmed and Hasan Al Mamun, directors, were elected executive committee members

Oil price jumps on global energy crunch

REUTERS, Londor

Oil prices rose by about 2 per cent on Monday, extending gains as an energy crisis grips major economies amid a pick-up in economic activity and restrained supplies from major producers.

Brent crude was up \$1.45, or 1.8 per cent, at \$83.84 a barrel by 1336 GMT, its highest since October 2018. US West Texas Intermediate (WTI) crude rose \$1.71, or 2.2 per cent, to \$81.06 for its highest since late 2014. "Oil prices are likely to continue climbing in the short term," said Commerzbank analyst Carsten Fritsch.

Prices have risen as more vaccinated populations are brought out of coronavirus lockdowns, supporting a revival in economic activity, with Brent advancing for five weeks and US crude for seven.

The pace of economic recovery combined with cold weather have increased the demand for energy, while pressure on governments to accelerate the transition to cleaner energy have slowed investment in oil projects to boost supplies. World leaders are due to meet in November at the United Nations Climate Change Conference (COP26) taking place in Glasgow to flesh out commitments on energy transition.

Prices for coal, gas and electricity have also surged to record highs in recent weeks, driven higher by widespread energy shortages in Asia, Europe and the United States.

Qatar, the world's largest seller of liquefied natural gas (LNG), told consumers it was powerless to cool energy prices as British

output in the face of soaring costs.

In India, some states are experiencing electricity blackouts because of coal shortages. China's government, meanwhile, has ordered miners to ramp up coal production as power prices surge. "The news from last week that the tap into strategic reserves for now is keeping the action at this time".



REUTERS/FILE steelmakers said they could be forced to halt **Prices for coal, gas and electricity have also surged to record highs in recent weeks**.

oil market tight and is supporting prices," said UBS analyst Giovanni Staunovo.

US Energy Secretary Jennifer Granholm last week said the administration was considering tapping the country's emergency oil reserves to cool gasoline prices, though the Energy (US) Department of Energy is not planning to Department later said it had "no plans to take



STAR BUSINESS DESK

City Bank Limited has partnered with Mastercard to integrate Mastercard Payment Gateway Services (MPGS) that enables a range of value-added services for customers.

Cardholders can pay for product and service purchases online and add money from cards to mobile wallets, said a press release.

"...this service platform is designed to give City Bank's businesses and customers the most convenient and secured way to conduct business online," said Mashrur Arefin, managing director of City Bank.

... Mastercard aims to partner with City Bank to deliver enhanced purchase experiences," said Syed Mohammad Kamal, country manager of Mastercard.

Leather goods export exceeds pre-pandemic level

"The export performance of the leather sector is better in the first quarter of the fiscal year compared to the last fiscal year as shipment increased to the US and Japan. However, the export to European countries is yet to pick up," said Syed Nasim Manzur, managing director of Apex Footwear Ltd.

The exporters who sell products in the North American markets posted tremendous growth in the last quarter. The trend may continue in the coming days, he said. According to the entrepreneur, manufacturers worked hard during the pandemic to explore new markets and protect factories and employees. This led to the discovery of some non-traditional markets such as Russia and Morocco.

"This is helping the export rise," Manzur said.

Non-leather footwear exporters fared better throughout the pandemic than those involved in exporting leather products as the demand for footwear items made from the low-priced synthetic increased remarkably in the global market.

Manzur believes the sector's recovery would accelerate as the economic activities resumed in the western countries.

Mohammed Nazmul Hassan Sohail, managing director of Leatherex Footwear Industries Ltd, said the easing of improve."

coronavirus lockdowns in the key markets pushed up the demand for leather footwear and goods.

He said investors suffered in 2020 because of the pandemic as revenues dried "The business people worked hard to keep their businesses afloat."

Sohail, also the vice-president of the Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh, said international buyers had no option but to close their outlets due to a decline in sales.

"We passed a terrible year in 2020. Now, the situation has improved, so the export is rising," he said, adding that the export earnings would improve in 2022 if the pandemic came under control.

Leather products are formal items, so customers splash out on them when they have steady incomes. As the devastating impacts of the pandemic seem to be over, the incomes of the customers increased, industry people say.

Rubina Akhter Munni, owner of Design by Rubina, a leather product manufacturer, says she is receiving some queries from buyers from home and abroad

The entrepreneur is optimistic about the business. "The business will improve further within the next two months if the coronavirus situation continues to

Mercedes-Benz doubles down on China

REUTERS, Beijing/Shangha

Mercedes-Benz, the German company founded by the inventors of the motor car, is pouring more resources into its cutting-edge research and design capabilities in China as the centre of gravity of the new auto world shifts eastwards.

In a drive to create a "home away from home", Mercedes-Benz is doubling down on bases in Beijing and Shanghai to stay ahead of regulations and consumer trends in a car market that outstrips the United States and Germany combined. Three years after initially announcing plans to strengthen its research and development (R&D) in the country, the luxury car brand owned by Daimler will unveil its new Tech Center China in Beijing this month.

Reuters has spoken to four people close to the tech centre and the brand's Chinese design studio who are familiar with the company's new China strategy. All declined to be named because they are not allowed to speak with the media.

With 1,000 engineers, the new tech centre is more than three times the size of the one Mercedes-Benz opened in 2014 and the first outside Germany that can test "everything", putting it more "on par" technically with the far bigger R&D headquarters near Stuttgart, a person close to the centre said.

Mercedes-Benz has also invested significantly in upgrading its Chinese design studio and has moved the whole team from Beijing to Shanghai, a megalopolis of about 25 million people known as the car design capital of China. Mercedes-Benz has good reason to elevate its Chinese operations.

China property bonds dive

REUTERS, Shanghai/London

Chinese property firms' bonds were hit with another wrecking ball on Monday as Evergrande looked set to miss its third round of bond payments in as many weeks and rivals Modern Land and Sinic became the latest scrambling to delay deadlines.

High-yield Chinese bond markets were being routed once again as fears about fast-spreading contagion in the \$5 trillion sector, which drives a sizable chunk of the Chinese economy, continued to savage sentiment.

Weary investors had been holding out little hope that Evergrande would suddenly stump up Monday's near \$150 million of coupon payments, but the fact bondholders said they hadn't received anything this time either just bolstered expectations for a fullscale default.

Once China's largest developer, the firm has more than \$300 billion in liabilities that are now at risk.

Other signs of stress included smaller developer Modern Land asking investors to push back by three months a \$250 million bond payment due on October 25 in part "to avoid any potential payment default."

Avenue Asset Management in Hong Kong, highlighting how even some supposedly safer "investment grade" firms had now seen 20 per cent wiped off their bonds.

"We think it's driven by global fund outflow Fundamentally, we are worried the mortgage management onshore hits the developers' cash flow hard," he added, referring to concerns people could stop putting deposits down on new homes.

Analysts at JPMorgan also highlighted how international investors were now demanding the highest ever premium to buy or hold 'junk'-rated Chinese debt.

There is now a whopping 1,200 basis point difference between the bank's closelyfollowed JACI China high yield index and a similar index of investment grade AA-rated local Chinese market bonds, known as "onshore" bonds.

"Evergrande's contagion risk is now spreading across other issuers and sectors," JPMorgan's analysts said.

Another London based analyst who asked not to be named said: "Slowly and gradually we are seeing the rest of the Chinese property sector fall apart".

In equity markets, the Hang Seng operty and Construction s

Capital market can help achieve SDGs: experts

FROM PAGE B1

"It's a collaborative approach and so, we should all work together to bring highly reliable, creditworthy companies to the market," he added.

Many companies submit audit reports that do not depict the actual scenario of their businesses and that withhold price sensitive information, which creates the scope for scams.

^{*î*}So, we are working to ensure good governance as a whole so that the stock market can attract investors and play a pivotal role in sustainable financing for the long-run," Ahmed said.

Company boards need to be prompt in ensuring adequate environmental, social and corporate governance (ESG), he said.

Sustainable finance could contribute to the implementation of sustainable development goals, said Asif Ibrahim, chairman of Chittagong Stock Exchange (CSE).

The money market, which refers to trading in very short-term debt investments, and the stock market as a whole could help

elevate the ESG in the country through adequate financing. Besides, green financing should be more

easily accessible for all, he added.

"If we can issue green bonds, then it would attract ESG investors from abroad," said Anis Ud Dowla, chairman of ACI Limited. Regarding the country's post-Covid recovery, he said it was going to be a slow and painful process, with many countries having already revisited their plans.

"We also need to review our plans taking into consideration poverty reduction, job creation and environmental safeguarding," he added. Bangladesh is one of the most environmentally challenged countries in the world, according to Nihad Kabir, president of the Metropolitan Chamber of Commerce and Industry.

"The pressure will be higher in the upcoming years so we can't avoid the environmental issues in our business," Kabir said, adding that the capital market was now in good hands and could contribute to sustainable finance for the long-term.

Its car sales in China jumped 12 per cent last year to a record 774,000 despite the pandemic, streets ahead of its next two markets, Germany on 286,000 and the United States with 275,000.

About 80 per cent of the cars it sold in China were also made there, typically with an array of China-only features and models, and Asia overall accounted for almost half its global sales in 2021. China's auto market, the biggest in the world since 2009, is expected to carry on growing steadily, with demand forecast to reach 35 million vehicles by about 2030 versus 25 million now.

But Mercedes-Benz, like all foreign automakers in China, is under growing pressure from local EV startups such as Xpeng, Li Auto and Nio and their stylish vehicles with high-tech features tailored to Chinese consumers.

That's why the German carmaker's "second home" strategy for China is focused on making its design and technology more agile, to respond quickly to the evershifting landscape and to firmly entrench the Mercedes-Benz brand, the four sources said.

Sinic Holdings said it too was likely default next week as it didn't have enough financial resources to make its remaining bond payments this year. It has one at the start of next week, although that bond was already down 75 per cent.

Modern Land's April 2023 bond with a coupon of 9.8 per cent plunged more than 25 per cent to 32.25 cents on the day, according to financial data provider Duration Finance, while the company's shares have lost a third of their value over the last month.

Kaisa Group, which was the first Chinese property developer to default back in 2015, also saw some of its bonds slump to well under half their face value. R&F Properties and Greenland Holdings, which both have prestige projects in global cities like London, New York and Sydney, were also widely sold.

"It's a disastrous day," said Clarence Tam, fixed income portfolio manager at 0.4 per cent against a nearly 2 per cent rise in the broader index.

Fantasia Group China Co, whose controlling shareholder is Fantasia Holdings, said on Monday it would adjust the trading mechanism of its Shanghaitraded bonds following credit downgrades by China Chengxin International Credit Rating Co (CCXI).

Fantasia had appointed advisers on Friday after it shocked markets by missing a bond payment earlier in the week. It saw its bonds dive from almost 100 cents on the dollar to just 20 cents, as just a couple of weeks earlier it had said its liquidity was fine.

"We believe policymakers have zero tolerance for systemic risk to emerge and are aiming to maintain a stable property market, and policy support could be forthcoming if the deterioration in property activity levels worsen," said Kenneth Ho, head of Asia Credit Strategy at Goldman Sachs.

Govt eyes \$2b exports in 2yrs

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The draft, prepared by a panel formed in June 2021, said the absence of suitable varieties of tomato, potato, chili, turmeric, peanut, cassava and cashew nut was a major barrier to bolstering export.

Safe and quality fresh produce cannot be ensured in absence of Good Agricultural Practices (GAP) and good management practices.

The draft roadmap identified inadequate space for fresh produce in the cargo area of the airport while the absence of a dedicated hampering fresh produce scanner shipment.

Moreover, the absence of lab facilities to conduct required tests is a hindrance for

exporters, said the draft roadmap.

A lack of availability of cargo space in planes also affect shipments of fresh produce to major markets, mainly the Middle East, United Kingdom and Malaysia. Dry and other processed foods and spice are shipped by sea.

"The exports will increase a lot if we can solve the problems," Mohammed Razu Ahmed, member secretary to the roadmap preparation committee, told The Daily Star over the phone.

Md Mesbahul Islam, senior secretary to the agriculture ministry, said higher exports would increase income of farmers. "On the other hand, we will earn foreign currency," he added

No tax fair this year: NBR FROM PAGE B1

30, so that taxpayers can furnish returns easily.

Field offices will open booths and help desk in open spaces to receive tax returns and help taxpayers this year, according to a decision taken in a meeting at the end of last week.

The meeting also decided to have an arrangement for providing E-TIN registration and re-registration services at the booths.

The NBR had been holding the month-long annual tax fair for years, which usually takes place in November. But due to the coronavirus pandemic, taxpayers had to submit their income tax returns at tax offices last year.

The NBR said this year it would set up separate booths at the secretariat and Officers' Club for the first two weeks of November, so that the government officials and employees can submit their tax returns.

Besides, separate booths will also be set up for the members of the armed forces.

It would observe National Income Tax Day on November 30, the final day of submission of tax returns.

Osman re-elected BKMEA president uncontested

FROM PAGE B1

In fact, Hatem has been running the BKMEA behind the scenes while Osman held on to the ceremonial post of president.

"The elected board of directors declared Salim Osman as the president and me as the executive president along with seven other vice-presidents," Hatem told The Daily Star over the phone.

Osman and the new office bearers briefed journalists at its Dhaka office yesterday while a press release was also issued

Northern malta growers grab hold of domestic market

FROM PAGE B4

Panchagarh, Thakurgaon and Dinajpur collectively accounted for about 787 tonnes of this amount, said the DAE sources.

Abu Hossain, deputy director of the DAE office in Thakurgaon, said malta cultivation was first introduced in the northern districts under a "Citrus Development Project" back in May 2013.

The initiative was later extended under title, "Citrus Fruits Extension, a new Management and Increasing Production Project", in 2018.

The acidic soil and climatic conditions in the three northern districts are most suitable for orange cultivation as they border Indian districts such as Darjeeling, Jalpaiguri and Siliguri, where high quality varieties of the fruit have been grown for a long time now.

Interested people can collect malta tree saplings from the Dinajpur and Thakurgaon horticulture centres for about Tk 50. Here, the Bari Malta-1 and Vietnamese varieties

of orange tree saplings are being supplied. Md Asaduzzaman Ripon, a farmer of Bollam village in Boda upazila of Panchagarh, told this correspondent that he planted Bari Malta-1 saplings about eight years ago on about 1.5 bighas of land.

Last year, he sold fruits worth Tk 3 lakh and secured Tk 4.5 lakh this year at an average cost of Tk 3,200 per maund.

Encouraged by the increasing profit,

Ripon gradually expanded his orchard to more than 7.5 bighas.

Tariqul Islam, a farmer of Pramanikpara village under the same upazila, said he planted 40 malta saplings in 2018 on one acre of land.

He expects to sell over 120 maunds of the fruit from his orchard for about Tk 4 lakh.

Malta farming is comparatively easy since the plants need little care. However, the vitamin-rich fruit offers high returns and can always be sold with little hassle thanks to high demand, Isam added.

Nur Nabi, a malta grower of Choupukuria village in Birganj upazila, said he started planting malta saplings in 2017 and now has covered 11 acres of land with about 2,300 malta plants.

He sold fruits from his orchard worth Tk 10 lakh so far and expects sales to reach Tk 18 lakh this year. After deducting expenses, his profit will be around Tk 12 lakh this season

In response to a query, Nabi said after facing an acute shortage of farm hands for usual crop cultivation, he decided to switch to malta farming as it can be conducted with just two or three workers.

After seeing how much success the juicy, high-value fruit has brought these farmers, many others are being attracted to the profession, according to various growers and officials.

State banks far away from targets

FROM PAGE B1

regulator refrains from exercising its right to put an insolvent bank out of business.

Mohammad Shams-Ul Islam, managing director of Agrani Bank, said the high NPL ratio of the state lenders had been inherited.

'But, we are giving our best to recover the bad loans.

The central bank ordered the four banks to narrow the large capital shortfall. The lenders had a collective capital shortfall of Tk 20,777 crore as of June.

The banks were also instructed to explore Regulatory forbearance is when the avenues, including the issuance of bonds, to raise capital. The excess liquidity has put the lenders in trouble in recent months due to a lack of investments.

The central bank had instructed them to speed up the loan disbursement following corporate governance.

The excess fund at the banks stood at Tk 102,177 crore, which is 44 per cent of the surplus liquidity in the banking sector.

Deposits are on the rise. Against the backdrop, the central bank has asked us to invest the funds," Azad said.



BUSINESS

Stocks fall as investors cash out profits

STAR BUSINESS REPORT

7,400

7,380

7,360

7,340

10AM

Shares on the Dhaka Stock Exchange (DSE) dropped yesterday as investors cashed out profits.

The DSEX, the benchmark index of the premier bourse of the country, fell 22 points, or 0.3 per cent, to close the day at 7,345.

Turnover, one of the key indicators of the market, decreased 5.8 per cent to Tk 1,848 crore. It was Tk 1,962 crore a session earlier.

The stocks slipped into the red as the investors opted for booking quick gains on sector-specific issues, according to an analysis of International Leasing Securities Ltd.

The key index touched the 7,400-point mark within the first hour of the trading. But the momentum did not sustain amid sales pressure induced by the profit-

amounting to Tk 138 crore transacted. Orion Pharmaceuticals, Beximco Ltd, IFIC Bank, and Power Grid also saw heavy transactions.

Shepherd Industries topped the gainers' list rising 9.65 per cent followed by ICB Islamic Bank, Tamijuddin Textiles, Kattali Textiles, and Aman Feed.

Metro Spinning shed the most, giving up 8.94 per cent followed by Prime Finance, Keya Cosmetics, Eastern Insurance, and Asia Insurance.

The shares on the Chittagong Stock Exchange also posted a decline.

The CASPI, the general index of the bourse in the port city, dropped 27 points, or 0.12 per cent, to end the day at 21,488.

Among 310 issues traded, 99 advanced, 190 fell, and 21 remained unchanged.

METRO SPINNING'S PROFIT SURGES 12 TIMES

Locally grown malta is being sold for between Tk 90 and Tk 120 per kilogramme depending on the size and variety while the imported ones cost Tk 220 per kg.

PHOTO: STAR Northern malta growers grab hold of domestic market

Locally grown oranges now preferred over imported variety, sources say

QUAMRUL ISLAM RUBAIYAT, Thakurgaon

Sweet orange grown in the country's northern districts such as Thakurgaon, Panchagarh and Dinajpur are dominating the local fruit market this season thanks to increased demand and reasonable prices.

Besides, fruit traders prefer to sell the locally produced sweet orange (Citrus sinensis), commonly known as malta in Bangladesh, as they can collect it as per their requirements directly from various orchards in the region.

This is comparatively cheaper than selling the imported varieties while consumers also prefer the preservative-free, locally sourced options.

Malta is being sold for between Tk 90 to Tk 120 per kilogramme (kg) depending on the size and variety while the imported ones cost Tk 220 per kg in local markets.

People are seemingly more interested in the Institute (Bari) in 2005.

GLOBAL BUSINESS



locally grown malta rather than the imported ones since the local variety comes at reasonable prices and are preservative free, said Aminul Islam, a fruit trader of Kalibari in Thakurgaon municipality.

When this year's harvesting season began, local orchards were selling malta for about Tk 2,400 to Tk 2,800 per maund (around 37 kgs) while the price is now between Tk 3,600 to Tk 3,800 per maund, he added.

Lal Mia, a fruit trader of Badupara colony in Thakurgaon sadar upazila, spoke of Bari Malta-1, one of two varieties of sweet oranges developed through rootstock by the Horticulture Research Center at Bangladesh Agricultural Research

This variety is seeing higher demand than previous years as people no longer doubt its quality, he said.

When the harvesting began, Mia collected the fruit from orchards and supplied retailers for a good profit this year.

Other than the country's northern region, traders ship the vitamin-rich fruit all over Bangladesh, he said.

Malta was cultivated on 85 hectares of land in Panchagarh, 80 hectares in Thakurgaon and 77 hectares in Dinajpur with an expected production target of about 1,340 tonnes in the current season, according to the Department of Agricultural Extension (DAE).

At the national level, about 1,324 acres of land across the country were brought under malta cultivation in fiscal 2019-20, when 2,266 tones of the fruit were produced.

READ MORE ON B3

Corporate business travel's carbon China vows to include

DSEX ON MONDAY

booking during the remaining period of the session

Risk-averse investors cashed profits on paper, travel, services, telecom, fuel and power stocks, which had seen an upward movement in the prices in the past few sessions

However, the optimistic investors took position on mutual funds, textile, food, bank and engineering sectors, the analysis said.

Losers took a strong lead over the gainers: out of 376 issues traded, 259 ended lower, 97 higher, and 20 remained unchanged on the DSE

LafargeHolcim Bangladesh was the most-traded stock with its securities

The spinning company reported earnings per share (EPS) of Tk 0.99 for the year ended on June 30, up from Tk 0.08 a year ago, an increase of 1,137 per cent. The board of the firm recommended a

2PM

five per cent stock dividend for the financial vear

MAKSONS SPINNING RETURNS TO PROFIT Maksons Spinning Mills Ltd returned to

profit in the last financial year that ended on June 30.

The company posted an EPS of Tk 2.07 in 2020-21, which was Tk 0.37 in the negative in the previous year. The board recommended an 11 per cent cash dividend for the year.

budgets loom for airlines

REUTERS, Sydney

As major companies look at drastic ways to cut carbon emissions from corporate travel, airlines are bracing for a major hit to business-class travel, a key revenue driver, industry executives and experts say.

Several companies, such as HSBC, Zurich Insurance, Bain & Company and S&P Global, have already announced plans to quickly cut business travel emissions by as much as 70 per cent.

Some are considering a "carbon budget" as they come under growing pressure from environmental advocates and investors to reduce indirect emissions that contribute to climate change. Flights account for about 90 per cent of business travel emissions. That makes it the lowest-hanging fruit for companies setting reductions targets.

The airline industry last week committed to reach "net zero"



emissions by 2050 at a meeting A traveller walks past a Christmas tree as he makes his way through the Ronald Reagan Washington in Boston, decades beyond the National Airport in Arlington, Virginia. REUTERS/FILE

corporate travel emissions cut targets. "It's going to be hard on airlines and they're going to need to adapt," Kit Brennan, cofounder of London-based Thrust Carbon, which is advising S&P and other clients on setting up carbon budgets.

"I think what we're going to see, funnily enough, is more of an unbundling of business class where you might get all perks of business class without the seat," he said, referring to airport lounges and nicer meals.

Because ultimately it all comes down to the area on the aircraft and it takes up." Flying business class emits

about three times as much carbon as economy class because the seats take up more room and more of them are empty, according to a World Bank study.

Pre-pandemic, about 5 per cent of international passengers globally flew in premium classes, accounting for 30 per cent of international revenue, according to airline group IATA.

biodiversity in economic plans

REUTERS, Kunming, China

China will incorporate biodiversity protection in development plans in all regions and sectors, Vice Premier Han Zheng said on Monday at the opening of UN talks aimed at making progress on a global deal to halt mass extinction.

Elizabeth Maruma Mrema, executive secretary of the UN Convention on Biological Protection, told the opening of the meeting in the city of Kunming, that the world had reached "a moment of truth" when it comes to protecting its ecosystems.

China has vowed to make protecting nature a priority after decades of rapid development and urbanisation devastated ecosystems, put dozens of species on the brink of extinction and raised the risk of lethal zoonotic diseases like Covid-19.

After an opening ceremony featuring an ethnic minority musical performance and a film lauding the safe migration of 15 Asian elephants across southwest China this year, Han said China would "make sure its important species and ecological resources were fully protected".

"We will formulate a national biodiversity protection strategy and action plan for the new era, incorporate biodiversity protection in mid- and longterm development plans of all regions and sectors as an important task," he said.

The biodiversity talks, known as "COP15", are aimed at building momentum for the signing of a new global biodiversity treaty on reversing massive species loss after countries failed to achieve any of the targets set in Aichi, Japan, in 2010.

Han also said China was committed to international cooperation on conservation, including in connection with its extensive and controversial Belt and Road Initiative, aimed at building infrastructure and energy links through Asia to the Middle East, Africa and Europe.

Experts worry about the environmental impact of China's economic ambitions around the world.

"We need to make sure that China's pledge for biodiversity includes the impact internationally," said Nathalie Seddon, Professor of Biodiversity at the University of Oxford.

"It is one thing cleaning up supply chains within China but the biggest impacts they have on biodiversity are arguably outside China, in the Afro-Tropics, in South America," she added, noting China's huge demand for soybeans and growing demand for imported beef.

Mrema warned the world had not achieved the necessary breakthroughs from 2011-2020 and was not yet able to safeguard the ecosystem services key to human wellbeing. She said it was vital that a new deal should show the necessary ambition to put biodiversity on the road to recovery by 2030 at the latest.

No solution in UK govt talks with industry on gas prices

AFP, London

The British government and industry are still trying to solve an energy crisis that bosses have warned could shut down production in a matter of days, business secretary Kwasi Kwarteng said on Sunday.

Faced with spiking global energy prices driven by fears over high winter bills, Kwarteng told broadcaster Sky News there was no plan so far for heavy industry, but added he was "very confident" in the resilience of the UK's energy supply. "I can't promise anything as

yet," Kwarteng said. "I can't come on your programme and say that we're going to have a price cap, because we're trying to work out what the nature of that support might be."

Heavy industry bosses in sectors like ceramics, paper and steel manufacturing have called for a price cap, but talks with government on Friday failed to reach a solution. The same day, UK Steel chief Gareth Stace called on the government to step in now to alleviate pressure on wholesale prices, saying action in a matter of weeks would be too late.

Yellen confident Congress will pass minimum global corporate tax

REUTERS, Washington

Treasury Secretary Janet Yellen said on Sunday she was confident the US Congress would approve legislation to implement the global corporate minimum tax agreed by 136 countries.

Yellen said the actions to bring the United States into compliance with the global minimum tax would likely be included in the so-called reconciliation budget bill containing President Joe Biden's proposed spending initiatives.

Asked on ABC's "This Week" whether she was confident the measure would get through, Yellen said: "Yes. I am confident that what we need to do to come into compliance with the minimum tax will be included in a reconciliation package. I hope that

be able to reassure the world that the United States will do its part."

The parliamentary maneuver known as budget reconciliation would allow Democrats to act without Republican votes. A group of 136 countries on Friday set a minimum global tax rate of 15 per cent for big companies and sought to make it harder for them to avoid taxation in a landmark deal that Biden said leveled the playing field.

Treasury officials and tax experts have said that the global minimum tax would not require a treaty to implement and could be achieved in the reconciliation bill because it is a voluntary agreement among countries to individually impose a minimum tax on overseas earnings of corporations. The United States has had such a

we, that it will be passed and we will minimum tax since the end of 2017, so it is a matter of raising the rate to conform with the agreement.

Treasury officials have said they regard the global minimum tax as less controversial than a higher overall corporate tax rate or a higher capital gains tax, because it puts the United States on a more competitive footing with other countries.

The US Chamber of Commerce said it will review details of the Biden administration proposals closely.

"We remain especially concerned about the cumulative impact of the (global minimum tax) proposal and the tax changes being sought by the administration as part of the reconciliation bill pending before Congress, Neil Bradley, the chamber's chief policy officer, said in a statement.