

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 0.04%	▲ 0.28%	\$1,788.67	\$84.90	▲ 1.40%	▲ 2.61%	▲ 0.65%	▼ 0.08%	BUY TK 84.75	96.83	115.06	13.00
6,998.03	12,340.04	(per ounce)	(per barrel)	60,138.46	29,647.08	3,219.05	3,544.48	SELL TK 85.75	100.63	118.86	13.67



ENJOY  
**30% DISCOUNT**

on Foodpanda with Prime Bank cards during Bangladesh's matches

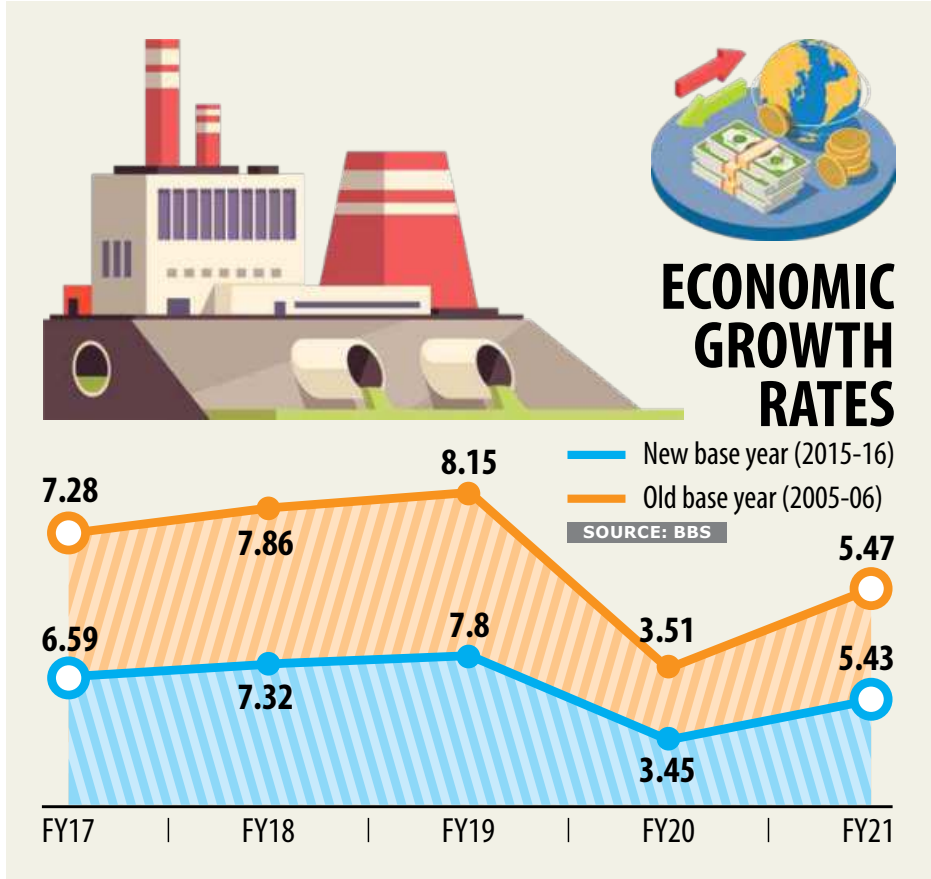
Details: [primebank.com.bd/t20-wc](http://primebank.com.bd/t20-wc)





# BUSINESS

DHAKA TUESDAY NOVEMBER 2, 2021, KARTIK 17, 1428 BS ● [starbusiness@thedailystar.net](mailto:starbusiness@thedailystar.net)



## NEW SECTORS IN GDP CALCULATION

**INDUSTRIAL:**  
Cold storages for food preservation  
Collecting wastages from households  
Shipbreaking industry

**SERVICES:**  
Mobile financial services  
Private healthcare services  
Ride-sharing  
Privately run motor vehicles  
Agent banking

**AGRICULTURE:**  
22 new crops have been added

## GDP SIZE IN FY21

**OLD BASE YEAR:**  
\$354b  
**NEW BASE YEAR:**  
\$409b

## PER CAPITA INCOME

**OLD BASE YEAR:**  
\$2,227  
**NEW BASE YEAR:**  
\$2,554

## Gain some, lose some



ZAHID HUSSAIN

Timely revisions to data on GDP and its components determine the accuracy of national accounts estimates and their comparability across countries.

Large revisions result from new methodologies that expand coverage of economic activities and compute their size based on updated input-output coefficients. These change the size of both the nominal GDP and the real GDP. In principle, changes in the base year itself only change the size of the real GDP.

Rebasing the national accounts in practice means changing the reference period for the individual price and volume indices used from the old base year (2005-06) to the new base year (2015-16) and aggregating from the detailed compilation at sectoral levels to obtain estimates of production and expenditures at the national level.

Such large revisions are usually recommended once every decade.

So, the current revision of the methodology and the base year to 2015/16 was just due, given that the last revision was done in 2013 and new survey data are available to construct a more disaggregated breakdown of the sectoral accounts.

With the finalisation of the new series, Bangladesh would be ahead of all other Saarc countries in terms of the recency of the national account's base year. Only the Maldives (2014) and India (2011-12) come close. Pakistan (2005-06) and Sri Lanka (2010) are well behind.

Comprehensive revisions of GDP data, as done in the latest revisions, result in upward adjustments.

READ MORE ON B2

REJAUL KARIM BYRON

The economic growth rates posted in recent years were revised downwards but the size of the economy expanded thanks to a new base year adopted by the Bangladesh Bureau of Statistics (BBS).

For example, Bangladesh's gross domestic product (GDP) grew at a pace of 8.15 per cent in fiscal 2018-19, the highest on record, as per the base year 2005-06. But the growth rate fell to 7.88 per cent as per the new base year of 2015-16.

A base year is a benchmark with

reference to which national account figures such as GDP, gross domestic saving and gross capital formation are calculated.

According to the new base year, Bangladesh was an economy of Tk 34,840 billion in current prices in FY21, up 15.7 per cent from Tk 30,111 billion as per the previous base year.

In constant prices, it stood at Tk 27,939 billion in FY21 as per the new base year, up from Tk 12,072 billion as per the old base year, according to a document of the BBS.

In terms of dollars, the GDP size stood at \$409 billion in the last fiscal year if Tk

85 per USD exchange rate is taken into account. Per capita income rose to \$2,554 in FY21 as per the new calculation, which was \$2,227 as per the old one.

Speaking to The Daily Star, Prof Shamsul Alam, state minister for planning, said the adoption of the new base year should have been done earlier.

Although economic growth has fallen as per the new base year, it has painted the real picture of the economy.

"The size of our economy is huge, and the new base year will reflect it," he said, adding that a real scenario would allow the

government to make more informed policy decisions.

Zahid Hussain, a former chief economist of the World Bank's Dhaka office, also welcomed the new base year.

He said timely revisions to data on GDP and its components determine the accuracy of national account estimates and their comparability across countries.

With the finalisation of the new series, Bangladesh will be ahead of all other Saarc countries in terms of the recency of the national account's base year.

READ MORE ON B2



Fahim Ahmed

## Pathao gets new MD

STAR BUSINESS REPORT

Homegrown tech startup Pathao has witnessed the promotion of its chief financial officer, Fahim Ahmed, to the posts of managing director and CEO.

An economics graduate of Middlebury College, Ahmed joined Pathao in early 2018.

READ MORE ON B3

## E-COMMERCE SCAMS

## Another Tk 260cr to be recovered, refunded

Commerce ministry says

STAR BUSINESS REPORT

The commerce ministry yesterday said it was working on recovering another Tk 260 crore taken by fraudulent e-commerce entities as advance payments until last June and on refunding it to the respective customers who were not delivered products.

The ministry had earlier decided to refund customers Tk 214 crore stuck in escrow accounts of payment gateways opened since July 1 as per Bangladesh Bank directives following complaints of money being swindled.

Escrow is the use of a third party, which holds an asset or funds before they are transferred from one party to another. The third party holds the funds until both parties have fulfilled their contractual requirements.

The ministry has already written to Criminal Investigation Department (CID) to unfreeze victims' accounts as soon as possible to pay back the Tk 214 crore,

READ MORE ON B3

## 30 factories to get green award

STAR BUSINESS REPORT

The government is going to honour 30 firms with the Green Factory Award for their outstanding contribution to saving the environment and creating jobs.

The awards will be given in six categories to green factories in recognition of their efforts to keep carbon emissions low, tackle global warming and address the impact of climate change locally and globally, said the labour ministry yesterday.

The move comes as an increasing number of companies in Bangladesh are turning their factories into green production units.

Bangladesh is already the global leader with 150 green garment factories. Of them, 44 are platinum-rated, 93 gold-rated and nine are silver-rated.

Of the top 10 green garment factories, nine are in Bangladesh, which has brightened the image of the country.

Prime Minister Sheikh Hasina is expected to hand over the awards to the winners on December 8 in Dhaka, marking the celebration of the birth centenary of the

Father of the Nation Bangabandhu Sheikh Mujibur Rahman, said the labour and employment ministry.

The ministry introduced the green award in 2020 to encourage more investment in the industrial sector while protecting the environment.

Of the recipients, 15 will be in the readymade garment category, four in the tea industry category, three each in the plastic, pharmaceuticals and food processing categories, and two in the leather and leather goods sector.

The garment factories are Remi Holdings, Tarasima Apparels, Plummy Fashions, Mithila Textiles Industries, Vintage Denim Studio, AR Jeans Producer, Karooni Knit Composite, Designer Fashion, Kenpark Bangladesh Apparel (Kenpark Unit 2), Green Textile (Unit -3), Four H Dyeing & Printing, Wisdom Attires, Mahmuda Attires, Snowtex Outwear, and Oeko-Tex.

The three food processing industries are Habiganj Agro, Akij Food & Beverage, and Ifad Multi Products.

READ MORE ON B3

## Remittance flow shrinks further

AKM ZAMIR UDDIN

The flow of remittance to Bangladesh shrank further in October as money transfers through informal channels such as hundi might have returned with the ease of pandemic restrictions.

Expatriate Bangladeshis sent \$1.65 billion in October, down 4.6 per cent from one month earlier and 21.7 per cent year-on-year, according to data from Bangladesh Bank.

Central bank officials said the recent easing of coronavirus restrictions on public movement across the globe is mainly responsible for the decline in remittance to Bangladesh.

As the peoples' movement resumed, the global hundi cartel that operates an illegal cross-boundary financial system, has become active again.

The unofficial route had faced major disruptions since the first quarter of 2020 as international travel came to a halt amid the pandemic, fuelling the growth of remittance through official channels.

READ MORE ON B3

## 6,000 Benapole-bound trucks stranded at Petrapole

STAR BUSINESS REPORT

About 6,000 Benapole-bound trucks remained stranded at Kalitala parking in Indian Petrapole Port yesterday due to alleged mismanagement and irregularities by the parking authorities, which has slowed release of vehicles from the area.

Port users claimed that the trucks are made to wait for 30-35 days in the name of serial at the truck parking place in the Indian part of Bangaon area.

A syndicate at the parking made the undue delay of the trucks to grab extra money as the parking authorities charge 2,000 rupees a day, they said.

Earlier, 600 to 700 trucks of goods were imported

READ MORE ON B3

## Foreign firms show interest to invest \$1.16b

Organisers say on the outcome of Bangladesh Trade and Investment Summit

STAR BUSINESS REPORT

Foreign companies that took part in the Bangladesh Trade and Investment Summit 2021 have shown interest to invest \$1.16 billion in the country, according to the organisers of the event, which concluded on Sunday.

"We received expressions of interest for foreign investment, particularly in the infrastructure sector, which we will forward to the commerce ministry," said Rizwan Rahman, president of the Dhaka Chamber of Commerce and Industry (DCCI) yesterday.

He made the remarks while speaking at a media briefing on the outcome of the summit at the conference room of the chamber in Dhaka.

The commerce ministry and the DCCI jointly organised the week-long summit, where 552 business-people, investors and top executives from 38 countries, including Bangladesh, took part.

Twenty companies from 13



The infrastructure sector in Bangladesh is increasingly drawing foreign investors as the government is working to upgrade facilities. One of the priority schemes, the metro rail project in Dhaka is fast approaching completion.

PHOTO: STAR

countries showed interest to form joint ventures, and 26 products were identified as having export potential, said Rahman.

Five countries are keen to make direct investment in a number of sectors such as infrastructure, pharmaceuticals, agro and food processing, and information technology.

Power, energy, renewable energy, dairy products, fast-moving consumer goods, ready-made garment, leather, automobile, and jute are among the sectors that can draw foreign investment, according to Rahman.

"Bangladesh has huge opportunities to invest in the countries in Africa, Asia, and the Middle East as well as draw investment from the regions."

Addressing the press conference, Tapan Kanti Ghosh, commerce secretary, said that the potential of commerce and investment in the post-Covid-19 was highlighted in the summit.

READ MORE ON B3

## AIIB lends \$260m for Mymensingh bridge



STAR BUSINESS REPORT

The government has signed a loan agreement of \$260 million with the Asian Infrastructure Investment Bank (AIIB) to construct the Kewatkhali bridge in Mymensingh.

Fatima Yasmin, secretary of the economic relations division at the finance ministry, and DJ Pandian, vice-president of Investment Operations (Region-1) of the AIIB, signed the agreement.

Under the project, a 320-metre steel arch bridge, 780-metre approach bridge, 551-metre road overpass, 240-metre railway overpass, 6.20-kilometre highway with four lanes, including

READ MORE ON B3