

# Unique BINs for e-commerce this month

REFAVET ULLAH MIRDHA

Every e-commerce and F-commerce company in Bangladesh will soon have to apply for a Unique Business Identification Numbers (UBINs) from the Digital Commerce Cell (DCC) as the commerce ministry is set to launch the registration from this month.

The commerce ministry already sent a report on the final application form and its implementation guidelines to Cabinet Secretary Khandker Anwarul Islam on Tuesday, according to Hafizur Rahman, additional secretary to the commerce ministry.

"We have not set any specific launch date but it will surely happen this month," Rahman told The Daily Star.

DCC Chief AHM Shafiquzzaman said his organisation would implement the UBIN for registered companies. Every e-commerce and f-commerce company in the country will have to obtain UBINs to ensure responsible business practices as reports recently surfaced regarding fraud by some of these firms.

A hard copy of the application form has been approved and now work is ongoing

to digitise it as applicants will have to apply through an online portal to obtain the UBIN, he added.

The DCC will manage the UBIN to prevent any cheating by e-commerce or f-commerce companies. Currently, more than 2,500 e-commerce and nearly three lakh f-commerce companies are operating in Bangladesh.

The DCC has called an important meeting on the e-commerce and f-commerce industry today as the commerce ministry along with other related ministries, departments and agencies have been working to pay back those affected by the irregular activities of some rogue e-commerce firms.

Refunds to these companies are still stuck at Bangladesh Bank's payment gateway though as it awaits vetting by the law ministry.

On July 1 this year, the central bank launched an escrow service payment gateway to stop e-commerce companies from cheating their customers.

So far, some Tk 214 crore has been deposited in the escrow payment gateway for the non-delivery of goods.

# Steps against money launderers to be made public soon

Says finance minister

STAR BUSINESS REPORT

Finance Minister AHM Mustafa Kamal yesterday said the media would soon be informed about measures the government has taken against culprits who laundered money abroad in the past two to three years.

The government is taking legal steps and the culprits are being punished through legal procedures, he told a virtual press briefing following a meeting of the cabinet committee on government purchase.

Kamal said they got some names of persons who laundered money abroad through reports published in news media. "I believe that Bangladesh Bank and other related agencies are working on it," he said.

The finance minister on November 27 told parliament that he does not know who was laundering money abroad and called upon opposition lawmakers to provide him a list of



AHM Mustafa Kamal

money launderers.

During yesterday's press briefing, in reply to a question about whether the minister has any mechanism to find out the culprits who are laundering money abroad, the minister said, "I don't have any own mechanism. We rather have law and legal procedures."

If anybody is found involved in corruption or laundering money,

cases are filed, culprits are arrested and sent to jail, he said.

In reply to a query about whether the ministry has any plan in the wake of a possible spread of new coronavirus variant named Omicron, the minister said it was yet to be known how dangerous the new variant was.

Mentioning that they earlier took every measure to face the previous waves of Covid-19, he said the government was well prepared this time too.

When asked about whether the government was considering reducing the fuel price taking into context the downward trend in the global market, the minister said the market was still at a flexible stage.

Mentioning that fuel prices in the global market sometimes come down by \$20, and again increase by \$2, he hoped that steps would be taken when a stable condition prevailed in the international market.

# Australian economy shrinks in third quarter

AFP, Sydney

Pandemic-induced lockdowns caused Australia's economy to shrink 1.9 per cent in the third quarter, a downturn that bucked the trend of a steady recovery in other wealthy nations.

The Australian Bureau of Statistics on Wednesday reported the country's second quarterly contraction since the pandemic began.

Sydney, Melbourne and Canberra were all closed for chunks of the quarter, causing households to spend dramatically less on services.

There was a 21 per cent drop in spending on hotels, cafes and restaurants and a 40 per cent drop in spending on transport.

# Govt support was scarce considering Covid fallout

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Another way of looking at it is that the total package is 4 per cent of Bangladesh's gross domestic product with 3.16 per cent being growth oriented and the remaining 0.80 per cent being protection oriented.

The country's economy reopened in May 2020 amid a 20 per cent infection rate that was rising still.

"So, it is clear that direct protection was not considered for a prolonged period," Osmani said.

He went on to say that the support was growth oriented to such an extent that some 60 per cent of the poor and low-income groups who suffered severely due to the Covid-19 fallout did not receive any support from the public and private sectors.

In the immediate aftermath of the initial lockdown, the proportion of the crisis-hit new poor was found to be as high as 22.8 per cent.

The resumption of all economic activities only slightly reduced the rate to 21.7 per cent by the end of June.

The situation did not change even six months later because of the government strategies as the pre-mature reopening only prolonged the economic losses of a section of poorer people, that too amid soaring infection rates.

The infection rate in Bangladesh was 20 per cent at the end of July last year and although this is less than that of other South

Asian countries at the time, the mortality rate could have been much higher.

"But this did not happen for some unknown reasons," Osmani said.

China and New Zealand showed the perfect examples of how a premature reopening of the economy came at the cost of peoples' well-being.

Still though, Bangladesh chose this strategy even though large scale mortality has repeatedly undermined the government's political legitimacy.

The current regime had an opportunity to restore democracy in that regard.

Some Scandinavian countries have termed the current government as authoritarian as it wins one election after another. This finally led US President Joe Biden to publicly insult the country by leaving it out of his recent democracy summit.

Asad Islam, a professor of Monash University, said although businesses are open, sales recovery is still below pre-coronavirus levels.

Recovery is lowest in female labour intensive sectors, Islam added.

In another presentation, Kazi Iqbal of the BIDS said about 6 per cent of the sample companies closed their businesses permanently and about 8 per cent of the sample workers lost their jobs, including those from both surviving and shuttered businesses.

# Get ready for LDC graduation challenges

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government, have taken the preparations. I would like to ask the business community to take preparations properly," she said.

The prime minister said this while inaugurating the 16-day gala celebration, arranged by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), on the occasion of the Golden Jubilee of the country's independence.

She virtually opened the grand celebration programme at the amphitheatre adjacent to Hatirjheel, from her official residence Ganobhaban in the evening.

Sheikh Hasina said now Bangladesh has won the status of a developing country. "As a developing country, we'll get many scopes to take the country forward further," she said.

Describing the AL government as a business-friendly one, she said her government has not come to do business but created all sorts of scopes for the business community to expand businesses and thus generate jobs for the socioeconomic development of people.

The prime minister asked the businesspeople to take income-generating programmes in their respective areas to change the fate of rural people by increasing their financial and purchasing capacities.

"You might be born in a village or have studied in a rural school. To change the fate of people, take some programmes alongside the government's ones in your respective areas so that their financial and purchasing capacities go up," she said, pointing at the businesspeople.

The business community will ultimately be benefited as their businesses and the market of their products will expand due to the rise in the purchasing capacity of people, said Hasina.

In collaboration with Dhaka North City Corporation (DNCC), the country's apex business body arranged the celebration programme, titled "50 Years of Independence-Grand Celebration of Red and Green (the two colours of the National Flag)."

PM's Adviser Salman F Rahman and DNCC Mayor Atiqul Islam also spoke at the function presided over by FBCCI President Md Jashim Uddin.

During the celebration, there will be fireworks, cultural events, presentation of regional folk songs and Nazrul and Rabindra songs by noted singers, performances by distinguished dancers and programmes for women and children.

The programmes will start at the amphitheatre after 7:00pm every day till December 16 and are open to the public.

# Digitalisation not contributing much to GDP growth: study

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The study said fixed broadband subscription per 100 people rose to 5.78 people on an average in 2020 from 0.3 in 2010, registering a compound annual growth rate (CAGR) of nearly 31 per cent.

Meanwhile, in case of mobile phone subscription, this was double to 103 people from 46 people.

The percentage of the population using internet grew three times to nearly 68 per cent in 2020, recording a 14 per cent CAGR from 20 per cent in 2012, according to the presentation. Overall tele-density shot up during the period.

"An enormous benefit of digitalisation has been observed during the Covid-19 crisis, and therefore, for faster recovery, digitalisation efforts need to be strengthened," he said. Hossain emphasised focusing more on sectors producing ICT equipment and services and manufacturing sectors making use of ICT with possible fiscal and monetary policy incentives to encourage them to adopt large scale automation leading to innovations.

"The digital economy could promote development potentials and harness new development opportunities in more remote and economically lagging regions, leading to an inclusive and balanced growth," he said.

# Stocks bounce back on optimism

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Private sector credit growth in Bangladesh accelerated to 9.44 per cent in October, the highest in 13 months as the economy is running in full swing, shaking off the pandemic's fallout, according to the central bank data.

Index Agro Industries topped the gainers' list, rising 9.91 per cent, followed by Sena Kalyan Insurance Company, Beximco, Envoy Textiles and First Security Islami Bank.

Stocks of Beximco were traded the most, worth Tk 122 crore, followed by ONE Bank, First Security Islami Bank, Delta Life Insurance Company and Acme Pesticides.

Tung Hai Knitting and Dyeing shed the most, dropping 11.7 per cent, followed by Aramit Cement, Dacca Dyeing, ONE Bank and Mithun Knitting & Dyeing.

Chittagong Stock Exchange also soared yesterday. The CASPI, the main index of the port city bourse rose 383 points, or 1.95 per cent, to 19,998. Among 269 stocks to undergo trade, 198 rose, 46 fell and 25 remained the same.

# OECD cuts global growth forecasts

AFP, Paris

The OECD warned Wednesday that the Omicron coronavirus variant threatens the global economic recovery as it lowered the growth forecast for 2021 and appealed for a swifter rollout of Covid vaccines.

The Paris-based Organisation for Economic Co-operation and Development the recovery has "lost momentum" as it cut the outlook of top economies including the United States, China and the eurozone.

The economy is now expected to expand by 5.6 per cent this year, down from an earlier forecast of 5.7 per cent, the OECD said in its updated economic outlook which warns that low vaccination areas could create "breeding grounds" for deadlier virus mutations.

Its forecast for 2022 remains unchanged at 4.5 per cent, but the report was released only days after Omicron was detected.

"We are concerned that the new variant of the virus, the Omicron strain, is further adding to the already high levels of uncertainty and risks, and that could be a threat to the recovery," OECD chief economist Laurence Boone said at a press conference.

While the OECD said it was "cautiously optimistic" about the recovery, it warned that health, high inflation, supply chain bottlenecks and potential policy missteps are "all key concerns".

"The top policy priority remains the need to ensure that vaccines are produced and deployed as quickly as possible throughout the world, including booster doses," the OECD said.

# Remittance slides to 18-month low

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Between January and September this year, some 3.8 lakh people went abroad for work.

The figure was about 2.2 lakh last year and seven lakh in 2019, according to data from the Bureau of Manpower, Employment and Training.

Another managing director of a bank, on condition of anonymity, said the hundi cartel was now offering Tk 3 to Tk 4 more than the rates offered by banks to the beneficiaries of remitters.

This has encouraged remitters to send their money through the informal channel,

he said, adding that the central bank should consider depreciating the local currency against the US dollar to some extent in order to weaken the hundi cartel.

The inter-bank exchange rate of the taka stood at Tk 85.8 per US dollar in contrast to Tk 84.8 a year ago.

Abul Kashem Md Shirin, managing director of Dutch-Bangla Bank, said that people had recently started to travel abroad, helping the informal channel to settle transactions smoothly. Manpower exports should be geared up to strengthen the inflow as well, he added.

# Unbiased data key to sound economic policy-making

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Mashrur Rahman, economic affairs adviser to the prime minister, said planning mechanism in Bangladesh is autonomous that has enjoyed independence without interference from the political leadership.

Nurul Islam, emeritus fellow of the International Food Policy Research Institute, called economic policy-making by the planning ministry and the finance ministry important.

"The analysis has to be non-political. Otherwise, economic policy-making is impossible."

"It can't be outsourced. I know, in Bangladesh, this kinds of researches are outsourced," he said, without disclosing any names.

"This is destructive in my view of the building the capacity of the government."

Islam said when he ran the Pakistan Institute of Development Economics, he had enjoyed a complete independence when it came to research.

He worked with Bangabandhu from 1972 to 1975. "I discussed with him about corruption, mis-governance and other issues, and he was very frank with me."

"He allowed me to give him all the facts... the ruthless details. Bangabandhu also allowed facts to be out for that whether he would take decisions or not were his business," Islam said, adding that he had allowed total independence of data gathering and research.

Those who are the followers of Bangabandhu should remember how Bangabandhu treated independent data gathering and research, said the former planning commission deputy chief.

He termed nepotism, favouritism, embezzlement of funds, and capture of state power as corruption, and urged the BIDS to carry out research into these areas.

He said there was something wrong in the management of the ministries that don't allow incentives to the government officials to stay into research.

Binayak Sen, director-general of the BIDS, said Bangladesh was fast-becoming a manufacturing nation.

To a large extent, this explains Bangladesh's catch-up performance with respect to its regional neighbours in economic and social parameters. "Success in urbanisation of Bangladesh is reflective

of its success in manufacturing sector," he said while presenting a paper.

During his keynote presentation, Prof Rehman Sobhan, chairman of the Centre for Policy Dialogue, said in independent Bangladesh, loan financing from state-owned financial institution did serve to create a large entrepreneurship class.

"But this was achieved at the cost of debt defaults from the new class of private entrepreneurs. This default has been perpetuated and condoned over the years and remains with us as part of what is known as default culture."

About the role of the working women in driving the entrepreneur revolution, Prof Sobhan said what is noticeable in the entrepreneur revolution is the rise of women entrepreneurship at all levels.

"It is arguable that this revolution had its roots in the microfinancing revolution pioneered in Bangladesh by Muhammad Yunus through Grameen Bank and Fazle Hasan Abed through Brac."

Prof Sobhan said there have a considerable research evidence at hand to confirm that microfinance has served to reduce extreme poverty, created a capacity for entrepreneurship amongst women, and has provided a ladder for them to move up into larger scale economic activities in the SME sector.

Highlighting the entrepreneurial spirit of migrant workers, he said as a consequence of the courage and enterprise by the youth, Bangladesh earns around \$20 billion in official remittances and perhaps another \$5 billion in unofficial payments.

This has served to raise the gross national savings, improve external balance payments and increase domestic payments. But they are exploited and exposed to a huge rent extraction by unscrupulous intermediaries.

He described the NGOs and social entrepreneurs as agent of social mobilisation.

In a paper presented at the conference, Zahid Hussain, a former lead economist of the World Bank in Dhaka, said the implementation rate of the annual development programme declined to an 11-year low recently.

"Our problem has never been the lack of intention to spend more; the problem is in our ability to turn intentions into meaningful actions."

# ICT Adviser Joy to inaugurate 5G on Dec 12

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Quader, also the Awami League general secretary, said Bangabandhu Sheikh Mujibur Rahman's "Sonar Bangla" would enter the 5G era in the month of victory, as the state-run mobile operator Teletalk initially was going to launch 5G on a trial basis to gain experience.

He joined a seminar on "5G: the frontier technology" virtually and said the government has pledged in the 2018 election to launch the latest mobile technology service 5G in the country between 2021 and 2023.

Awami League's Science and Technology Affairs Sub-Committee organised the seminar with its chairman, Professor Dr Hossain Monsur, in the chair.

Following the promise, Teletalk Bangladesh took preparations to launch 5G on a limited scale next December by connecting to the existing 4G network at the initial stage as per the directions of Posts and Telecommunications Division and Bangladesh Telecommunication Regulatory Commission, he said.

"First, limited 5G services will be introduced in some important government offices and business establishments in Dhaka city. It is planned to extend this service to other divisional cities and industrial establishments of the country in phases by 2023," the minister added.

The Awami League general secretary said

the 5G technology services would not be limited to customers' mobile broadband and voice calls.

"Through use of this technology, industry, government and enterprise and utility service providers will be able to take advantage of critical mission service, smart grid, smart city, smart factory using IoT, human to machine, machine to machine devices," he said.

Quader said, "This is a milestone initiative in the year of Mujib Borsho. With 5G technology, mobile subscribers will be able to use better quality voice calls and users will be able to get 20 times faster mobile internet access than 4G."

He said driverless vehicles would run on roads through 5G, adding, "We hope that the number of call drops will decrease with introduction of 5G...5G will play an important role in the development of big data and artificial intelligence."

Member Secretary of the Sub-Committee Md Abdus Sabur delivered the welcome speech while Bangabandhu Sheikh Mujibur Rahman Digital University Vice-Chancellor Prof Munaz Ahmed Noor and Teletalk Bangladesh Managing Director Md Shahab Uddin were present as discussants.

Canadian University of Bangladesh Vice Chancellor Professor Dr Mohammad Mahfuzul Islam presented the keynote speech. Sub-committee member Ranak Ahsan moderated the seminar.

# BB refutes BSEC statement

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dividends from the profits of the recent financial year even if there were accumulated losses.

On Tuesday, BSEC Commissioner Shamsuddin Ahmed led a three-member BSEC team at the meeting in the central bank headquarters, while the host side was led by Deputy Governor AKM Sajedur Rahman Khan.

"In the meeting, we informed the stock market regulator that the two issues cannot be allowed as these are illegal so the BSEC was requested to bring necessary amendment in its notifications," the BB said in the press release.

The market exposure issue of banks and NBFIs was also discussed in the meeting. From the central bank side, it was made clear to the BSEC that there was legal

limitation to relaxing the exposure.

"But, no decision was taken yet on any topics," said the central bank.

Earlier, BSEC Commissioner Ahmed told The Daily Star that the central bank had agreed to consider the market exposure of banks and NBFIs on the basis of the cost value of their investments in the stock market instead of the market value of the shares.

The BB had also agreed to allow the lenders to exclude their bond investments from the calculation of the exposure, he said.

Taking into account the BSEC commissioner's statement, the stock market investors became optimistic, leading to a rise of the market.

The DSEX, the benchmark index of Dhaka Stock Exchange, rose 143 points, or 2.14 per cent, to 6,847 yesterday.