

12 individuals, 3 orgs awarded by Wicci

STAR BUSINESS REPORT

The Women's Indian Chamber of Commerce and Industry (Wicci) has awarded 12 individuals and three organisations for their outstanding contributions in the fields of literature, arts, science, technology, social service, medicine and business.

The recipients include former finance minister AMA Muthih, Niloufer Manzur, Ferdousi Quader, Tamara Hasan Abed, Humaira Azam, Jaya Ahsan, Fadia Khan, Sejuti Saha, Sarah Kamal, Nasima Akter Nishu and Maymuna Ahmed.

The three organisations are REDX, SAJIDA Foundation and SME Foundation.

The awards were presented at Le Méridien Dhaka on Tuesday night marking the first anniversary of Bangladesh-India Business Council of Wicci.

Consisting of 23 members and four advisers, Wicci is working to strengthening trade relations between Bangladesh and India and envisions having a global impact for women entrepreneurs and professionals from all walks of life.

Starting its journey in Bangladesh in August last year, the Bangladesh-India Business Council aims to further strengthen bilateral trade relations and get marginalised women involved with the economy.

Addressing the event, Shirin



Shirin Charmin Chaudhury, speaker of Jatiya Sangsad, Salman F Rahman, the prime minister's private industry and investment adviser, Anisul Haque, minister for law, justice and parliamentary affairs, Vikram K Doraiswami, Indian high commissioner to Bangladesh, and Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry, pose for a photograph with the recipients of Wicci's award at Le Méridien Dhaka recently.

Shirin Charmin Chaudhury, Speaker of Jatiya Sangsad, said access to investment was the main obstacle for women in business but they were up to the challenge.

Usually women invest their own small savings and avail family loans and the prime minister has come forward to help women entrepreneurs, she said.

Women's participation in Bangladesh's economy has increased, said Salman F Rahman, the prime minister's private industry and investment adviser.

He said participation of women in economic activities was one of the major reasons Bangladesh was witnessing economic progress.

He also said Bangladesh Bank

has simplified loan facilities for women entrepreneurs.

Bangladesh is a role model in the advancement of women empowerment and it was occurring fast compared to that in South Asia, said Anisul Haque, minister for law, justice and parliamentary affairs.

Women are investing in

business and the government is helping them in various ways, he noted.

Vikram K Doraiswami, Indian high commissioner to Bangladesh, and Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry, also addressed the ceremony.

US could adjust timing of oil stockpile release if prices fall

REUTERS, Washington

The Biden administration could adjust the timing of its planned release of strategic crude oil stockpiles if global energy prices drop substantially, US Deputy Energy Secretary David Turk told Reuters on Wednesday.

Turk, speaking in a video interview for the Reuters Next conference, added that other consumer nations that had agreed to release strategic reserves in concert with the United States to tame prices could also adjust their timing, if needed. I think each country will make decisions based on what's useful and good for their consumers and based on where the price is, he said.

Turk added that the administration is also considering the merits of a proposal by some lawmakers to ban crude oil exports to keep domestic consumer fuel prices in check, and that the decision would ultimately rest with President Joe Biden.

A spokesperson for the Department of Energy said after the interview that the department has no current plans to alter the timing or the size of the stockpile releases.

The Biden administration had announced last month it would release 50 million barrels from the SPR, with deliveries beginning as soon as January.

The move would come alongside smaller releases from China, India, Japan, South Korea and Britain, to help lower consumer energy costs.

The unusual agreement among oil-consuming nations to coordinate stockpile releases was designed to tame soaring energy prices after the OPEC producer group and its allies rebuffed repeated requests from Washington to pump more quickly to match rising demand as the world began to exit the pandemic.

Oil prices have since declined, however, amid worries that the new Omicron variant of the coronavirus will spread and trigger extensive lockdowns, reducing global energy demand. After Turk's comments, US oil prices settled down 61 cents at \$65.57 a barrel.

The president gave US flexibility, Turk, one of several administration officials who meet regularly to discuss energy security, said about the US planned release of strategic stockpiles.

Banks and NBFIs, a doorway to home

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"I used to dream of purchasing an apartment even though I didn't have the required money but still, kept my words of dream in mind," he said.

"After a long wait, I was finally able to purchase my flat with the help of home loans," Ahmed added.

The wide range of options offered by banks and NBFIs in the country are designed to cater to the peoples' home financing needs, be it for purchasing a new flat, constructing one on their own or renovating existing properties.

However, one should look closely at the terms and conditions before striking any agreement for a home loan from any bank or NBFI. This includes the interest rate, processing fee, hidden charges, repayment tenure, and loan takeover fee.

"We normally finance home loans in two cases -- for the purchase of a ready flat or construction," said Md Kyser Hamid, managing director of Bangladesh Finance.

However, he went on to say that they provide more funds for construction than purchasing a ready apartment.

"In case of apartment or flat purchase, we give a 70-80 per cent home loan but we give 80-90 per cent in construction," he added.

Regarding the variable interest rate, Hamid, said since the interest rates are not fixed, they change on a half-yearly basis.

As per Bangladesh Bank rules, no one can strike a loan agreement with fixed interest rates.

And since home loans are usually long-term deals, the interest rate could be increased or decreased during its tenure.

"So, if the interest rate increases, we expand the repayment tenure period keeping the instalment amount the same and similarly, we adjust it with decreasing the rate if interest declines," Hamid said.

However, many banks and NBFIs keep hidden charges that people should be

aware of before taking out a home loan.

"We don't put any hidden charge on home loans though as we know people approach the loan when they are not capable of affording the cost," he said, adding that they could form a tri-party agreement with another financial institution if needed by the client.

At the Delta Brac Housing Finance Corporation Ltd, there are no special requirements for non-government professionals as loans are approved based on the client's repayment capacity, according to Nasimul Baten, managing director of the lender.

"We offer home loans under the adjustable-rate home loan scheme but due to changes in money market conditions, the interest rates may go up or down during repayment tenure," he said.

Subject to being supported by repayment capacity, the company finances up to 80 per cent of a property's value as a home loan.

Md Mahiul Islam, head of retail banking at Brac Bank, said common documents which are required for availing home loan are: a copy of the applicant's national identification card, e-tin, utility bill of current residence, supporting documents such as a salary certificate, pay slips and bank statement, and property related documents.

Loan repayment can be made in the form of monthly instalments that offer the flexibility of choosing a convenient repayment period of between 5 to 25 years.

These monthly instalments can also be automatically debited from the client's personal account if their bank strikes a deal in this regard.

Interest is calculated on a monthly reducing balance as opposed to an annual reducing balance, giving you a lower monthly instalment amount with the bank.

The lower limit of home loan is Tk 5 lakh and the upper limit is Tk 2 crore, as per central bank guidelines.

Logistics constraints a major barrier

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well-functioning standardisation system is put in place.

Doraiswami went on to say that India wants more border checkpoints to be functional and is ready to help in this regard through grant-based projects.

He also suggested increasing the use of railways for trade as it is a very cost-effective mode of transportation.

When the ongoing coronavirus pandemic forced both countries to shut their connecting land borders last year, a lot of trade was conducted through the railway. Bilateral trade increased 130 per cent at the time.

"But now, the situation is different due to a lack of logistics," Doraiswami said.

About 26 per cent of India's exports to Bangladesh is cotton, a key raw material for the garment industry. Apparels are Bangladesh's main exports to international markets, including India.

"We should act fast to improve the logistics for land, rail and river ways. We are more than ready to spend money on grant-based projects to develop inland container depots and other related infrastructure to make trade easy and cost-efficient," Doraiswami added.

The envoy thinks Bangladesh has good potential to export food items, leather goods, and a number of other products to India.

"But this is not happening," he said, stressing on the need for a common standardisation of food quality.

He suggested improving the payments system, citing examples that many Bangladeshis who travel to India for medical treatment use the grey market to make payments.

"This problem could be addressed by simplifying the payments system," Doraiswami said.

Stocks climb on govt move to end BB-BSEC row

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Among the major sectors, financial institutions rose 4.9 per cent and fuel and power advanced 4.2 per cent. The life insurance sector fell 0.5 per cent.

On the DSE, 208 stocks advanced, 118 fell, and 48 remained the same. Turnover plunged 12.9 per cent to Tk 1,245 crore.

Sena Kalyan Insurance topped the gainers' list as it rose 9.89 per cent, followed by Acme Pesticides, MJL Bangladesh, Power grid, and Mithun Knitting.

The Chittagong Stock Exchange also rose.

The CASPI, the main index of the bourse in the port city, rose 256 points, or 1.23 per cent, to close the day at 20,254. Of the 265 stocks traded, 152 rose, 87 declined, and 26 were unchanged.

Tech firms pay Tk 30cr VAT

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Subsequently, the NBR allowed internet giants in 2020 to get BINs directly without opening local offices with a view to bringing the tech firms under the VAT net.

Progress had been sluggish initially for technical and legal complexities. Later the firms began to get BINs and file statements on their sales and transactions with local VAT authorities.

On December 1, Netflix, American subscription streaming service and production company, signed up for VAT registration, said SM Humayun Kabir, commissioner of the Customs, Excise & VAT Commissionerate, Dhaka (South).

The collection of VAT, a consumption tax, from the tech firms is likely to increase following the registration of Netflix, officials said.

In 2016, Netflix announced its plans to expand to 130 countries outside the US, including Bangladesh.

One estimate puts the number of subscribers in Bangladesh at 200,000, according to Pi Strategy, a professional services firm based in Dhaka.

Textiles ministry to honour 7 organisations

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The theme of this year's National Textiles Day is "globalisation of the textile sector; development of Bangladesh".

The seven include the Bangladesh Garment Manufacturers and Exporters Association, Bangladesh Knitwear Manufacturers and Exporters Association, Bangladesh Textile Mills Association and Bangladesh Garment Buying House Association.

The remaining three are Bangladesh Specialized Textile Mills & Powerloom Industries Association, Bangladesh Terry Towel & Linen Manufacturers and Exporters Association and "Bangladesh National Weavers Association".

Facebook could be sued by consumer groups: EU

REUTERS, Brussels

Facebook could be sued by consumer groups for privacy violations, an adviser to Europe's top court said on Thursday, in a German online gaming case that could pave the way for similar action across the EU.

The case started in 2012 and is one of several privacy and antitrust headcases facing Facebook in Europe, where regulators have introduced legislation to curb the power of so-called tech giants and ensure more transparency.

"Member states may allow consumer protection associations to bring representative actions against infringements of the protection of personal data," Richard de la Tour, advocate general at the Luxembourg-based Court of Justice of the European Union (CJEU), said in an opinion.

Such actions must be based on infringements of rights derived directly from GDPR, he added, referring to the landmark EU privacy rules adopted three years ago.

"We'll analyse the Advocate General's opinion. Legal clarity on scope and process of GDPR is important and we're glad the Court of Justice of the European Union

is considering the questions raised in this case," said a spokesperson Meta Platforms Inc.

GDPR stipulates that any requests to collect personal data should be subject to clear and informed consent.

De la Tour said consumer bodies that defend the collective interests of consumers are particularly suited to GDPR's objective of establishing a high level of personal data protection.

Facebook found itself in the dock after the Federation of German Consumer Organisations filed a lawsuit alleging that the social network had allowed operators of online games to improperly collect the personal data of gamers.

The games were offered on Facebook's App Center in 2012. By playing the games, users automatically agreed to share personal data including email addresses. At the end of the game, they would receive a message saying that the app could post their status, photos and other information.

A German lower court had ruled in favour of the German federation, leading Facebook to appeal to a higher court, which subsequently sought advice from the CJEU.

Facebook has since revamped its privacy settings.

Exports surge in Nov, fetch another \$4b

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He expects garment shipment to grow by at least 30 per cent year-on-year at the end of the current fiscal year.

Local suppliers have received over 20 per cent more orders over the past year as orders are shifting from the countries such as India, China, Vietnam, Myanmar and Ethiopia to Bangladesh because of the competitive price it offers.

Overall, earnings from the merchandise shipment rocketed in July and November, fetching \$19.79 billion, an increase of 24.29 per cent.

Frozen and live fish shipment soared 23.39 per cent to \$286.85 million, agricultural and vegetables exports grew 24.37 per cent to \$556.46 million, and pharmaceuticals sales were up 29.78 per cent at \$90.61 million.

Leather and leather goods shipments increased by 27.41 per cent to \$456.85 million and cotton and cotton yarn shipment went up by 38.73 per cent to \$80.48 million.

From July to November, terry towel shipment rose 25.50 per cent to \$20.23 million and footwear (non-leather) shipment advanced 17.11 per cent to \$175.4 million, EPB data showed.

Jute and jute goods did not fare well during the five-month period, sliding 17.45 per cent to \$456.83 million.

Md Saiful Islam, president of the Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh, says the export trend of leather and leather goods is better as the economies have reopened following the improvement in the Covid-19 situation.

"Work orders are flowing robustly. If we have a smooth supply of raw materials, our exports will continue to grow."

Local suppliers can meet 80 per cent of the demand for raw materials for the leather and leather goods industry.

"So, a smooth supply of raw materials is required for the growth of the sector."

The entrepreneur called for making the central effluent treatment plant at the Savar Tannery Industrial Estate fully functional.

BGMEA's Hassan says they are not much worried about the outbreak of a new coronavirus variant, Omicron, as buyers are still placing a large volume of orders and the global supply chain is functioning properly.

"We have taken a lot of safety measures in the factories to contain the spread of the virus."

Ministry to ask BB to start making refunds

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However, the additional secretary could not immediately state the exact amount of money over which there was legal disputes and that over which there was none.

He also could not state the exact date on which the repayments would begin, saying it was hinged on the central bank.

After a meeting of the digital commerce stakeholders at his secretariat office in Dhaka, he said the ministry would launch unique business identification numbers within this month as the application form

had already been prepared.

Moreover, different organisations like the e-Commerce Association of Bangladesh have been engaged in preparing the draft of a proposed e-commerce law, as had been decided earlier, he said.

The commerce ministry and Bangladesh Bank have already decided to pay back the Tk 512 crore. The decision was also endorsed in an inter-ministerial meeting last month. The cabinet division formed a 15-member high powered committee in September to refund the Tk 512 crore.

Oceangoing ships now at record 80

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Chittagong Chamber of Commerce and Industry President Mahbulul Alam said it was really a positive sign for the country's economy.

The country's imports and exports are mostly depended on foreign vessels and the local businesses have to spend over \$9 annually as freight charges for foreign trade, he said.

If the number of Bangladesh flagged vessel increases, the local vessel owners can tap into a good amount of the foreign trade, he added.

Bangladesh Ocean Going Ship Owners' Association President Azam J Chowdhury said the growing number of registrations was for some local industrialists and commodity importers purchasing vessels to reduce cargo transport costs.

Besides, government policy supports like the VAT and AIT exemptions also encouraged entrepreneurs to go for making investments in the sector, he said.

Echoing the same, Meherul Karim, chief executive officer (CEO) of the country's largest ocean-going vessel owning company, SR Shipping, said many companies wanted to take opportunity of the price drop of second-hand, medium sized Supramax vessels in the wake of the pandemic last year.

Most of the Bangladesh-flagged bulk carriers, which have all been bought, are Supramax vessels of 50,000 DWT to 60,000

DWT and these are 15 years to 20 years old, he said. Previously price of such vessels ranged between \$10 million and \$12 million, which came down to \$6 million to \$7 million last year, said Karim, adding that his company bought two ships in 2020.

SR Shipping currently own 23 oceangoing vessels.

Overall, the 80 oceangoing vessels are owned by 15 Bangladeshi companies. Most are bulk carriers while there are oil tankers and six container vessels. Karnaphuli Limited, country's lone container vessel owning company, purchased six container vessels since June last year.

The group last month also placed an order with a Chinese shipbuilder to construct four new container vessels.

Karnaphuli Limited Director Hamdan Hossain Chowdhury told The Daily Star that the government has created the right enabling environment and this has facilitated unprecedented expansion of the country's merchant fleet. "We are a maritime nation and this sector has good potential," he said.

Currently 3,000 Bangladeshi mariners are employed in these 80 Bangladeshi-flagged vessels. MMD Principal Officer Captain Md Giashuddin Ahmad said they brought ease to their services such as that on issuance of registration certificates and also directly sat with vessel owners to provide encouragement.