

MetLife Bangladesh launches 'Smart Customer Portal'

STAR BUSINESS DESK

MetLife Bangladesh recently launched a new online "Smart Customer Portal" to enable convenience and accessibility in delivering services round the clock.

Customers can access policy related information, status, maturity date and premium due date any time and from anywhere, said a press release.

In addition, it further enables downloading annual premium payment certificates for tax return purposes and securely paying premiums online.

"...customers all over Bangladesh will now be able to manage their financial protection more conveniently and effectively, in a secure digital environment," said Ala Ahmad, chief executive officer of MetLife Bangladesh.



Md Mahiul Islam, head of retail banking at Brac Bank Ltd, and Xie Dong (Cruise), head of finance at Vivo, exchange signed documents of a payment gateway agreement at the bank's head office in Dhaka recently. The agreement will allow Vivo to accept online payment from Visa and Mastercard holders against online product sales and services using Brac Bank Payment Gateway and enable the lender to deploy its payment gateway in online platform of Vivo. Gong Wei (Anthony), head of e-commerce at Vivo, Md Shahenul Islam, senior manager for finance, and Khairuddin Ahmed, head of merchant acquiring of the bank, were present.

IMF says Fed should accelerate rate hikes

AFP, Washington

With the recent wave of price increases likely to remain a concern for some time, the US Federal Reserve should raise interest rates sooner, the IMF said Friday.

It was an unusually direct policy recommendation from the Washington-based crisis lender that comes as surging demand coupled with supply bottlenecks and shortages of key materials like semiconductors has driven US consumer inflation to its highest level in three decades.

The Fed already has signaled that it will remove stimulus measures more quickly, opening the door to a rise in lending rates before mid-2022. Many economists now expect two or three interest rate increases next year.

"Inflation is likely to be higher for longer than previously thought," especially in economies that have recovered faster from the pandemic like the United States, IMF chief economist Gita Gopinath and Tobias Adrian, director of the IMF's Monetary and Capital Markets Department, said in a blog.

Stocks sag as weak US jobs data adds to Omicron worries

AFP, New York

Global stocks finished a volatile week on a downcast note Friday, sunk by festering worries over the Omicron variant and disappointment at the most recent US job growth figures.

The latest Covid-19 variant has been detected in 38 countries but no deaths have yet been reported, the WHO said, as authorities worldwide rushed to stem the spread of the heavily mutated Covid-19 strain.

"Investors are clearly still anxious about the Omicron variant, despite anecdotal evidence suggesting symptoms are less severe" than first thought, said Craig Erlam, analyst at Oanda trading group.

"Heading into the weekend, when we could get more information on the new strain, it's natural that we're

seeing more caution.

"IMF chief Kristalina Georgieva warned the latest virus strain could slow the global recovery, noting that "a new variant that may spread very rapidly can dent confidence.

"Bourses in Paris, Frankfurt and London all declined. Wall Street stocks also had a difficult day, with the tech-rich Nasdaq leading major indices lower.

All three US indices finished with weekly losses in a period that also saw the Federal Reserve signal a plan to accelerate the withdrawal of its monetary stimulus and potentially hike rates sooner.

Wall Street investors shunned highly valued tech shares after DocuSign offered a disappointing outlook and signaled that demand for its e-signature business was ebbing

after a strong run during the worst of the Covid-19 pandemic.

Shares of the company plunged more than 40 per cent, while other tech names like Adobe and several chipmakers were also hammered.

"The growth stocks are driving the declines," said Briefing.com analyst Patrick O'Hare, who also cited lingering unease over the Omicron variant of Covid-19 and disappointment that Thursday's rally in equities was not extended.

Friday's much-anticipated jobs report showed the US economy added just 210,000 jobs last month, less than half the increase forecasters expected.

But analysts characterized the report as better than the headline figure, noting the unemployment rate dropped to 4.2 per cent, a decline of four-tenths of a point from the prior month.

The poverty reducing effect of migration

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A nationwide household level survey conducted by the South Asian Network on Economic Modeling (Sanem) on 5,577 households during the November to December period of 2020 found that the incidence of poverty (headcount poverty rate), keeping in consideration the upper poverty line, was around 33 per cent for the migrant households (considering both types) while the poverty rate for their non-migrant counterparts was as high as 43 per cent.

In comparison to the pre-Covid (baseline being 2018) poverty rate of 11 per cent (which was 23 per cent for non-migrant households), during the pandemic, though the incidence of poverty increased for the migrant households, they were relatively less affected than their non-migrant counterparts.

From a different perspective, migration and resulting remittances tend to help households "cope" with economic shocks. According to the HIES 2016 data, a lesser percentage (17.39 per cent) of migrant households (considering both types) were found to be "vulnerable" to Covid-type shocks than their non-migrant counterparts (24.86 per cent).

Here, vulnerability to poverty can be thought of as an ex-ante concept, which is the probability that the consumption of a household will lie below the predetermined poverty line in the near future due to any shock or unforeseen future event.

Therefore, it might not be wrong to infer that, irrespective of the degree or of the type, migration has played a crucial role to "cope" and "resist" the economic consequences of Covid-19 for the Bangladeshi households.

In the context of migration and resulting remittances, a number of challenges, however, prevail, with the pandemic posing further concerns. In

case of internal migration, one such challenge is the concentration of these migrants in mostly two of the mega cities of Dhaka and Chattogram. In addition, unplanned urbanisation along with a comparatively low pace of job creation are some of the other challenges.

As for international migration and remittances, despite a healthy flow during 2020-21, in recent months, there has been a declining trend.

The increase in official remittance flows in year 2020 and the subsequent decline in recent months can be linked to a number of factors- the monetary incentive of the government at the rate of 2 per cent for the remittances being sent through official ways is argued to have diverted remittances to be sent through official channels, with the unofficial channels being relatively inactive during the pandemic.

The recent fall, in the same manner, can primarily be attributed to the ease of pandemic related travel restrictions in recent months and the resulting reversion of the illegal cross-border financial operations.

Ease of travel and trade restrictions are argued to have resulted in trade related money laundering activities, inducing a greater degree of illegal transactions.

In addition, we must keep in mind that, Covid-19 has also affected international migration of those who planned to migrate abroad and according to a household survey of the Sanem during the January to February period of 2021 on 273 international migration households, many of these potential migrants were facing obstacles to migrate.

Factors like halts in visa processing (28.6 per cent) and increase in charges of recruiting agencies (23.2 per cent) were cited as some of the constraints for the potential migrants.

With a view to ensure sustainable

international remittance flow, a twofold strategy can be considered: on one hand it is important to encourage the expatriates to adopt official channels through different forms of incentives, while on the other hand, to diversify risks in this pandemic stricken global economy, we must explore alternative destinations for sending migrants.

However, on top of it, the importance of raising the skill base of the migrant workers through greater focus on training, including the training on interpersonal skills and newer varieties of skills like those of ICT, computing, nursing etc can not be overemphasised.

In addition, strengthening the diplomatic ties as well as expanding the operation of embassies at destination countries are needed to safeguard the welfare of the expatriates abroad.

It is important to note that, despite international remittances being a key driver of our growth and development, the capacity of the Ministry of Expatriates Welfare and Overseas Employment is quite limited- increased budgetary allocation is important in this context.

In a separate note, for productive utilisation of remittance income of the recipient households, innovative and attractive investment schemes should be introduced. As for those undertaking internal migration, district-wise decentralised job creation in urban areas should be the central focus.

Besides, better transportation and connectivity along with better utility services and housing facilities in these urban areas should be in greater policy focus for planned internal migration.

The author is a professor of the Department of Economics at the University of Dhaka. Views expressed here are personal.



Pedestrians walk past an electronic quotation board displaying share prices of the Tokyo Stock Exchange. AFP/FILE

Venezuela govt paying providers in dollars

REUTERS, Caracas

Venezuela's government - subject to sanctions by the United States and others - is increasingly paying providers in US dollars as it seeks to reduce spending in its bolivar currency to control inflation, three sources with knowledge of the matter told Reuters.

State oil company PDVSA, government entities and publicly-owned companies this year have started paying a portion of invoices using dollars deposited in foreign currency accounts at some local banks, according to the sources, who asked not to be identified because of the sensitivity of the information.

Though Venezuela's government has paid some contractors in cash with euros before, it has not previously made dollar transfers on the scale it is now.

The payments are an effort to stabilize the exchange rate and prices, the sources said. Banks are allowed by the government to offer accounts in dollars but Washington's sanctions prevent international transfers into and out of Venezuela. Some local banks have maintained intermediary relationships with global partners.

Venezuela has grappled with hyperinflation for four years as the central bank printed money to finance the budget deficit.

Venezuela's information ministry did not respond to a request for comment.

The central bank and PDVSA also did not respond to requests for comment.

The growing transactions show that, despite the hostility between Washington and President Nicolas Maduro's government, the United States has little recourse to stop Venezuela from using dollars to stabilize its economy.

Didi shares plunge on plan to delist from NYSE

REUTERS, Hong Kong

Just five months after its debut, ride-hailing giant Didi Global said on Friday it would withdraw from the New York Stock Exchange and pursue a Hong Kong listing, a stunning reversal as it bends to Chinese regulators angered by its US IPO.

The stock was down around 20 per cent after swinging between gains and losses in premarket trading as investors initially bet the move would appease Beijing and spark a revival of its business prospects at home.

"Following careful research, the company will immediately start delisting on the New York stock exchange and start preparations for listing in Hong Kong," Didi said on its Twitter-like Weibo account.

Didi did not elaborate but said in a separate statement it would organize a shareholder vote at an appropriate time and ensure its New York-listed stock would be convertible into "freely tradable shares" on another globally recognized exchange.

Didi shares, which debuted on the NYSE on June 30 at \$14, were trading at \$6.03 late Friday afternoon.

Government of the People's Republic of Bangladesh
College Education Development Project (CEDP)
Mohammadpur Mohila College
Noorjahan Road, Mohammadpur, Dhaka-1207
Website: www.mmc.ac.bd

Memo No. CEDP/MMC/2021-22/ad-G-9/02 Date: 05-Dec-2021

e-Tender Notice: 02/2021-2022

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of following package:

Sl. No.	Tender ID No.	Name of package	Last date and time of tender security submission	Tender closing date & time
01	634269	Procurement of AC, Fan, TV, Camera, Cable & etc.	23-Dec-2021 01:30pm	23-Dec-2021 02:30pm

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copy will be accepted. To submit e-Tender, registration in the National e-GP Portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered banks' branches up to 22-Dec-2021 04:00pm. Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

Md. Aminul Haque
Principal
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GD- 2241

Pabna University of Science & Technology
Office of the Project Director, PUST, PABNA.

Memo No: PUST/PD/e-GP/OTM/47 Date: 04/12/2021

e-Tender Notice (FY/2020-21)

e-Tender is invited in the National e-Gp (<http://www.eprocure.gov.bd>) for the procurement of Following Works of "Pabna University of Science & Technology, Development Project" PUST, Pabna.

Serial No	Tender ID	APP ID	Package No & Invitation Ref. Number	Name of Works	Tender Publication Date & Time	Tender Closing Date & Time	Method
01	630933	158695	PUST/PD/e-GP/OTM/47	Goods Supply of Arts & Social Science Faculty Books, BBA Faculty Books and Geography Faculty Books for the Pabna University of Science & Technology, Development Project, PUST, FY 2021-2022. Category: printed Books, Brochures and leaflets, Various types of printed matter and articles for printing, printed books, Publications, Directories, leaflets, Brochures Booklets.	05 December, 2021 and 10.00 AM	06 January, 2022 and 11.00 AM	OTM

This is an online Tender where only e-Tender 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 from the National e-GP System Portal have to be deposited online through any registered Banks branches. Further information and guideline are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

Engineer Lt Colonel G M Azizur Rahman
afwc,psc (Retd)
Project Director

GD- 2239 Pabna University of Science & Technology, Development Project.

EBL raises Tk 100cr for Epyllion

STAR BUSINESS DESK

Eastern Bank Ltd (EBL) has raised Tk 100 crore through preference shares for Epyllion Style Ltd, a concern of Epyllion Group, one of the leading apparel manufacturers in Bangladesh.

EBL worked as mandated lead arranger, agent and investor while Trust Bank and LankaBangla Finance as investors.

A deal closing ceremony was held in Dhaka on December 2 when Humaira Azam, managing director of Trust Bank, also received an accolade on becoming the first female CEO in the banking industry.

"Bankers should work with alternative investment and capital market products, innovative ideas, use of digital landscape and promote sustainable finance," said Ali Reza Iftekhar, managing director of the EBL.

Reaz Uddin Al Mamoon, chairman of Epyllion Group, and Quamrul Islam, head of treasury at LankaBangla Finance, were present.



Ali Reza Iftekhar, managing director of Eastern Bank Ltd, Reaz Uddin Al Mamoon, chairman of Epyllion Group, Humaira Azam, managing director of Trust Bank Ltd, and Quamrul Islam, head of treasury and financial institutions at LankaBangla Finance Ltd, along with other senior officials of the organisations concerned pose for a photograph after closing the Tk 100 crore financing deal for Epyllion Style recently.

Islamic banking now at all City Bank branches

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to register strong growth owing to increasing demand and supply of Shariah based products.

Of the 60 scheduled banks in Bangladesh, 10 are operating as full-fledged Shariah-compliant lenders while 23 conventional banks, including two foreign banks, offer Islamic banking services, according to Bangladesh Bank data.

And currently, Islamic banks and Islamic banking branches of conventional lenders account for more than one-fourth of the banking sector's total deposits and credit.

City Bank, which has been providing Shariah-based banking services since 2003 through one branch in Dhaka, added more deposits and investment products in 2011. As the demand has grown since then, it expanded the services across all branches.

"The importance of Islamic banking in the economy is immense now," said City Bank Chairman Aziz Al Kaiser at a press conference at The Westin Dhaka.

City Bank had launched its Shariah-based banking solutions in the name of Islamic finance considering the needs of customers. At present, City Bank's deposits through its Islamic banking window stands at Tk 1,900 crore, which is around 6 per cent of its total deposits of roughly Tk

30,000 crore.

The private bank aims to increase the deposit through Shariah based products to Tk 10,000 crore within the next two or three years, said Arif Bin Idrish, head of the Islamic banking division at City Bank.

City Bank has over 150 branches and sub-branches where customers can now avail Islamic banking services.

"This is the first time in Bangladesh that a conventional bank has introduced Islamic banking services throughout all its branches," Idrish said.

At the event, City Bank also introduced an American Express Islamic credit card and debit card for its customers.

The bank will not announce pre-determined profit rates for depositors through its Islamic banking service.

"Needless to say, our customers have played an important role in bringing us to where we are today and hopefully, they will be by our side in the future too," said City Bank Vice Chairman Hossain Khaled.

City Bank's Shariah Supervisory Committee Chairman Md Anwar Hossain Molla, Managing Director and Chief Executive Officer Mashrur Arefin, and Additional Managing Director Sheikh Mohammad Maroof were present on the occasion.

Unemployed youths more interested in govt jobs: experts

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However, youth unemployment has been rising because of preconceived notions over the nature of jobs.

The present generation does not want private sector jobs because they think government jobs are more secured and pay higher salaries.

Just 10 years ago, 90 per cent of applicants were expecting a job in a multinational company but now, 90 per cent of applicants want jobs in public service because of job security and higher salaries, he added.

Syed Nasim Manzur, managing director of Apex Footwear, echoed the same.

Fresh university graduates dream of getting jobs in offices with facilities such as air conditioning but they do not want to work at mid-level positions at the factory level even if the pay is higher, he said.

Manzur said Apex had borne the expenses to enable 50 students to graduate from a university and later offered them jobs as store managers.

Half turned the offer down, as either they or their families had reservations about working in a factory that manufactured shoes.

"It is a social stigma," he said.

Most graduates prefer public sector jobs because of the social perception that government jobs grant a better social status.

At the discussion, a debate arose on

whether English was a skill necessary for jobs.

Manzur said it was communication skills which were rather important.

He said his firm would not demand English language skills as a job requirement from applicants.

The disclosure was welcomed with thumping on tables by some jobseekers who alleged that they were facing troubles in finding jobs as English language skills were a requirement for private sector jobs.

However, productivity and communication skills are more necessary as the country is making the status graduation to a developing nation from a least developed one, he added.

Nihad Kabir, president of the Metropolitan Chamber of Commerce and Industry, said there was no relation between the English language and skills.

Many can get a very good job even with good Bangla language skills, she said, adding that sometimes many skilled youths were unable to get employment for a huge number of job applicants.

Citing an instance when she had to conduct an interview to select 600 employees for a private bank but over 40,000 had applied, Kabir said that this prevented all those skilled from being employed.

She said it would not be wise to

stick to subject specific requirements for many jobs because technologies have changed everything by a very big margin.

She questioned why only BBA and MBA degrees were sought for bank jobs when many top executives were running banks and garnering reputations despite having come from other academic disciplines.

Planning Minister MA Mannan said the government has no plan to shut any university on grounds of their education quality not being up to the mark as these universities were needed to educate students.

At one stage, the focus on quantity will fall and quality will be generated from those educational institutions, he said.

Shirin Akhter, member, Parliamentary Standing Committee on Ministry of Primary and Mass Education, said the primary and higher secondary levels should get focus as the base of education.

Prof Md Shazzad Hossain, director of NSU Startups Next, Associate Prof Salma Begum of BRAC University's economics and social sciences department, Associate Prof Kazi Mahmudur Rahman, coordinator of master's in development studies at Independent University Bangladesh, and Shadhan Kumar Das, programme co-ordinator of FES, Bangladesh, also spoke.

Poor recovery from default loans new headache for banks

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move has failed to bring down NPLs. Up until September this year, the NPLs stood at Tk 101,150 crore, an increase of 14 per cent from nine months earlier and 7.1 per cent year-on-year.

Emranul Huq, managing director of Dhaka Bank, blamed business slowdown deriving from the pandemic for the adverse impact on the cash recovery.

A good number of businesses are showing reluctance to pay back loans despite a comfortable cash flow thanks to the business revival, he said.

Failing to recover sufficient cash from default loans chiefly hits the banks' income, forcing them to keep more provisions.

"Against the backdrop, we have decided to take strict actions from January against the defaulters who will not pay back their loans by December." Dhaka Bank will do everything, including filing of criminal cases, to recover the default loans as part of its efforts to improve the financial health, Huq said.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, said that the lower recovery had forced banks to raise lending rates and squeezed their capacity to reinvest.

In such a situation, the cost of

funds usually rises to a large extent, which ultimately puts pressure on good borrowers.

"We have to keep a higher provision against the NPLs. That's why banks have to set a higher lending rate in order to ensure profits," said Rahman.

Besides, depositors' money are getting stuck because of the banks' failure to recover the NPLs.

"The banking sector is now in a vicious cycle because of the lower recovery of funds compared to pre-pandemic periods. It will eventually hit our incomes," said Rahman.

Regular operations of courts were affected during the peak of the pandemic, creating difficulties to settle cases at the Money Loan Courts in a quick manner, he said.

Banks are also facing tough jobs in getting back regular loans due to the business slowdown.

Abul Kashem Md Shirin, managing director of Dutch-Bangla Bank Ltd, said that banks were now giving more attention to recover the unclassified loans than that of classified ones.

"Lenders were unable to send staff members at the height of the pandemic to push the defaulters to repay. This has sent the recovery of funds from the NPLs to a lower level," he said.

Six state-run banks - Sonali, Janata, Agrani, Rupali, BASIC, and Bangladesh Development Bank - recovered Tk 584 crore from the NPLs in the first nine months this year, up 1.6 per cent year-on-year.

Default loans at the banks stood at Tk 44,016 crore as of September.

Private banks got back Tk 2,093 crore, a decrease of 11 per cent, from a combined default loans of Tk 50,743 crore. Nine foreign banks realised Tk 88 crore in contrast to Tk 21 crore during the period. NPLs at the banks stood at Tk 2,692 crore.

Three specialised banks managed to get back Tk 1,429 crore from the defaulters compared to Tk 792 crore in September last year, when they collectively faced NPLs to the tune of Tk 3,699 crore.

A BB official said that some defaulters had frequently secured stay orders from courts in order to show their default loans as unclassified assets. In addition, many delinquent borrowers also have their NPLs rescheduled by making down payment, albeit at insignificant amount, with approval from the central bank, he said.

These have made the issue more complex for banks to realise bad loans, he added.

FBCCI stresses skills dev for smooth LDC graduation

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created for Bangladesh as there will be increased demand for new products.

And as a part of its efforts to facilitate a smooth graduation, the FBCCI is preparing a 10-year masterplan for the development of trade and the overall economy.

As such, the FBCCI is working with the government to develop the domestic private sector as 85 per cent of Bangladesh's economy is dominated by private enterprises.

"Now, we have to work to utilise the next four years to cope with the challenges after graduation," he added.

According to the FBCCI chief, every industry requires foreign direct investment for research and innovation. For example, players in the local manmade fibre industry currently lack experience.

Agro-industries will be the next potential area for investment as it will turn Bangladesh into a hub in this regard, he said.

Uddin then suggested developing warehouses and other related facilities at airports as Bangladesh would need a huge amount of storage space in the future as the country's exports were projected to hit \$300 billion by 2041 from the existing \$40 billion.

The FBCCI president went on to say that Bangladesh's present capacity in the logistics and transport sector will not be able to handle the rising economic activities in the coming days.

Around 50 per cent of the country's products already go to waste due to improper protective measures during transportation.

"So, if an investor invests an extra 5 per cent for transportation, they will be able to prevent around 45 per cent of the potential losses that may occur due to wastage," Uddin said.

Asked about the reason behind hosting this event, the president of the country's apex trade body clarified that 50 years of independence was an important feat.

"For this reason, the FBCCI took this initiative to celebrate the 50-year anniversary of independence," he said.

Uddin also clarified that they have not included any intellectual discussions or seminars on specific subjects due to the nature of the event, which is being celebrated through cultural events.

Running from 7:00pm to 10:00pm each day, the Hatirjheel amphitheatre is the venue for these cultural events.

"It is a milestone for us and this is why we are celebrating the day," Uddin said.

According to him, Bangladesh has a lot of achievements and the private sector played a vital role on the economic front.

Mostofa Azad Chowdhury Babu, senior vice president of the FBCCI; MA Momen, vice president; and directors Md Aminul Hoque Shamim, Md Amin Helaly, Md Salahuddin Ahmed and MA Razzak Khan Raj were also present.

Reassess protection given to domestic industries

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He agreed that if infants were supported beyond the time when he should have grown, then one has to conclude that it is undernourished and under-nurtured and maybe there are some other problems.

Ahmad Kaikaus, principal secretary to the prime minister, said garment factories employ less workers than the real estate sector.

"How much protection did we give to the real estate sector during the coronavirus pandemic? Zero. Are they asking for money? Not at all."

"We have to understand huge advantages internally that we have to cherish and nourish," said Kaikaus.

He said it was sometimes true that "we promote inefficiency when we are giving protection. But without markets, businesses don't exist."

"So, we have to understand it and give proper attention."

Nihad Kabir, president of the Metropolitan Chamber of Commerce and Industry, Dhaka, pointed out the lack of quality data as a major challenge.

She said the last labour survey was done by the Bangladesh Bureau of Statistics in 2016-17.

want to keep progressing, we need our research entities, universities and business chambers an access to up-to-date information."

Even if where data is available, Bangladesh is yet to have the analytical capability to use the data, she said.

"We need to collect data in a timely manner. Bangladesh also needs to analyse the regulatory frameworks to align them with its aspiration in the areas of manufacturing, trade, and commerce."

Sultan Hafeez Rahman, director of the BIDS Graduate School of Economics, who chaired the session, said diversification of both manufacturing and exports is important and should continue to be on the agenda.

"There are enormous constraints to this on the policy, regulatory and enforcement sides. We also need to create a level-playing field. There should be continuation of the trade policy reforms."

He urged state-run commercial banks to act like banks and earn profits. "They don't need to be continuously recapitalised every few years. This is a huge public interest issue."

Abdur Rouf Talukder, senior secretary of the finance division, said the government was implementing

one of the largest skill development programmes in Bangladesh. It is purely a market-oriented support.

The government has partnered with 14 industry associations. "The associations have designed their own programmes, outlining the skill sets they need. We are financing the programmes." The government is working on developing higher level of skills, said Talukder.

He said more than 200,000 foreigners were working in Bangladesh. And the government did not know how much money they were remitting to their home countries because they were mostly transferring the money through illegal channels.

"We are trying to develop local managers so that in three to five years' time, we can replace those foreign workers."

Shamsul Alam, state minister for planning, said Bangladesh was on the high growth path and would achieve double-digit growth by 2030. Bangladesh will be free of poverty by 2030 and free of unemployment by 2041.

He said export-led growth is the only end-target of the country as Bangladesh does not have huge natural resources.

"For that, whatever policy support is needed should be given."

Advertorial

ELITE PAINT JOINS HANDS WITH TRANSOCEAN COATINGS

DATE: 4TH DECEMBER 2021

Elite Paint and Chemical Industries Ltd, the oldest and leading local paint company in Bangladesh joins hands with Transocean Coatings to manufacture internationally certified High Performance Industrial and Marine coatings in Bangladesh. A signing ceremony has been taken place on 4th December - 2021 at the Chattogram office of Elite Paint between the Board of Directors and Mr. Kees Zaal, Global General Manager of Transocean Coatings. Mr. Feroz Ahmed - Chairman, Mr. Salim Ahmed - Vice Chairman, Mr. Shajir Ahmed - Director, Mr. Rabez Ahmed - Director, Mr. Mozahar Hossain - Director Operation, Mr. Md. Imranul Kabir - Director Corporate Sales and Mr. Mohammad Morad Hossain - CHRO & Board Secretary were present on this occasion. Transocean Coatings, The Netherlands based association with the famous 'smiling dolphin' as its trademark has a strong presence in 60 countries all across the globe with a strong focus on Marine, Protective and Industrial Coatings. In view of this collaboration, Elite paint will be entitled to manufacture locally 250 global standard Marine, Protective & Industrial Coatings certified by renowned class certifying societies. In addition, Transocean Coatings are being used very reliably by international companies such as Shell & Petronas for decades. As a first step towards this journey, Elite Paint will start manufacturing of the class certified primers, tie coats and antifouling products for the underparts of the ocean going vessels from the Quarter 2 (Q2) of 2022. Transocean Coating will also help Elite Paint to build-up world class service support for the specialized coating segments in Bangladesh.

Chalan Beel's dried fish producers worried over supply crunch

DISTRICTS IN FOCUS

AHMED HUMAYUN KABIR TOPU, from Sirajganj

Dried fish producers of Chalan Beel which spreads across Pabna, Sirajganj and Natore districts have been left frustrated this year as their production levels have been halved by high input costs amid a scanty supply of local fish varieties.

Around 47 rivers and other water bodies flow into Chalan Beel, the biggest static waterbody in Bangladesh's northern region, making it a favourable location for fish processes and exporters.

"I used to dry about 1.5 tonnes to 2 tonnes of fish every day but now I am not getting more than 1 tonne daily," said Md Shukur Ali, a wholesale trader based in Mohishluti market of Sirajganj's Tarash upazila.

Around 200 maunds to 250 maunds (one maund equals around 37 kilograms) of fish are processed each year for both the domestic and international markets at Mohishluti, one of the country's biggest sources of dried fish.

"Last year, I produced 10 tonnes of dried fish which were sold in Indian markets but this year, I have no scope to produce even four tonnes or five tonnes of dried fish," Ali told The Daily Star.

Due to the lack of supply from Chalan Beel, dried fish producers are being forced to buy fish at high costs from other regions.

"And as a result of the soaring production cost, we are failing to catch the international market," Ali added.

Dried fish producers mainly process local varieties of fish, with the smaller ones of the barb species



Fish is seen drying under the open sun at the Mohishluti warehouse in Tarash upazila of Sirajganj. Although dried fish has good export value, production has been halved this year due to high input costs. The photo was taken recently.

PHOTO: AHMED HUMAYUN KABIR TOPU

of the family Cyprinidae, in Bangla called "puti maach", having high demand in Indian markets.

"So, we mainly produced dried puti for supplying to Indian markets in the last few years but due to scanty supply from Chalan Beel, the buyers from Sayedpur are reluctant to purchase them at higher prices," said Md Alom Ali Mollah, another dried fish wholesaler.

Dried fish traders of Chalan Beel supply their products to the wholesale market in Sayedpur upazila as there are many major merchants in the region who export it to India.

But due to a scanty supply of the

main raw material, most processors have cut their production.

"After experiencing continuous loss, I am not producing dried fish anymore this year," said Md Nasir Uddin, a dried fish trader.

Uddin went on to say that dried fish producers mostly conduct their business from October to December but the lack of rain in the monsoon season this year has led to poor fish farming.

However, Md Abul Kalam Azad, the district fishery officer, told The Daily Star that it was not a lack of production, but rather extensive marketing that caused a shortage of fish.

"Fish production in Chalan Beel has not faced any detrimental effect, rather fish farmers sell their produce in different markets across the country due to huge demand," he said.

"Besides there are many sheds established in different areas for making dried fish due to the international demand, so the fish market has grown," Azad added.

Not only at the commercial level, several thousand smaller fishermen in Chalan Beel and its adjoining areas produce dried fish in their households to sell the product in different districts during winter, said various sources.

The poverty reducing effect of migration



SAYEMA HAQUE BIDISHA

In the context of a developing country like Bangladesh, migration and resulting remittances can have crucial implications for its growth and development. Overseas migration has been working as a key means of providing employment opportunities for the growing labour force, with the remittances sent by the migrants contributing at both the macro and micro levels.

For example, since the last decade or so, international remittances have been on a rise and during the last fiscal (2020-21), it reached a record high of around \$24.8 billion (Bangladesh Bank, 2021).

However, not only international remittances, increased connectivity within the country and better employment opportunities in larger cities have led to a gradual increase in internal migration.

Both types of migration and resulting remittances have contributed directly towards the socio-economic welfare of the households and, in particular, played an important role in household consumption expenditure, thereby helping in eradicating household poverty.

Though it can vary across recipient households as well as with the characteristics of the migrant himself/herself, the micro effect of remittances can be quite substantial, especially for the rural households.

According to the Household Income and Expenditure Survey 2016 (HIES 2016) and with a propensity score matching (PSM) method across the migrant and non-migrant households, the former group was found to have significantly

higher per capita monthly consumption expenditure in comparison to the latter, with such a difference prevailing not only for international migration, but also for households with members undertaking internal migration.

However, the contribution of remittances sent by the migrants living abroad is much stronger as the effect (from a technical point of view-average treatment effect based on nearest neighbourhood matching) of such migration on the per capita monthly consumption expenditure of recipient households is significantly higher (Tk 1,538.57 vs Tk 572.91 for the internal migration households).

Such a positive contribution of migration on the consumption of recipient households can be observed more prominently while looking at the household level poverty rates.

While considering both types of migration, we find a 1.1 percentage points reduction in headcount poverty rate (for upper poverty line) due to migration. The poverty-reducing impact of foreign migration and resulting remittance flows is found to be around 0.9 percentage points, with the effect being rather a modest 0.2 percentage points for the internal migration households.



OPINION

While considering the lower poverty line, the effect of migration is found to be around 0.71 percentage points (0.57 percentage points for the international migration households and 0.14 percentage points for the internal ones). Therefore, while being a key source of income for the recipient households, migration and remittances tend to play a crucial role for their economic welfare.

It is not only during "normal" times, migration, especially the international one, has acted as a key form of coping instruments even in the context of Covid-19 pandemic induced income shock.

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GLOBAL BUSINESS

Vietnam police smash \$3.8b cryptocurrency ring

AFP, Ho Chi Minh City

Vietnamese police have smashed a huge cryptocurrency ring worth around \$3.8 billion, state media said Friday, as authorities battle rampant illegal gambling in the country.

Fifty-nine people were detained in southern business hub Ho Chi Minh City, accused of luring players through social media to place bets online, according to the city police's official newspaper.

The gambling ring is reportedly the biggest ever uncovered by Vietnamese police.

State media said players were instructed to buy a cryptocurrency wallet and convert their money into one of two digital currencies, Ethereum or USDT -- also known as Tether -- before placing bets on Swiftonline.live and Nagaclubs.com.

To entice new players, the detainees posted pictures on social networks showing off their fancy cars, expensive houses and extravagant parties.

To sway the more cautious, scammers also offered players insurance packages, with the promise of a refund if they did not win after six games.

However, during periods when there were a large number of players, the ring leaders crashed the websites in order to steal money from the digital wallets and avoid detection by police. Officers confiscated 55 laptops and desktops, 39 mobile phones and seven luxury cars from the gang in Ho Chi Minh City.

State media said the gang had also established large-scale gambling networks in many other provinces and cities across the country.

Vietnam's communist government has started loosening its grip on domestic gambling, allowing Vietnamese to bet in casinos and opening up some sports betting.



State media said players were instructed to buy a cryptocurrency wallet and convert their money into digital currencies before placing bets.

PHOTO: AFP/FILE

Global tax deal leaves billion-dollar loopholes

REUTERS, Dublin

Leaders of the world's largest economies hailed a recent agreement to overhaul global corporate tax rules as key ensuring multinationals paid their fair share of tax.

The October deal established a global minimum corporate tax rate of 15 per cent aimed at curtailing profit-shifting to lower-tax jurisdictions such as Ireland, where many large international firms have their European headquarters.

It will eliminate incentives to shift jobs and profits abroad, US President Joe Biden in early October.

But some companies could still use Ireland to reduce their tax bills even after the agreement takes effect, according to tax specialists and a Reuters review of corporate filings.

That's because the new agreement won't stop companies benefiting from a strategy widely implemented in recent years that reduces taxes over a period of up to a decade or more.

Ireland's relatively generous tax allowances permit multinationals with a presence in the country to sell intellectual property, such as patents and brands, from one subsidiary to another to generate deductions that can be used to shield future profits from tax.

Companies that have generated deductions to reduce their taxable income by more than \$10 billion each in recent years via this tax-minimizing strategy include US technology companies Adobe Inc and Oracle Corp, corporate filings show.

Business-software provider Oracle declined to comment and Adobe, creator of software such as Acrobat pdf-maker, didn't respond to requests for comment. Both companies have said they conform to relevant tax laws.

The agreement, brokered by the Organisation for Economic Co-operation and Development (OECD), is due to take effect in 2023.

It was signed by more than 130 jurisdictions, including Ireland.

The Irish finance ministry said Ireland's tax treatment of intellectual property transactions is in line with other OECD countries.

In response to Reuters questions, the OECD acknowledged that companies could continue to benefit from profit-shifting strategies already in place but that it expects companies to be unable to build up such tax shields in the future.

The approach typically relies on a company also having a subsidiary in a country with a corporate income-tax rate of zero, such as Bermuda, that enables the company to conduct the sale tax free.

By phasing out zero-tax jurisdictions for multinationals, the OECD expects the global minimum tax of 15 per cent will make the strategy no longer attractive. Were trying to design rules for the future, said John Peterson, an OECD official.

Peterson added that the OECD can't be certain how each country's rules would interact with the global minimum tax. But he said the OECD is confident that abuses will be limited by a requirement that countries calculate taxable income in accordance with accounting rules.

US service sector booms in Nov despite shortages

AFP, Washington

Business activity in the massive US services sector grew beyond expectations in November even as companies dealt with shortages and supply delays, according to an industry survey released Friday.

The Institute for Supply Management (ISM) said its services index climbed to an all-time high of 69.1 per cent last month, more than expected and a gain of 2.4 points from October.

All industries surveyed reported growth, while employment climbed, orders were stable but strong and prices fell back slightly even as they remained at high levels, according to the report.

However, the survey's chair Anthony Nieves said the supply shortages and delays that have complicated business across the world's largest economy have yet to abate.

"Demand continues to outpace supply that has been impacted by capacity constraints, shortages of labor and materials and logistical challenges," he said.

There was no improvement in supplier delivery times last month, the report said.

Omicron could dent global economic growth: IMF chief

REUTERS, Washington

The International Monetary Fund is likely to lower its global economic growth estimates due to the new Omicron variant of the coronavirus, the global lender's chief said at the Reuters Next conference on Friday in another sign of the turmoil unleashed by the ever-changing pandemic.

Omicron has spread rapidly to at least 40 countries since it was first reported in South Africa last week, officials say, and many governments have tightened travel rules to try to keep it out.

"A new variant that may spread very rapidly can dent confidence, and in that sense, we are likely to see some downgrades of our October projections for global growth," IMF Managing Director Kristalina Georgieva told the conference.

Much remains unknown about Omicron. Researchers said it could have picked up genetic material from another virus, perhaps one that causes the common cold, which would allow it to more easily evade human immune system defenses.

Parts of Europe and the United States are grappling with a wave of infections of the more familiar Delta variant.



IMF MD Kristalina Georgieva

The new strain could further destabilize economies that are still emerging from Covid-19 related lockdowns and disruptions.

A corporate Christmas party in the Norwegian capital Oslo resulted in at least 13 infections, making it the biggest outbreak outside of South Africa, officials said.

The World Health Organization's (WHO) chief scientist Soumya Swaminathan told Reuters Next that the fast-spreading variant would have to become more transmissible to out-compete Delta, which accounts for 99 per cent of current transmissions.

"We need to be prepared and cautious, not panic, because we're in a different situation to a year ago," she said. WHO's emergencies director Mike Ryan said there was no evidence that existing vaccines needed to be modified to fight Omicron.