

Berger, IAB to recognise architects

STAR BUSINESS DESK

Berger Paints Bangladesh and the Institute of Architects Bangladesh (IAB) will jointly recognise the country's architects based on their creations through a "Berger Award for Excellence in Architecture".

Rupali Chowdhury and Mubasshar Hussain, managing director and president of the two entities respectively, signed a memorandum of understanding in this regard at IAB Centre in the capital recently, says a press release.

Mohsin Habib Chowdhury, the paint maker's senior general manager (sales and marketing), and Khan Md Mustapha Khalid and Ishiaque Zahir, the IAB vice presidents, were present.



Rupali Chowdhury, managing director of Berger Paints Bangladesh, and Mubasshar Hussain, president of the Institute of Architects Bangladesh (IAB), exchange copies of a memorandum of understanding at IAB Centre in the capital recently. The entities will recognise the country's architects based on their creations through a "Berger Award for Excellence in Architecture".

NRBC Bank wins South Asian Business Excellence Award

STAR BUSINESS DESK

NRBC Bank has won the South Asian Business Excellence Award-2021 at an event in Colombo, Sri Lanka.

SM Parvez Tamal, chairman of the bank, received the award from former Sri Lankan President Maithripala Sirisena at a function organised by the SAPSSA in Colombo on Friday, according to a press release.

The private commercial bank was given the award in the "Best Use of IT & Technology in the Banking Sector Award" category.

The award was introduced to acknowledge the exceptional work and the results gained by the trailblazers of the corporate domain, in the face of an ever-increasing competitive market.

Set up in 2013, NRBC Bank provides services through 83 branches and 550 sub-branches.



SM Parvez Tamal

Ford to triple electric Mustang output by 2023

REUTERS

Ford Motor expects to triple the output of its all-electric Mustang Mach-E SUV to over 200,000 units per year by 2023 for North America and Europe, its Chief Executive Officer Jim Farley said in a tweet on Friday.

"It's hard to produce Mustang Mach-Es fast enough to meet the incredible demand, but we are sure going to try."

In a hot electrical vehicle market, Ford is pitting itself against the likes of General Motors Co and European carmaker Stellantis, while chasing Volkswagen and global EV leader Tesla Inc.

A Ford official last week said the company was aiming for annual EV production capacity of 600,000 in the next two years.



AMIN MOHAMMAD GROUP

Kyungju Kang, project director of the Aviation Dhaka Consortium (ADC), which is building the third terminal of the Hazrat Shahjalal International Airport, and Ramzanul Haque Nihad, managing director of Amin Mohammad Group, exchange signed documents of an agreement at the ADC office in the capital recently. Under the deal, the local real estate company will build the terminal. Amin Mohammad Foundation Executive Director (operations) Mohammad Tanvirul Islam was present.

Fed experiment offers historic bet on a soft landing from high prices

REUTERS, Washington

The US Federal Reserve's experiment with running a "hot" economy has edged into historically uncharted territory, with an unemployment rate never reached without associated central bank rate increases and now levels of inflation that in the past also prompted a policy response.

The Consumer Price Index for November posted the biggest annual increase in 39 years, data on Friday showed, amid signs that price pressures are broadening and likely leading policymakers at their meeting next week to significantly raise inflation projections that have been running behind actual outcomes.

That may prompt a policy shift, with officials accelerating plans to end their bondbuying and, many analysts expect, signaling that rate increases may begin sooner than anticipated.

The unemployment rate is also flashing red, at least by past Fed standards. The 4.2% rate reached in November has only been hit or exceeded about 20% of the time since the late 1940s, covering four periods of low joblessness, including the late 2010s, with the Fed raising rates during each.

The central bank in 2020 concluded that inflation was now less of a risk and pledged to try to milk more jobs and a lower unemployment rate out of an economy it felt had changed in fundamental ways since the high inflation scares of the 1980s - a conclusion that's now being tested in real time.

"They are behind the curve and I have thought so for some time," said Glenn Hubbard, former chair of the Council of Economic Advisers under President George Bush and now a Columbia University economics professor.

The Fed's new approach hoped to drive an array of labor market indicators like the participation rate back to pre-pandemic levels, but Hubbard said "running the economy hot...is a risky bet" if it aims to offset structural economic



REUTERS/FILE

Shoppers show up early for the Black Friday sales at the King of Prussia shopping mall in King of Prussia, Pennsylvania, US.

forces like demographics that aren't responsive, at least not quickly, to central bank policy.

Fed officials still hope inflation will ease largely on its own, even as they prepare to shift policy in ways that would allow sooner and faster interest rate increases next year than had been anticipated.

In the meantime, while Fed Chair Jerome Powell and other policymakers rebut comparisons between this era and the years in the 1980s when high inflation cut into living standards, recent price increases have posed a similar sort of political dilemma.

On the surface wages are rising as employers struggle to fill open jobs in a pandemic era where the unemployed are reluctant to rejoin jobs for health or other reasons, and those who are in jobs have gained leverage to job-hop for higher pay.

Yet once adjusted for inflation wages have fallen for nine of the past 11 months, with growth in "real" wages moving little beyond the pre-pandemic trend.

That fact has hit home in the

Oval Office, with President Joe Biden's Democratic Party facing a potentially difficult mid-term election map next year and his approval ratings taking a hit in part because of rising prices.

Biden in a statement Friday pitched the issue forward, arguing that key prices for gas and autos were already drifting lower, and said steps taken or proposed by his administration would help ease inflation's pace.

"Price increases continue to squeeze family budgets," Biden said. "We are making progress on pandemic-related challenges to our supply chain which make it more expensive to get goods on shelves, and I expect more progress on that in the weeks ahead."

The strong CPI data for November were expected, but still "only solidify the case for a faster tapering of asset purchases" when the Fed meets next week, said Rubeela Farooqi, chief U.S. economist for High Frequency Economics. "More important will be Chair Powell's message on tightening of policy going forward."

Central to Powell's messaging will be a defense of why this time it's different.

The pandemic offers one rationale. The shock dealt to the American economy in 2020 was unrivaled in its speed and scope, and the reopening - far from the turgid recovery from the 2007 to 2009 recession - has been so fast it has caused problems of its own.

Inflation is one aspect of that, with global supply chains trying to catch up with unprecedented consumer demand in the United States that was driven by another historic anomaly - personal incomes that rose, due to large government support programs, despite massive unemployment.

But the Fed's response is similarly unprecedented. The November unemployment rate is now close to the 4% level that policymakers consider sustainable over the long run.

It is also edging towards what Fed officials have effectively penciled in as the lower limit on the unemployment rate of about 3.5%.

American & Efir Bangladesh employees to get MetLife insurance

STAR BUSINESS DESK

MetLife Bangladesh and the American & Efir Bangladesh have recently signed an agreement for providing group life and medical insurance coverage to the latter's over 480 employees and their family members.

Established in 1891 and a part of solutions provider Elevate Textiles, the American & Efir is a global manufacturer and distributor of premium quality

industrial and consumer sewing thread, embroidery thread and technical textiles, says a press release.

Insurance product and service provider MetLife's customers include over 800 organisations from different sectors alongside over 1 million individuals.

Jafar Sadeque Chowdhury, additional managing director and chief distribution officer of MetLife Bangladesh, and Angelo Leanage, managing director of the American & Efir Bangladesh, signed the agreement.



METLIFE BANGLADESH

Jafar Sadeque Chowdhury, additional managing director and chief distribution officer of MetLife Bangladesh, and Angelo Leanage, managing director of the American & Efir Bangladesh, signed an agreement recently on group life and medical insurance coverage for the latter's employees.

Europe's car industry too reliant on other regions: Bosch chair

REUTERS, Frankfurt

Europe's automotive sector has become too reliant on Asia and other regions for vital components such as semiconductors and battery cells, Bosch's outgoing chairman told a German newspaper.

Automotive Chips and battery cells have become the two most important components in the age of electric and autonomous vehicles, forcing European carmakers to rely on Asian suppliers as local industry has been slow to build capacity close by.

"Yes, we have become too dependent on other regions, and a change of course is needed," Bosch's Supervisory Board Chairman Franz Fehrenbach, who steps down at the end of the year, told Frankfurter Allgemeine Zeitung.

"However, this is not the fault of politics, but is related to cost optimisation in the supply chain," he said. "The car industry is slowly asking itself how raw material supply will look like, particularly for battery cells."

German firms have outlined plans to claw back control, including Volkswagen which plans to build six large battery cell factories with partners in Europe by 2030.

A global shortage of automotive chips has highlighted the problem, causing the European Union to launch subsidy programmes to attract chipmakers to the continent.

Bosch, the world's largest automotive supplier, opened a 1 billion euro (\$1.1 billion) chip plant in Germany this year, its biggest-ever investment, as it stakes a claim to equipping the latest electric and self-driving cars.

FDI imperative for Bangladesh: gains and strategic options

FROM PAGE B4

At present, there is \$350 billion infrastructure gap in Bangladesh in the energy, water, logistics, and transport sector.

Infrastructure to GDP ratio is 3 to 4 per cent that needs to be increased to 6 to 7 per cent. Economic diversification agenda requires new manufacturing and services sectors that can break into international and domestic markets, and FDI will be quintessential to circumvent hindrances with regard to market access and tapping into new technology.

Moving ahead with smart strategies and developing new growth drivers through power of FDI.

Many aspects of public policy have supported the development of private business and FDI over the years. This includes gradual trade liberalisation since the 1990s, several financial policies implemented by the central bank, a relatively competitive exchange rate, and the expansion in power and energy access since 2009.

A key binding constraint for private investment was access to serviced land that is being addressed by introducing economic zones (EZs) policy and development projects, and earlier through the Export Processing Zones.

In the regulatory space, it is heartening to see the impetus the government is

attaching towards regulatory reforms for a better business environment.

A number of critically important business environment improvement initiatives have recently been undertaken, including reforms to improve ease of doing business, introduction of one-stop services for investors, several recent changes in the foreign exchange regulations act, incremental changes in the companies' law, and trade facilitation measures such as implementation of a national single window for faster and easier border clearance.

On the institutional aspects of the improvement efforts, the government of Bangladesh, primarily through the Prime Minister's Office and the Bangladesh Investment Development Authority, has put in place a concerted effort that include developing reform action plans, forming taskforces, coordinating reform initiatives among relevant government agencies, providing reform support to line agencies, conducting dialogues with private sector stakeholders, and monitoring reform progress.

Building on this momentum, it is critical for Bangladesh to move away from traditional approaches to FDI promotion to leveraging strategic enablers. For instance, exploring non-traditional sources of investments such as new growth sectors

that reflect global and future trends, and climate smart investments possess strong potential for Bangladesh.

A \$2.3 trillion halal food market by 2025, prospects of a \$3 billion e-commerce domestic market by 2023, and a global market of \$23 trillion by 2030 for green investments all speak volumes with regard to FDI potential in these emerging growth sectors.

A recent commendable initiative by the foreign investors' platform in Bangladesh, the Foreign Investors Chamber of Commerce and Industries, outlines in detail the opportunities for Bangladesh in these new growth areas and the strategies Bangladesh must deploy to realise the potential.

Accelerating public-private partnership opportunities in the country can pave the way for FDI, particularly in sectors and projects that have high risk and longer returns associated.

Many of such projects, such as a new container port in Chattogram, will be key determinant of Bangladesh's export and investment competitiveness.

Bangladesh can also take advantage of the shifting trends in the global value chain. Many countries are looking to expand supply chain bases and diversify existing concentration of production system. Moreover, Bangladesh can leverage

its export potential and favourable factors of production for efficiency-seeking investments to anchor incoming FDI.

Presently, Bangladesh has duty-free entry into China for over 8,000 products. The country can use its advantage of the newly developing economic zones to attract foreign investors who would harvest the benefits of duty-free entry into China. Other major regional economies such as India and Japan also hold similar prospects if complementary trade and investment strategies can be put in place.

Securing more global economic cooperation and expanded market access with the support of free-trade and regional-trade agreements can result in greater market access and increased confidence towards host countries leading to greater FDI.

Thus, it is imperative for Bangladesh to prepare and position itself as a strong candidate for hosting foreign investors. This calls for preparing and implementing a targeted, time-bound, and focused investment promotion plan, which will help identify and target the investors' group, outreach with Bangladesh's value proposition in high-potential sectors, and putting in place an effective investors facilitation and after-care process.

The author is chairman of Policy Exchange of Bangladesh

Investment proposals soar 50pc despite pandemic

STAR BUSINESS REPORT

The current financial year's first three months recorded 46 per cent higher investment proposals, both domestic and foreign, year-on-year in spite of the pandemic, said Bangladesh Investment Development Authority (Bida) yesterday.

Proposals of about Tk 20,464 crore in investments have been registered during this period of 2021-22.

Between July and September of financial year 2020-21, it was Tk 13,964 crore.

If the latest proposals are implemented, about 29,000 new jobs will be created, said Bida in a press release on its quarterly statistics made public last Thursday.

The latest offers came from 189 industries, of which 177 are local. They plan on putting to use around Tk 18,587 crore, which is Tk 5,887 crore higher than that last year.

The chemical industry accounts for most



of the locals' investment proposals. In addition, significant investment proposals came from the services, engineering and textile sectors.

Of the remaining companies, seven are wholly foreign while five joint ventures with locals. They proposed investing Tk 1,877 crore.

During the same three months last financial year, 20 non-local industries had come up proposing to invest Tk 1,285 crore.

Standard Bank holds annual risk conference

STAR BUSINESS DESK

Standard Bank Ltd recently held the day-long Annual Risk Conference-2021 through a virtual platform. Md. Anwarul Islam, general manager of the Department of Offsite Supervision (DOS) at Bangladesh Bank, inaugurated the conference as chief guest.

Md Touhidul Alam Khan, managing director and chief executive officer (Current Charge) of Standard Bank, presided over the event while Md. Ali Reza, chief financial officer, moderated the day-long conference.

A total of 400 participants, including all branch managers, deputy branch managers and divisional heads of Standard Bank attended the event.

Mohammad Rafiqul Islam and M Latif Hasan, deputy managing directors of Standard Bank; Md. Aminur Rahman Chowdhury, deputy general manager of the DOS; and Md. Lutful Haidar Pasha, joint director of Bangladesh Bank, also spoke.



Quazi Osman Ali, managing director and chief executive officer of Social Islami Bank Ltd (SIBL), recently inaugurated the lender's 171st branch at Chatteshwari Moor, Chattogram. Sayed Mohammed Sohel, SIBL's regional head for Chattogram, and Mohammed Farman, manager of the new branch, were present alongside other officials and local dignitaries at the programme.

SIBL

Dubai welcomes 4.88m visitors in Jan-Oct

REUTERS

Dubai welcomed 4.88 million visitors in the period January- October 2021, its Department of Economy and Tourism (DET) said on Saturday, adding that international visitors in the month of October alone had exceeded one million.

The figures reflect improving momentum

and stability in a hospitality industry battered by the COVID-19 pandemic and resulting lockdowns, the DET said. It gave no comparable figure for the same period in 2020.

It added that the emirate's hospitality sector had sold 9.4 million room nights in the Jan-Oct period, up from 7 million room in the same period in 2019.

AFP, The Hague

Shell shareholders on Friday overwhelmingly backed plans to switch the oil giant's headquarters from the Netherlands to Britain after a century and drop Royal Dutch from the name.

Chairman Andrew Mackenzie hailed the "resounding support from shareholders" after they voted 99.77 per cent in favour of the plan at a meeting in Rotterdam.

Europe's biggest energy firm says the move will simplify its tax and share arrangements, and speed up its transition from fossil fuels that cause climate change.

The Dutch government has said it was "unpleasantly surprised" by the plan, while Britain has hailed it as a vote of confidence in the British economy post-Brexit.

The move "will strengthen Shell's competitiveness and accelerate both shareholder distributions and

delivery of its strategy to become a net-zero emissions energy business by 2050, in step with society," Mackenzie said in a statement.

Shell's board must formally approve the plans before they come into effect "as soon as reasonably practicable", it said.

During questions from shareholders, Mackenzie had earlier denied the move was motivated by a Dutch court ruling earlier this year that Shell must cut its emissions.

But he admitted a Dutch government decision to drop plans for the scrapping of a dividend tax on big companies was a factor.

"We have always been and will continue to be very proud of how important the Netherlands is to our heritage," he added.

Shell will switch its tax residence and move its top executives from The Hague to London. Its 8,500 staff in the Netherlands will remain.

Drugmakers aim big price hikes at US patients

REUTERS, Washington

Drugmakers have targeted the U.S. market to earn outsized profits from old medicines, according to a report released on Friday by the House Oversight Committee that highlighted Eli Lilly and Co, Novo Nordisk and Sanofi, which dominate the market for insulin.

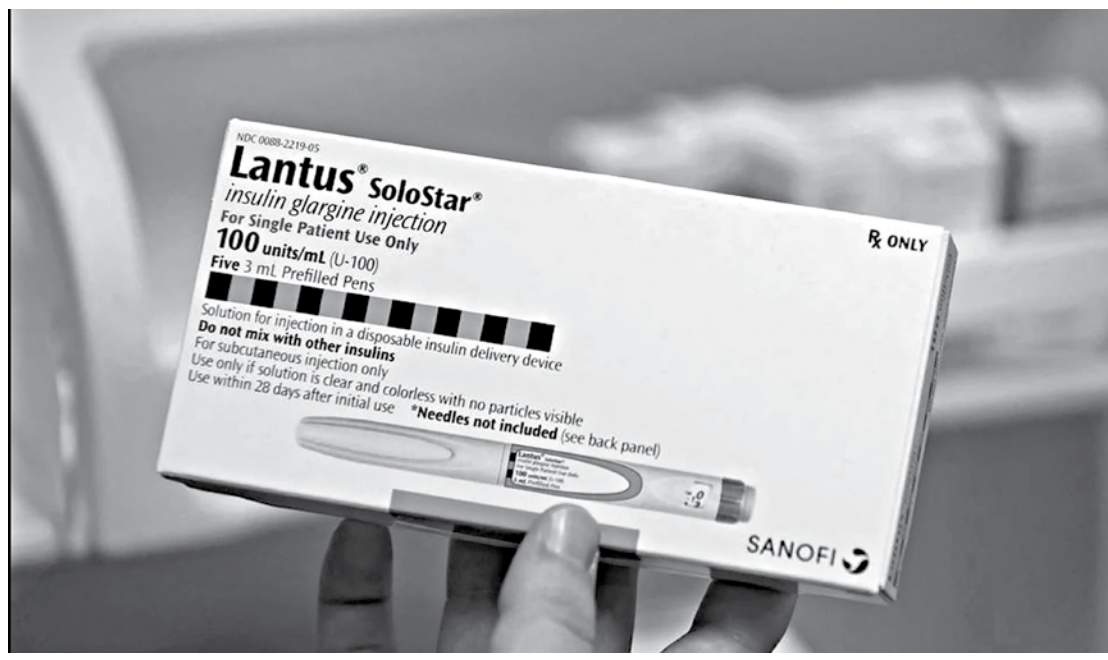
The staff report also noted pricing and marketing tactics by Pfizer Inc that helped it earn billions of dollars from its now off-patent pain drug Lyrica.

The report, put out following a nearly three-year probe, took issue with assertions by the pharmaceutical industry that high drug prices were needed to fund innovation and research and development programs.

"The Committee's investigation also found that companies dedicated a significant portion of their R&D expenditures to research that was intended to extend market monopolies, support the companies' marketing strategies, and suppress competition," the report said.

The report, which focused on 12 drugs made by 10 companies, said that Lilly, Novo Nordisk and Sanofi own some 90 per cent of the market for life-sustaining insulin, which was invented in the 1920s.

A Lilly spokesperson said the company offers discounts to make its insulin affordable. A Sanofi spokesperson said the price of its insulin product Lantus



REUTERS/FILE

A pharmacist holds a box of a medicine made by Sanofi at a pharmacy in Provo, US.

had declined almost 45 per cent since 2012. A Novo Nordisk spokesperson said the report reflected a limited picture of the company's efforts to make drugs accessible.

Medicare, the U.S. government health insurance program for those age 65 and older and the disabled, could have saved more than \$16.7 billion from 2011 to 2017 on insulin purchases had it been allowed to negotiate discounts with drug companies, the report found.

"We found that drug companies target American patients for price increases, in large part because Medicare is prohibited from negotiating for lower prices. At the same time, the drug companies maintained or cut prices for the rest of the world," Committee Chairwoman Carolyn Maloney said at a news conference on Friday.

The high prices have had human costs. More than 40 per cent of insulin-dependent patients surveyed said they rationed their

medicine in the previous year, the Colorado attorney general's office found in a 2020 report.

President Joe Biden's Build Back Better plan, which passed the House and should come before the Senate this year, includes a provision allowing Medicare to negotiate with drugmakers, although only for a small number of medicines.

The report also found that some pharmaceutical companies engage in what it called "product hopping," a practice of making

small tweaks to formulations to get a new patent and then switching patients to the newer, more expensive version. There are bills before Congress to ban product hopping.

Among big-selling insulin products, Eli Lilly raised the price of its Humalog 1,219 per cent per vial since it launched, Novo Nordisk raised the price of NovoLog 627 per cent since launch and Sanofi has raised the price of Lantus 715 per cent, the report found.

The report also found that Pfizer targeted the U.S. market for higher prices for its blockbuster Lyrica, as well as using product hopping to prevent patients from shifting to cheaper, generic versions of the medicine. Lyrica's price had gone up 420 per cent since it was approved in 2004, the report said. It had sales of about \$2 billion in 2019.

Pfizer did not have an immediate comment.

The report also listed price hikes of 825 per cent for Teva Pharmaceutical Industries' Copaxone, 486 per cent for Amgen's Enbrel, 395 per cent for Novartis' decades-old Gleevec, more than 100,000 per cent for Mallinckrodt's Acthar, 471 per cent for AbbVie's Humira and 82 per cent for its Imbruvica, and 255 per cent for Celgene's Revlimid, now owned by Bristol Myers Squibb.

Most of the drugs mentioned in the report are over a decade old.

Go for tech-oriented business landscape

FROM PAGE B1

This includes taking responsibility of office and staff to sustain the business, said Shwapna Bhowmick, Bangladesh country manager for Marks & Spencer.

They have to think differently as well as being aware of the ins and outs, she said, adding, "The leaders try to add value to what she/he does every day."

Being in leadership is not about position rather it is an action, said Yasir Azman, chief executive officer of Gramophone.

"You have to dream and learn more and more. These help you do more. Giving reward and feedback to colleagues are important to motivate their works," he said.

No corporate house will be successful without practising the right culture, he said.

Syed Moimuddin Ahmed, additional managing director of Green Delta Insurance, stressed on practising telling the truth, saying it eventually helps a person become a trustworthy leader. Being disciplined is an important tool as it emanates the characteristics of a leader, he said.

Corporate leaders should maintain a vibrant relationship with vendors for expansion of their businesses, said Malik Talha Ismail Bari, a director of United Group.

Teamwork, encompassing all from manufacturing to distribution, helps make business sustainable, which subsequently yields a satisfactory outcome, said Asadul Haque Sufyani, chief operating officer of Bengal Cement. The pandemic taught a lesson, that every company should keep some funds in reserve to make it through tough times, said Ihtesham Shahjahan, managing director of Quality Feeds. They have to also try to reduce operational costs, he said. He also underscored the importance of networking among stakeholders, especially companies and customers, saying it could help realise demand for products.

Najmus Ahmed and Anis A Khan, executive director and chairman respectively of the Valor of Bangladesh, also delivered opening speeches.

Presented by the EBL and powered by Btrac Technologies, the summit comprised six sessions which were addressed by over 36 senior executives of various companies.

99 get BASIS outsourcing awards

FROM PAGE B1

He also emphasised on more public-private initiatives to innovate new products and services as well as develop the skills of workers in order to expand the market abroad.

"Local software and software services which are being successfully used in the country need to be taken to other parts of the world to materialise the vision of digital Bangladesh," Kabir said while underscoring the need for government assistance to expand the domestic software market beyond the country's borders.

In her speech, BASIS Senior Vice President Farhana A Rahman emphasised on developing skills in pace with the advancement of technology.

She said the BASIS Outsourcing Award particularly aims to recognise those who work in remote areas and also help freelancers become entrepreneurs.

However, Rajiv Hassan, chief product officer of Selise, said it is difficult to get the payments for outsourced work as there is a cap on the amount of funds that can be transferred through existing channels.

This is because the country lacks international payment systems such as PayPal but if we can remove this barrier, then outsourcing could increase," Hasan said.

In response, State Minister Palak said work is ongoing to bring PayPal's services to Bangladesh.

SM Kamal, a former BASIS president; Shoeb Ahmed Masud, vice-president (admin); Mushfiqur Rahman, vice-president (finance); and SM Iqbal Hossain, managing director of Bank Asia, were present at the event. Bank Asia was the Platinum Sponsor of the programme while MasterCard, IBPC and LICT were in overall collaboration.

Swedish embassy, CPD team up for green garment initiatives

FROM PAGE B1

Highlighting the project's importance, Fahmida said that ensuring employment for women and youths alongside a green transition are crucial for sustainable economic growth. Bangladesh is committed to securing sustainable economic growth and so, ensuring environmental compliance in the industrial sector can help the country achieve its goals in this regard, she added.

ICAB honours 36 corporates for best annual reports

FROM PAGE B4

Category-wise first, second and third prize winners respectively are IDLC Finance, Bangladesh Finance and Delta Brac Housing Finance Corporation (financial services); and British American Tobacco (BD), RAK Ceramic (Bangladesh) and Reckitt Benckiser BD (manufacturing).

There are also Reliance Insurance, Prime Insurance Company and Eastland Insurance Company (insurance); IDLC Finance, LankaBangla Finance and Bank Asia (integrated reporting); and the Investment Corporation of Bangladesh and Infrastructure Development Company (public sector entities).

Prizes were also jointly won: Bank Asia and LankaBangla Finance both won first prize, Shahjalal Islami Bank and IDLC Finance jointly second and Brac Bank third prize (corporate governance disclosures).

Likewise, BRAC Bank and Bank Asia won the second prize while Shahjalal Islami Bank first and Mutual Trust Bank third (private bank).

Similarly, Ghashful and Community Development Center together came third while SAJIDA Foundation first and BRAC second (non-governmental organisation or non-profit organisation).

Moreover, a "Certificate of Merit" was presented to 11 entities. They are Uddipan, Southeast Bank, Eastern Bank, The City Bank, Janata Bank, Rupali Bank, IPDC Finance, Marico Bangladesh, Orion Pharma, MJL Bangladesh and Paramount Textiles.

Addressing the programme, ICAB President Mahmudul Hasan Khuru said the ICAB's role was to promote, enhance and improve financial statements and reports to reflect fair views, thereby safeguarding interests of the government and stakeholders. He said the award seeks to promote transparent reporting and adequate disclosures through application of accounting or financial reporting and auditing standards, thereby meeting stakeholder expectations and high levels of professional ethics.

GM may invest \$4b in electric vehicle plants

REUTERS

General Motors is considering investing more than \$4 billion in two Michigan plants to boost its electric vehicle production capacity, according to sources and documents made public on Friday.

GM has proposed building a \$2.5 billion battery plant near Lansing with partner LG Energy Solution, the

documents show.

The largest U.S. automaker is separately considering a \$2 billion overhaul of its Orion Township assembly plant north of Detroit to build next-generation electric vehicles. The total investments could top \$4 billion, a source familiar with the plan told Reuters. Documents posted by the city of Lansing show GM is considering building a battery cell manufacturing

plant in nearby Delta Township that could employ 1,700 people by 2028. The Lansing City Council is expected to consider the proposal on Monday.

The joint venture battery plant would be 2.5 million square feet and is on land currently owned by GM, the documents say, adding that "the battery cell production facility will generate significant economic activity throughout Michigan."

Bangladesh rolls out 5G

FROM PAGE B1

He says 4G and 5G services are not the same. While 4G deals with connectivity, 5G's application is industry-based. "So, the two should not be compared."

The first 5G network was launched in April 2019 by South Korea and the US. Commercial 5G is now available in 1,336 cities across 61 countries, said Arizona-based VIAVI, which offers lab-based network test solutions, in June in its "The State of 5G" report.

Abu Saeed Khan, senior policy fellow at LIRNEasia, a think-tank based in Colombo, says the introduction of the 5G service is primarily a political decision, not based on the market demand.

"Through this, the taxpayers' money is being wasted. In the backdrop of poor 4G service, talking about 5G is nothing but a stunt."

He says the penetration of smart

phones in Bangladesh is not more than 35 per cent. And as there is a shortage of 5G-enabled phones, there will be no service, he said.

"We don't need 5G as per market demand. We need full 4G service."

The market desperately needs a conducive policy pertaining to infrastructure sharing for a modest quality of 4G services, the telecom expert said.

"Therefore, the government must overhaul the anti-broadband policy regarding optical fiber infrastructure. Infrastructure sharing should be mandatory."

According to Khan, Teletalk is still a defaulter in terms of payment for the spectrum. So, it is utterly unethical to glorify the operator using taxpayers' money for such a politicised farce of technology.

Teletalk Managing Director Shahab

says the operator has urged the finance ministry to convert the spectrum fee into equity as the government is the owner of spectrum.

Responding to the absence of smooth service for its subscribers, he says the number of towers, also known as base transceiver stations (BTS), of Teletalk is a third of Gramophone's. And, it could not invest to expand BTS for a lack of investment.

"The service will improve following an increase in investment."

In March, the GSMA called for improving affordability by adopting appropriate policy and regulation in areas such as tax, subsidies and business innovation to increase mobile internet adoption in Bangladesh.

It urged the government to equip individuals with digital knowledge and develop an ecosystem to produce contents locally.

ICAB honours 36 corporates for best annual reports



Recipients of the 21st ICAB National Award for Best Presented Annual Reports, Integrated Reporting and Corporate Governance Disclosures pose with Tipu Munshi, commerce minister, and Mahmudul Hasan Khusru, president of the Institute of Chartered Accountants of Bangladesh (ICAB), at the Pan Pacific Sonargaon hotel in Dhaka yesterday.

STAR BUSINESS REPORT
An ICAB National Award was presented to 36 entities by the Institute of Chartered Accountants of Bangladesh (ICAB) yesterday for their best presented annual reports, integrated reporting and corporate

governance disclosures in 2020. Commerce Minister Tipu Munshi handed over the awards at Pan Pacific Sonargaon Dhaka. This year, the ICAB and Chairman of Review Committee for Published Accounts and Reports received annual reports from 72 entities.

The award was given in 14 categories. The infrastructure and construction category could not be considered as no participant was able to attain the threshold score for qualification. Among the first prize winners

are Summit Power (power and energy), ACI (diversified holdings), Grameenphone (communication and information technology), Unique Hotel and Resorts (service) and Golden Harvest Agro Industries (agriculture).

READ MORE ON B3

FDI imperative for Bangladesh: gains and strategic options



M MASRUIR REAZ

Over the past five decades, Bangladesh managed to transition to an increasingly manufacturing-based and service-oriented economy and fared well in social indicators. It has registered average gross domestic product (GDP) growth rates of more than 6 per cent in the last 10 years and over 8 per cent in the fiscal year 2019.

The poverty rate dropped from 31.5 per cent in 2010 to 21.8 per cent in 2018, a significant step toward reaching the Sustainable Development Goal target of eradicating extreme poverty by 2030.

The success of a persistent and sturdy growth rate is based on real structural transformation, growing private sector engagement, export-oriented industrialisation, vibrant rural economy, and steady development outcomes. In February 2021, Bangladesh secured final nod to graduate from a least-developed country to a developing country which will take place in 2026.

The economic downturn from the coronavirus pandemic poses multidimensional challenges for Bangladesh that may span over the medium and long-term horizon. However, it seems a major casualty of the downfall will likely be private investment, particularly foreign direct investment (FDI). An UNCTAD assessment suggests that the global FDI contracted by a large margin of 42 per cent in 2020, the magnitude of the fall being one of the largest in last many decades.

Such challenges emerge at a time when Bangladesh is in need to enhance its FDI more than ever before. There are several compelling reasons for this. First, according to the 8th Five Year Plan, Bangladesh needs to step up the pace of growth to more than 8 per cent if it has to move towards upper middle-income country by 2031.

It is important for the economy to have increased levels of FDI because it can't only help create the much required employment for Bangladeshi youths but also support

in augmenting domestic capital, help in transfer of new technology and products, facilitating access to new and large foreign markets, and provide training of local workforce by upgrading their technical and managerial skills, hence making them more efficient and productive.

Impressive economic and human development gains provide strong headroom for growth in FDI

The importance of Bangladesh raking in higher levels of FDI is paramount, especially when the country aspires to become an upper-middle-income country by 2031 and a developed country by 2041. For this to materialise, private investment-to-GDP ratio needs to rise to 27 per cent. However, the last decade has witnessed this ratio being stagnant at 22 to 23 per cent.

Additionally, FDI over the last decade has averaged 1.1 per cent of GDP, whereas comparator countries like Vietnam and Malaysia have fared better with 6 per cent and 3.4 per cent, respectively.

Building on its economic and human development strengths, Bangladesh has ample headroom to bring in more diversified sectors as candidates for FDI as



OPINION

the lion share of FDI is concentrated within a narrow spectrum of industries such as power, banking, food, telecommunications and textile and weaving over the past several years. FDI can provide much-needed impetus to growth drivers

The impressive economic and social progress Bangladesh secured had much to gain from increasing number of higher-waged jobs, exploitation of international market through increasing exports, spill-over effects in manufacturing from the RMG sector, and improvement in rural and energy infrastructure.

In the recent years, some of these growth drivers have come under pressure. Job-drivers such as exports are decelerating and FDI can help provide employment to over 20 million youths that are expected to enter the labour force in the next decade.

One of the prerequisites to Bangladesh attaining sustained 8 per cent growth trajectory is a higher degree of economic diversification. However, diversification remains elusive and one key reason is a lack of adequate infrastructure.

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Dhaka chamber opens DCCI Gulshan Centre

STAR BUSINESS REPORT
The Dhaka Chamber of Commerce and Industry (DCCI) yesterday inaugurated its extended office, called the "DCCI Gulshan Centre", to render business related services to its members in the quickest possible time.

Commerce Minister Tipu Munshi inaugurated the new office space at the chamber's own premises in Dhaka's Gulshan, according to a statement from the DCCI.

The country's entire business community is working together to achieve Vision 2041, Munshi said at the inauguration.

Bangladesh's economy is an

agro-based economy and it needs to give emphasis on this sector, including diversification.

"Moreover, we need to strengthen our small and medium enterprises (SMEs) for better expansion of our economy," the commerce minister added.

Munshi went on to say the new extension of DCCI in the north side of the city is a reflection of its strength and he hopes that the chamber will be able to serve the business community more in the days to come.

Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry, said Bangladesh still lags behind in the logistics sector, but it

is necessary to prioritise the sector to attract foreign direct investment.

Uddin also said removing traffic congestion on the Dhaka-Chittagong highway and ensuring faster services at sea ports will help boost the economy. He sought cooperation from the commerce ministry to strengthen chamber bodies and sectoral associations.

"In order to achieve the goal of becoming a developed country and face the challenges of LDC graduation, we have to give more focus on different promising business sectors."

He is hopeful that the DCCI Gulshan Centre will extend better services not only to its own

members, but also the overall business community.

DCCI President Rizwan Rahman said the main objective of establishing the DCCI Gulshan Centre is to provide wide ranging and faster membership services as well as disseminating business information to the business community.

"SMEs are the lifeline of our economy and to face the upcoming challenges of LDC graduation and economic growth we need to facilitate this sector," he added.

NKA Mobin, senior vice-president of the DCCI, Monowar Hossain, vice-president, and former presidents of the chamber were also present at the ceremony.

GLOBAL BUSINESS

Facebook inching towards metaverse

Opens virtual world app to public

AFP, Washington

Facebook's parent firm opened its Horizon Worlds virtual reality platform on Thursday to the public in North America, in a step toward building its metaverse vision for the future.

Horizon Worlds is far from a fully realized metaverse, a future internet where online experiences like chatting to a friend would eventually feel face-to-face thanks to virtual reality (VR) headsets.

But headset-wearing users in the United States and Canada can now gather with friends or others, play games and build their own virtual worlds on Horizon as long as they are 18 years old and have the proper equipment. Since last year a testing version of the platform has been available to a limited number of users.

Facebook renamed its parent company to Meta in October to emphasize its aim to shift from scandal-prone social media platform to its virtual reality vision for its future. "We want Horizon Worlds to be a safe and respectful environment, so everyone must follow our Conduct in VR Policy," Meta said in announcing the opening.

"You have several safety options... which



lets you take a break and then block, mute or report people," it added.

Meta-owned platforms Facebook and Instagram have been fighting to put behind them a crisis unleashed in September by reams of internal studies leaked to journalists and US authorities by whistleblower Frances Haugen.

The documents underpinned damaging articles that generally argued the firm knew its products could harm users, but chose growth over safety.

The firm's metaverse push also includes tools for remote working, which has boomed during the pandemic.

Facebook in August unveiled technology for "workrooms," allowing remote collaboration for people using its Oculus virtual reality gear.

US inflation surges to near 40-year high, testing Biden



AFP

The month-on-month rate of consumer price inflation in the United States also decelerated slightly to 0.8 per cent, but that was nonetheless higher than expected.

AFP, Washington

US consumer prices rose last month at a rate not seen in nearly 40 years, the government reported Friday, underscoring how inflation threatens the world's largest economy and President Joe Biden's public support.

The Labor Department's consumer price index (CPI) jumped 6.8 percent compared to November of last year, its biggest gain since June 1982 as prices for gasoline, used cars, rent, food and other goods continued to climb.

While the report contained signs that the inflation wave may be reaching a crest, it nonetheless poses a political liability for the president, with the Republican opposition using it to argue against his economic policies.

Biden countered that the report did not encompass recent declines in prices of energy and used cars -- two main drivers of the high inflation readings seen this year -- and that supply chain issues which have driven prices higher are being resolved.

"Today's numbers reflect the pressures that economies around the world are facing as we emerge from a global pandemic -- prices are rising," Biden said in a statement.

He added that "price and cost increase are slowing, although not as quickly as we'd like," but later acknowledged inflation was "a real bump in the road."

Top Senate Republican Mitch McConnell blamed the White House for the price spikes, saying that the data "confirm what every American family already knows:

Inflation is out of control on the Democrats' watch."

Gasoline prices rose 6.1 percent last month, while prices of used cars climbed 2.5 percent, according to the CPI report.

However, those were both the same increases as in October. The month-on-month rate of consumer price inflation also decelerated slightly to 0.8 percent, but that was nonetheless higher than expected.

Biden made fighting inflation a top priority last month after the CPI in October saw its sharpest annual increase since 1990.

That surprised analysts and gave Republicans ammunition to use against Biden's landmark Build Back Better plan, which would spend \$1.8 trillion on improving social services and fighting climate

change but faces a tough road in Congress, which his Democrats control by a narrow margin.

A variety of factors have caused the price increases, including shortages of components and workers, high demand for goods and rebounds in industries that were disrupted by the Covid-19 pandemic but are now recovering with the help of vaccines.

The degree to which Biden deserves blame for the inflation spike is the subject of debate.

Mickey Levy, chief economist covering the Americas and Asia at Berenberg Capital Markets, pointed to the supply bottlenecks, the Federal Reserve's low interest rate policies and pandemic recovery legislation enacted under Biden and his Republican predecessor Donald Trump.

Spain to cut taxes for digital nomads

AFP, Madrid

The Spanish government adopted Friday measures to attract so-called digital nomads -- remote tech workers who can do their job from anywhere with a good internet connection.

A growing number of countries are seeking to lure digital nomads with easy visa conditions and tax breaks as they can help boost the local tech start-up scene.

The Spanish measures, which will allow arriving digital nomads to use a non-resident tax status with lower rates for five years, will form part of wider legislation meant to help start-ups, including fiscal incentives for investors.

The legislation will "attract and retain

international and national talents" by helping "remote workers and 'digital nomads' set up in Spain," the economy ministry said in a tweet.

Spanish expatriates who have been abroad for more than five years are also eligible for the programme.

The widespread adoption of remote working during the coronavirus pandemic has opened up the possibility for more workers to relocate far from home.

Earlier this year Croatia adopted a measure offering a one-year visa to digital nomads and exempting them from income taxes.

Georgia, Thailand, Iceland and Costa Rica also have measures in place for digital nomads.