

# 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.

# Shell shareholders back plan to switch headquarters to UK

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.

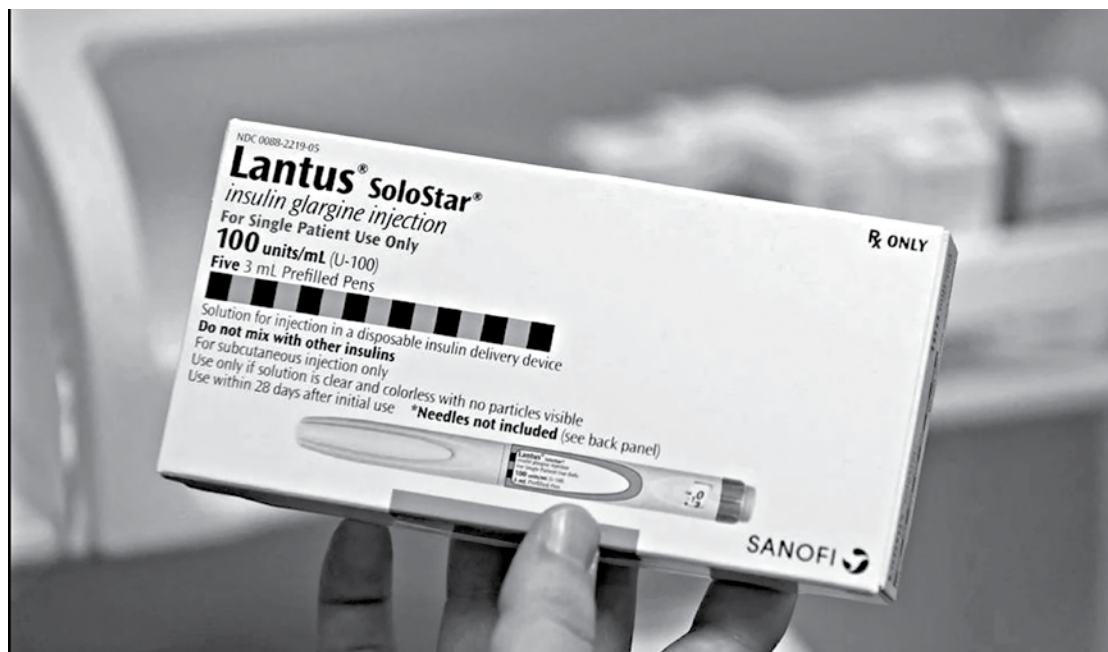
The staff report also noted pricing and marketing tactics by Pfizer Inc that helped it earn billions of dollars from its now off-patent pain drug Lyrica.

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

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

They have to try 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 Gramenphone.

"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

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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

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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

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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

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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 Grameenphone'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.