

Star BUSINESS



Millers won't buy jute for over Tk 3,000 per maund

STAR BUSINESS REPORT

Jute millers and spinners have collectively decided that they will not buy the natural fibre for more than Tk 3,000 per maund from January 20 onwards in the face of rising costs.

The Bangladesh Jute Mills Association (BJMA), Bangladesh Jute Spinners Association (BJS), and Bangladesh Jute Association (BJA) took this decision at a joint meeting on Sunday.

In their words, the decision was taken to protect the industry.

The prices of raw jute recently hit Tk 3,300 to Tk 3,800 per maund (37 kilogrammes), up about 26 per cent compared to that of a month ago, according to various traders.

In the meeting, millers said raw jute prices are high as supply declined due to stockpiling by middlemen.

The prices of raw jute recently hit Tk 3,300 to Tk 3,800 per maund. Millers alleged that middlemen illegally stockpile a major portion of raw jute, creating an artificial crisis

And considering the high prices, production costs have risen to such an extent that the rate of work orders cannot compensate.

As a result, millers are counting huge losses and are being compelled to shut down their factories, they said.

Millers also alleged that middlemen illegally stockpile a major share of the raw jute, creating an artificial crisis in the market to make extra profit.

At the same time, foreign buyers are shifting their attention away from jute products to alternative items after failing to buy the goods at their stipulated prices, they added.

While speaking with The Daily Star yesterday, Ganesh Chandra Shaha,

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The poster reading "A" above the cashier denotes that the eatery is of "good" quality. Bangladesh Food Safety Authority runs this grading system, helping customers make informed purchases. But three years past being initiated, just 150 restaurants and bakeries have been brought under the initiative. The photo was taken at Cafe Baisakhhi Restaurant opposite the National Press Club in the capital yesterday.

PHOTO: PRABIR DAS

GRADING EATERIES loses appetite

SUKANTA HALDER

Plans to bring the country's restaurants and bakeries under a grading system according to their standards have seen little progress in three years.

In early 2019, Bangladesh Food Safety Authority (BFSA) initiated the move by displaying stickers of the standards initially at 56 establishments in Dhaka as a review for customers to make informed purchases.

Till date, only 150 restaurants and bakeries have been brought under the system.

Regular monitoring of food quality and hygiene is also in a limbo.

The BFSA said the grading system was new for businesspeople, so most did not show interest in joining the initiative.

Most have no capacity to maintain standards, which is another reason behind the slow progress, it said.

According to the BFSA officials, the establishments were graded in four categories -- the best getting A+, the "good" A, the "average" B and the "very poor" C alongside a one-month's notice for improvements.

The 150 establishments were all in and around Dhaka and the BFSA has set a target to bring 10,000 in 64 districts under monitoring this year, said Imran Hossain Molla, a BFSA monitoring officer.

Similar ratings exist in London, said journalist Mostafa Yousuf recalling a visit in 2019.

"I saw roadside shops selling fast food, all having a three-star hygiene rating out of five. This grading system helps customers get an idea about the shop and the food they sell," he said.

The BFSA was established in February 2015 under the Food Safety Act 2013 to prevent food adulteration and ensure food quality.



The agency has the jurisdiction to conduct mobile courts and punish those violating the rules pertaining to the production and sale of food.

According to the BFSA data, 1,530 mobile courts were run in fiscal year 2020-21 by the authority's own executive magistrate alongside district magistrates.

During this time, 2,870 cases were registered, Tk 5.10 crore in fines imposed, 2,199 rule violators penalised and 131 jailed.

According to Bangladesh Restaurant Owners Association, there are about 60,000 restaurants in the country, including around 10,000 in Dhaka.

GROUND REALITY

Cafe Baisakhhi Restaurant, located opposite National Press Club in the capital, has been graded A by the BFSA. During a visit on the evening of January 15, food was found kept in dishes in the kitchen without any lid, with flies buzzing over two of them.

The kitchen itself was damp while the floors dirty.

Wearing clean clothing had gone out the window for kitchen staff. Though the two persons serving food were wearing distinguishable clothing, none had face masks on.

"We want to run the restaurant according to the rules. But we cannot always follow the rules. Moreover, the number of customers has come down after the metro rail project started," said Manager Tanvir Ahmed.

"When grading activities were initially undertaken, there was a lot of monitoring. But I can't recall when was the last time any official came to monitor our restaurant," he said.

According to the BFSA, in the last three years, a number of restaurants received C grade. One of those is Vikrampur Mistanno Bhandar located in Kalabagan.

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US-Bangladesh economic ties strong despite pandemic

Says US embassy official

STAR BUSINESS REPORT

The economic ties between Bangladesh and the US are stronger than ever now even despite the severe fallout of Covid-19, according to a top official of the US embassy in Dhaka.

Both countries carried out some extraordinary business deals even when the coronavirus outbreak was at its peak as well as just before the pandemic hit, said John D Dunham, unit chief for economic and Indo-Pacific affairs of the US embassy in Dhaka.

In 2018-19, Boeing completed the sale of three 787 wide-body aircraft to Biman Bangladesh Airlines, the country's national flag carrier.

Besides, Bangladesh's first geostationary communications satellite, Bangabandhu-1, was launched from the Kennedy Space Centre in Florida back in May 2018, he added.

Soon after the Covid-19 pandemic began, Beximco became the first company from Bangladesh to export critically important personal protective equipment (PPE) to the US. However, US company Covax donated PPE for global healthcare relief at the same time.

The American government also donated \$218 million as Covid-19 donations alongside 28 million vaccines.

In addition, a US company has signed an agreement with Bangladesh to install the undersea submarine cable at a cost of \$700 million to \$1 billion by 2023 that will connect France via Singapore, Dunham said.

Even amid the coronavirus crisis, the 27th US Trade Show was held in Dhaka in February last year, when the world's first integrated floating LNG terminal was installed in Bangladesh.

General Electric, a US-based multinational electrical solutions company, has supplied turbines to 38 power projects in the country so far.

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STOCKS	
DSEX ▲	CSCX ▲
0.50%	0.40%
7,055.27	12,404.52

COMMODITIES	
Gold ▲	Oil ▼
\$1,820.51	\$83.80
(per ounce)	(per barrel)

CURRENCIES				
	USD	EUR	GBP	CNY
BUY TK	85.05	96.06	115.49	13.16
SELL TK	86.05	99.86	119.29	13.83

ASIAN MARKETS				
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▲ 0.14%	▲ 0.74%	▲ 0.18%	▲ 0.58%	
61,308.91	28,333.52	3,287.95	3,541.67	

High import duty hinders furniture export

JAGARAN CHAKMA

High import duties on raw materials are dampening price competitiveness of Bangladesh's furniture industry, a major drawback to tapping into international markets.

Though manufacturers have been into exporting furniture for the past decade or so, the annual sales figure is yet to cross \$100 million, a scenario warranting consideration since the government is already trying to diversify the export basket.

Bangladesh earned \$79.47 million from furniture exports last fiscal year and \$90 million in fiscal year 2019-20, according to the Export Promotion Bureau (EPB).

According to the EPB, Bangladesh's furniture exports have increased by about 267 per cent in the last decade. "Import duty is the main barrier to increasing furniture exports from Bangladesh as the sector is quite dependent on imported raw materials," said Selim H Rahman, chairman and managing director of Hatil Furniture, a leading exporter.

"We the furniture manufacturers have to import most of the raw materials including wood, lacquer and all hardware," he said.

"The import duty of raw materials, including value added

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FURNITURE MARKET AT A GLANCE



Total market size: Tk 25,000cr



Market share of brands: 20%



Share of non-branded furniture makers: 80%



Total entrepreneurs: 71,034 (including small, micro and medium)



Employment: around 18 lakh



Export earnings in FY21: \$79.47m

SOURCES: EPB AND INDUSTRY PEOPLE

Ctg customs foil bid to launder Tk 1.6cr

MOHAMMAD SUMAN, Chattogram

Chattogram Customs House has seized a consignment on charges of laundering Tk 1.6 crore by exporting 22 times more goods than the declaration.

The consignment of RM Sourcing Bangladesh, a Dhaka-based buying house, was seized just before leaving from Chattogram port to Venezuela on Monday, customs officials said.

According to the documents, the company has opened a letter of credit (LC) of \$7,486 with IFIC Bank for the purpose of exporting 6,086 pieces of T-shirt, short set and short pants to Royal Drone International Trading OPC of Venezuela.

In the bank documents, the US dollar's exchange rate against the Bangladeshi taka has been shown at 96.7.

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Stocks keep gaining

STAR BUSINESS REPORT

Dhaka stocks finished higher yesterday as investors showed higher interest in telecommunication, pharma and banking shares.

DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), ballooned 35.67 points, or 0.51 per cent to close at 7,055.27 yesterday.

The blue-chip index, DS30, and the Shariah-based index, DSES, also gained on the day.

Turnover, an important market indicator, edged up 12 per cent to Tk 1,686.7 crore yesterday from Tk 1,506 the previous day.

Large-cap sectors posted mixed performances, BRAC EPL Stock Brokerage Ltd said in its daily market update.

The telecommunication sector booked the highest gain of 0.80 per cent followed by pharmaceuticals with 0.39 per cent, and banking with 0.38 per cent, it added.

Telecom sector booked the highest gain of 0.80 per cent followed by pharma with 0.39 per cent and banking with 0.38 per cent

Fuel and power experienced the highest loss.

At the DSE, Bangladesh Shipping Corporation was the most highly traded stock with shares worth Tk 131 crore changing hands. Sail Powertec was the second most highly traded script.

Union Insurance, Samorita Hospital and Orion Infusion topped the gainers list while Taufika Foods, RAK Ceramics and Prime Life Insurance were the biggest losers.

At the DSE, 173 stocks gained, 152 declined and 54 closed unchanged.

The Chittagong Stock Exchange also rose yesterday. The CASPI, the main index of the CSE, closed 83 points, or 0.40 per cent, higher at 20,650.



Coal is being loaded in a barge for transport through a river in Central Kalimantan province in Indonesia's Borneo island. PHOTO: AFP

Indonesia to improve coal delivery checks

REUTERS, Jakarta

Indonesia's state utility Perusahaan Listrik Negara (PLN) said on Friday that together with the energy ministry it was strengthening a coal delivery monitoring system to ensure enforcement of domestic sales rules and energy security.

The world's biggest thermal coal exporter introduced an export ban on Jan. 1 as coal inventories at local power plants were at critically low levels, amid low compliance with a so-called Domestic Market Obligation (DMO).

Under the DMO, miners must sell 25 per cent of their output to the local market with a price cap of \$70 per tonne for power plants, below the current market price.

Coal deliveries to local power plants will be monitored throughout the supply chain by PLN and the energy ministry's mineral and coal department, and miners would receive automated warnings for any late shipments.

"Hopefully this will help PLN coal supply security," chief executive Darmawan Prasodjo said.

A senior minister on Thursday said 37 export vessels loaded with coal would be allowed to leave and that miners who met their 2021 DMO would be prioritised for

exports.

Eighteen of those vessels have been given clearance by the energy ministry, carrying about 1.3 million tonnes of coal, according to a transport ministry document reviewed by Reuters.

That represents only a fraction of the normal export volume from Indonesia, which shipped 30 million tonnes of coal in the month of January in 2021 and 2020, energy ministry data showed.

Sixteen other vessels were carrying coals from miners who had not met the DMO and had therefore yet to be cleared, while three were still loading, the ministry document said.

"If the energy and mineral resources ministry haven't cleared them, there won't be port clearance," transport ministry official Mugen Suprihatin Sartoto said on Friday.

While Indonesia has started easing its coal export ban, the abrupt suspension may have already left a scar on the sector and the wider economy, highlighting the risk of regulatory uncertainty and impacting Indonesia's trade balance.

"The most important and immediate implication of the coal export ban relates to Indonesia's current account balance, which we already expect to shift to a deficit this year," Nomura said in a note on

Thursday.

Indonesia in the third quarter of 2021 posted a 1.5 per cent of gross domestic product current account surplus, the biggest in 12 years.

The central bank has estimated a full-year current account balance at between a surplus of 0.3 per cent of GDP, and a deficit of 0.5 per cent of GDP.

Coal comprised 14 per cent of total goods exports in 2021, so should the export ban apply during all of January, Nomura said, total goods exports could be reduced by around \$4 billion, enough to shift the trade balance to a deficit from a surplus.

"In addition, we think the concerns expressed by key trading partners Japan and Korea are also likely to carry significant weight, given the Indonesian government's efforts to attract foreign direct investment," Nomura said.

The ban easing would be a credit positive for miners that have likely complied with their DMO requirements, because they could sell coal overseas at prices 2.5 times greater than domestic prices, said Maisam Hasnain, an analyst with Moody's Investor Service.

Moody's has previously said that the ban "highlights the evolving regulatory uncertainty for the sector".

Most CEOs expect global growth to improve: PwC survey

STAR BUSINESS REPORT

As many as 77 per cent of chief executive officers (CEO) expect global economic growth to improve this year while only 15 per cent anticipate weaker conditions, as per a PricewaterhouseCoopers (PwC) survey revealed yesterday.

The prevalence of positivity during the annual global CEO survey run in October and November of 2021 was "the highest figure on record since 2012, when we began asking CEOs how they felt about the economy's potential", said the PwC.

Optimism about the global economy trends higher compared to last year in India, Japan, United Kingdom, France and Italy and somewhat lower in the US, China, Brazil and Germany, said the report. The CEOs identified the US as the most important growth destination globally over the next 12 months, followed by China.

As a part of its survey, the PwC polled 4,446 CEOs, including around 22 from Bangladesh, across 89 countries and territories.

However, 49 per cent of the CEOs are most concerned about cyber risks while 48 per cent on the global health situation as the pandemic lingers.

With the exception of social inequality, the CEOs were most concerned about the potential of each threat to disrupt revenue, said the report.

Despite rising interest in environment, social and governance, most of the CEOs report only having non-financial outcomes closely related to business performance included in their long-term strategy. Much less well represented, in strategies and compensation, are targets related to greenhouse gas emissions and gender representation or racial and ethnic diversity.

For example, 13 per cent or fewer of the CEOs have such targets in their annual bonus or long-term incentive plan, the report said.

Around 22 per cent of global companies have made a net-zero commitment, said the PwC.

Unilever pursues GSK-Pfizer unit after huge bid rebuffed

AFP, London

Consumer goods giant Unilever on Monday revealed ongoing interest in a consumer health care unit owned by pharmaceutical groups GlaxoSmithKline and Pfizer after a bid of \$50 billion (\$68 billion) was refused.

British group GSK said at the weekend that it had received three unsolicited offers from Unilever for GSK Consumer Healthcare, but were rejected for being too low.

The unit's products include Sensodyne toothpaste, pain relief drug Panadol and cold treatment Theraflu.

"GSK Consumer Healthcare would be a strong strategic fit," British company Unilever said in a statement as it unveiled a strategy update in the wake of the weekend's takeover news.

"Unilever's future strategic direction lies in materially expanding its presence in health, beauty and hygiene," it said.



A Rouf Chowdhury, chairman of Bank Asia, cuts a cake at Bank Asia Tower in Dhaka yesterday celebrating its "Agent Banking Day". Rumea A Hossain, chairman of board executive committee, Dilwar H Choudhury, chairman of board audit committee, Romana Rouf Chowdhury, Md Abul Quasem and Tania Nusrat Zaman, directors, and Md Arfan Ali, president and managing director, were present. Deputy managing directors and officials from the bank's agent banking division were also present.

PHOTO: BANK ASIA



Emranul Huq, managing director of Dhaka Bank Ltd, and Deepak Saluja, managing director of CASHe Alliance Ltd, exchange signed documents of a partnership agreement at the bank's head office in Dhaka recently. The deal will bring CASHe Alliance' financial wellness platform to Bangladesh and deliver financial access to under-served digital natives in the country. Jowher Rizvi, chairman of Alliance Holdings Ltd, Mohammad Abu Jafar, additional managing director of the bank, Israr Khosru Chowdhury, chief executive officer of CASHe Alliance, and Kazi Nasim Ahmed, chief operating officer, were present.

PHOTO: DHAKA BANK



Dewan Nazmul Hasan, acting CEO of Trust Axiata Pay (TAP), and Syed Moinuddin Ahmed, additional managing director of Green Delta Insurance Company Ltd, exchange signed documents of a partnership agreement at the latter's head office in Dhaka on Sunday. Md Moniruzzaman Khan, head of digital business at the insurer, and Shahjalal Uddin, vice-president of TAP, were present.

PHOTO: GREEN DELTA INSURANCE COMPANY

Singapore moves to discourage crypto trading

REUTERS, Singapore

The Monetary Authority of Singapore on Monday issued guidelines that limit cryptocurrency trading service providers from promoting their services to the general public, as part of a bid to shield retail investors from risks.

The new guidelines clarify the expectations of MAS that companies should not engage in marketing or advertising of DPT services in public areas in Singapore.



PHOTO: BENGAL COMMERCIAL BANK

Morshed Alam, chairman of Bengal Group, cuts a ribbon to inaugurate the "Mujib Corner" at Bengal Commercial Bank's head office in Dhaka yesterday highlighting the life and history of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman and the Liberation War of Bangladesh. Md Jashim Uddin, chairman of the bank, and Tarik Morshed, managing director, were present.

Ctg customs foil bid

FROM PAGE B1

Bangla Progressive Enterprise was in charge of shipping the consignment on behalf of the exporting company, according to the shipment documents.

Customs authority physically examined the consignment at the KDS inland container depot and found 137,116 pieces of T-shirts in the consignment, which is 22 times or 131,030 pieces more than the announcement.

Customs authority suspected that the company has tried to launder \$161,166 or Tk 1.6 crore in the name of exporting goods.

Customs officials said that the money would not have come to the country if the consignment had been

shipped.

Export-oriented companies enjoy duty-free access for importing raw materials.

As a result, RM Sourcing did not have to pay any tax on the raw materials used to make these goods.

On the other hand, the money will not come to the country as these products are not exported on paper.

"Now we are collecting the detail list of the goods," said Md Sharfuddin Miah, deputy commissioner of Custom House, Chattogram.

He said the exporter declared around six thousand pieces of garments items, which were actually 1.37 lakh pieces.

"A money laundering case will be filed against the company soon."

They will also investigate whether there had been any similar irregularities by the company in the past, he added.

According to the National Board of Revenue (NBR), RM Sourcing Bangladesh is a 100 per cent export-oriented company.

The company has exported a total of 89 consignments of various garment products to six countries in 2021.

Most of the products have been exported to Malaysia and Venezuela. The company also has buyers in the Philippines, the United Arab Emirates, France and Australia, NBR data said.

The destination of the currently seized consignment was Royal Drone International Trading in Venezuela.

In addition to this company, RM Sourcing has exported their products to 12 other companies of the six countries in last year, according to the documents.

Talking to The Daily Star, Mohammad Rajib Ahmed, managing director of RM Sourcing Bangladesh, said, "I am not aware of this consignment as I am out of the country."

I came to the country a few days ago. I will be able to talk to the officers concerned and tell them the details."

He further said that it needs more time to say how it has happened.



More and more tomatoes are arriving in the market as harvesting is going on in full swing. Here, a farmer is seen harvesting the fruit from a field in the Ananda Bazar area of Halishahar in Chattogram city. The photo was taken recently.

PHOTO: RAJIB RAIHAN

ONE Bank gets new MD

STAR BUSINESS DESK

ONE Bank recently witnessed the appointment of a managing director for a three-year tenure, effective from January 16.

The appointee, Md Monzur Mofiz, had been serving as managing director (current charge), says a press release.

He started his professional career as an engineer in the Ministry of Education and then worked in Sonali Bank, AB Bank, City Bank and Dutch-Bangla Bank.

He obtained a BSc degree in civil engineering from the Bangladesh University of Engineering and Technology and an MBA from the Institute of Business Administration at the University of Dhaka.



Md Monzur Mofiz

Businesses fail to take full benefit of industrial policy: FBCCI

STAR BUSINESS REPORT

Businesses cannot avail various incentives offered in the existing industrial policy because of legal complexities, the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) said yesterday.

Under the circumstance, the apex trade urged the government for creating legal provision so that entrepreneurs can enjoy the benefits given in the industrial policy, said participants at a meeting of the FBCCI standing committee on industry and industrial policy.

Coordination among ministries is vital for implementation of the industrial policy, said Mostofa Azad Chowdhury, senior vice-president of FBCCI and director-in-charge of the standing committee.

The view comes at a time when the government is going to formulate the National Industrial Policy 2021.

The services sector contributes more than 50 per cent to the economy, but the draft industrial policy does not properly address this sector, said Shamim Ahmed, chairman of the standing committee and president of the Bangladesh Plastic Goods Manufacturers and Exporters Association.

Among others, the meeting was attended by Md Abdur Razzak and Asif Ibrahim, co-chairmen of the standing committee.

Coordination among ministries is vital for the implementation of the industrial policy, says a leader of FBCCI

TINs of firms surge, but return filing sluggish

SOHEL PARVEZ

The National Board of Revenue (NBR) has seen a massive surge in registrations for Taxpayer Identification Numbers (TIN) by companies, mainly due to its increased monitoring and efforts to bring all registered firms under the tax net.

However, the spectacular growth in TIN registration has not translated into an equal growth in return submissions by companies.

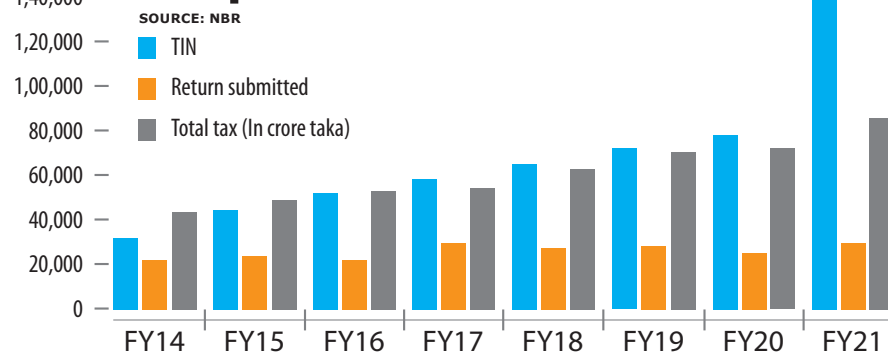
The number of companies with TINs stood at 1.67 lakh by the end of the 2020-21 fiscal year (FY), up 115 per cent from 77,820 the previous year, showed NBR data.

But only 29,785 companies furnished tax returns in FY21, up 18 per cent from the year before.

Officials say the number of TINs shot up in the last fiscal year after the NBR took initiatives to bring non-compliant firms under the tax net by collecting data on companies registered with the Registrar of Joint Stock Companies and Firms (RJSC).

In August 2020, the NBR formed a task force to collect data on companies

Trend of tax compliance by companies



from the RJSC and match its TINs database. Under the initiative, a number of companies were brought under the tax net while a portion of companies also got registration for various factors, including the NBR's drive.

However, compliance did not improve to that extent with officials attributing it to a lack of monitoring by field offices to ensure submission of tax returns, existence of dormant

companies and unwillingness of taxmen to verify audited financial statements submitted by companies along with their tax returns through the Document Verification System (DVS).

The NBR and the Institute of Chartered Accountants of Bangladesh launched the online system in November 2020 to plug the scope of submitting fake audit reports.

In its order, the NBR said the DVS

would generate a document verification code (DVC), which would feature in every audit report.

As per the order, tax offices are responsible to use the DVC to examine audited reports prepared after December 1, 2020.

However, insiders said the job is not properly handled by field offices but if done right, it could ultimately lead to an improvement in compliance and return filing.

Mohammed Forkan Uddin, convenor of the ICAB DVS taskforce, said the use of DVS will increase revenue collection as the scope of furnishing fake audit reports by unruly firms will stop.

The main application of DVS began from June 2021 and its impact could be seen in the tax return submission in fiscal 2021-22.

"We expect to see a major reflection in fiscal 2022-23," he added.

Contacted, a top official of the NBR said their monitoring is on to ensure return filing.

"We will strengthen our monitoring so that the rate of submission increases," the official added.

High import duty

FROM PAGE B1

tax and advance income tax, is anywhere from 37 per cent to 89.32 per cent," he noted.

According to him, there was no scope to avail bonded warehouse facility as the sector was not 100 per cent export oriented.

The government provides a 15 per cent cash incentive on furniture export, but unless export duty reductions and bonded warehouse facilities came about, it can come to little effect in increasing shipments.

Rahman said Hatil has been able to enter markets in the US, Canada, Australia, Saudi Arabia, Kuwait, United Arab Emirates, Thailand, Egypt, Russia, Bhutan and India.

Rahman said Hatil has been able to enter markets in the US, Canada, Australia, Saudi Arabia, Kuwait, United Arab Emirates, Thailand, Egypt,

Russia, Bhutan and India. The company has 22 outlets in neighbouring India and two in Bhutan.

According to Rahman, the local furniture industry has achieved significant growth during the last 10 years.

He attributes this to rising reliability offered by furniture brands or the organised segment of manufacturing in line with growing spending capacity of consumers.

Most furniture makers in Bangladesh fall in the unorganised category, running small-scale operations and offering by-hand craftsmanship of custom designs and fits, he said.

Industry insiders believe the combined annual sale of home and office furniture by both the organised and unorganised sectors was currently at around Tk 25,000 crore.

In contrast, it was only Tk 6,700 crore in 2012

according to a European Union report.

AHM Ahsan, vice chairman and chief executive officer of the EPB, said as per the export policy there was no scope to provide bonded warehouse facility to the furniture industry as it was not an export-oriented industry.

However, he said the government was providing the cash incentive and organising trade shows abroad to establish brands and build up an image.

Acknowledging challenges of the furniture industry in enhancing exports, he said the manufacturers were also less inclined towards it as the domestic market was huge.

For this reason, the manufacturers focus on growing their shares in the domestic market instead of the international market.

Kamruzzaman Kamal, marketing director at Pran-RFL Group, which exports products under

its Regal Furniture brand, said Bangladesh has the potential to increase export of furniture, particularly to India, thanks to innovative designs and product quality.

However, he said, furniture brands in Bangladesh were dependent on import of raw materials, including wood and all accessories.

According to him, the high import duties push up prices of finished products.

For this reason, companies face acute competition in the export market, Kamal said.

Besides, furniture is a bulk item requiring high transportation costs, which was a barrier to increasing exports in the global market, he said.

Kamal also said Bangladeshi brands were yet to become familiar in the global market, which was resulting in the slow growth of exports.

Turkey's inflation seen dropping to 27pc by 2022

REUTERS, Istanbul

Already rampant inflation in Turkey will rise further in the coming months before declining to around 27 per cent by the end of the year, a Reuters poll showed on Monday, as forecasts soared after a currency crisis in 2021 sent prices rocketing.

Turkey's inflation surged to 36 per cent in December after a series of interest rate cuts by the central bank, long sought by President Tayyip Erdogan, prompted the lira to lose 44 per cent of its value against the dollar last year.

The annual consumer price index (CPI) was seen standing at 40 per cent by the end of the first quarter and 39 per cent by mid-year, according to the median estimate in the January 10-14 Reuters poll.

Inflation was seen declining to 26.8 per cent by the end of 2022, and to 15.4 per cent in 2023, in sharp contrast to government expectations that inflation would decline to single digits by mid-2023. Estimates for inflation at the end of 2022 ranged widely from 17 per cent to as high as 46 per cent.

Despite the government's recent policy of keeping interest rates low to boost exports and credit, some economists saw the central bank changing direction and hiking its policy rate in the future.

Grading eateries

FROM PAGE B1

When this correspondent visited the shop on January 15, staff said they had now been upgraded to A.

Here too were two persons serving sweetmeat but without face masks on. Eight customers inside were standing in close proximity, apparently oblivious to social distancing protocols.

One staff said the BFSa had imposed several conditions for better grades.

"If we follow them, we will get A+ grade. We're trying to follow them. Now we are A grade. Hopefully we'll get A+ as well," he said.

"Our restaurant is currently undergoing

renovations. Due to this, some parts are cluttered. I hope I will be able to sort everything out in two or three days," he said.

Contacted, BFSa Chairman Abdul Kayowm Sarker said there were countries with independent audit agencies providing credible monitoring of entire processes from farm to plate.

"But we don't have such a team. We have a monitoring team which regularly sees to it that the grading is correct," he said.

He said any grade change hinges on the monitoring report. The number of monitoring team members is limited, so there is no scope to offer

grading on a massive scale, he added.

BFSa ACCEPTS COMPLAINTS VIA FACEBOOK

There is an option for consumers to file complaints on the BFSa's Facebook page (<https://www.facebook.com/bfsa.gov.bd>).

"We get few written complaints. Most complaints are placed on our Facebook page. The process of making a written complaint takes much time," said one BFSa official.

Meanwhile, the BFSa is still piloting a Nazar app, launched in 2019, for monitoring eateries in 64 districts.

US-Bangladesh economic ties

FROM PAGE B1

Dunham made these comments during a virtual farewell ceremony for Earl Robert Miller, the outgoing US ambassador to Bangladesh, organised by the American Chamber of Commerce in Bangladesh (AmCham).

Members of AmCham, diplomats, exporters, former and current AmCham leaders and businessmen of both countries participated in the event.

Miller is leaving Bangladesh for the US upon completing his three-year diplomatic tenure in

the country. Dunham went on to say that over the past five years, agricultural exports from the US to Bangladesh doubled to \$1 billion because of high demand for American agricultural goods.

Last year, the US Chamber of Commerce set up the 20th US-Bangladesh Business Council with 30 members, which is far bigger than any other such council.

Even so, the number of council members continues to grow, which indicates that US companies are interested to invest in Bangladesh, he said.

The Chevron Corporation, an American multinational energy corporation, has long been serving in Bangladesh and currently contributes about half of the total gas used in the country.

At the farewell, A Gafur, former executive director of AmCham, said although Bangladesh's exports to the US double every 10 years, it is still far below the levels of other competing countries in US markets.

For instance, Bangladesh's exports to the US were valued at \$9.4 billion between January and October last year.

However, Vietnam exported goods worth \$102.0 billion to the US at the same time.

"I deeply believe in the importance of American and Bangladeshi ideals and working together," Miller said in his farewell speech.

"I would love to continue to be an ambassador for Bangladesh and not just for commercial partnership, but for the people-to-people ties," he added.

AmCham President Syed Ershad Ahmed and former presidents Aftab ul Islam, Nurul Islam and Forrest E Cookson also spoke at the event.



PHOTO: QUAMRUL ISLAM RUBAIYAT

A farmer of Sharieljoth village in Tentulia upazila is seen happily tending to his tulip plants. The high-value flower is being planted in the region on a large scale in a bid to boost the local economy through the sale of such flowers when people visit the popular tourist destination. The photo was taken recently.

Tulip cultivation a potential boon for Tentulia

Officials expect the flower will boost local tourism sector, economy

DISTRICTS IN FOCUS

QUAMRUL ISLAM RUBAIYAT, Thakurgaon

Tulips are being grown all over Sharieljoth village in Tentulia upazila of Rangpur's Panchagarh district in a bid to increase tourism and boost the regional economy, according to local officials.

The Eco Social Development Organisation (ESDO) initiated the pilot project with financial backing from the Palli Karma-Sahayak Foundation and International Fund for Agricultural Development, said Dr Muhammad Shahid Uz Zaman, executive director of ESDO.

Agriculture experts expect the flowers to reach full bloom by the last week of January as they have grown well so far.

Eight marginal farmers, who are beneficiaries of ESDO services, are involved with the experimental cultivation of the high-value flower.

The farmers collectively contributed about 40 decimals of land in three separate spots, where around 40,000 bulbs were planted on January 1 in what was the largest tulip cultivation drive in the country.

During a visit on Friday, this

correspondent saw the plants are taking shape well under nets.

Zaman went on to say that it costs a maximum of Tk 70 to grow one tulip and that he expects to sell each stalk for between Tk 150 and Tk 200 among visitors in Tentulia while buyers in Dhaka's flower markets would face steeper prices.

At present, the tulips, which are used as ornamental or decorative pieces at different programmes, are mostly imported.

Morsheda Begum, Hosne Ara, Monowara Begum, and Khadija Begum, who collectively cultivated 20,000 tulips on 20 decimals of land in the upazila, told The Daily Star that cultivation has been successful so far as the plants grow very well.

Md Jahangir Alam, upazila agriculture officer of Tentulia, said the country's weather is generally not suitable for tulip cultivation but Tentulia's temperature in the winter season stays at around 20 degree Celsius in day time, showing promise of successful cultivation.

Delwar Hossain, a flower grower who was the first to bloom Tulip flowers on Bangladeshi soil last year, told The Daily Star that acidic, sandy-loamy soil with a pH of



between six to seven is ideal for growing tulips, which require a day-time temperature of within 20 degree Celsius and night temperature of five to 12 degree Celsius during the growth period.

Direct sunlight in the mornings and evenings is also beneficial for improving the flower's quality while partial shades, such as nets, are required during mid-day.

Limited use of chemical fertilisers along with enough organic manure is needed for preparing soil to cultivate Tulip. Besides, Panchagarh's weather is suitable for its prolonged winters, Hossain added.

Replying to a query, Hossain

added.

Hossain called for government cooperation for the expansion of such high-value flower cultivation, adding that if the government comes forward in this regard, it would create employment opportunities for youths.

The ESDO's Dr Zaman went on to say that in recent years, a good number of visitors from different parts of the country hit Tentulia to catch a glimpse of the peak of Kanchenjunga, the world's third highest mountain.

If the Tulip cultivation gets as planned, it would add additional attractions for tourists and promote the northern region's tourism sector, which would play a vital role in improving the lives of locals.

As winter prevails for about four months each year in Tentulia, the temperature is almost the perfect level for Tulip cultivation.

"So, ESDO decided to take the initiative," said Dr Zaman, who expects different government departments and private entrepreneurs to come forward with such projects in the future after observing the success of the pilot project.

"If we see success in the project this year, we will work on marketing and other issues," he added.

said the bulbs were brought from the Netherlands at a cost Tk.61.80 per piece (including VAT and tax).

Hossain cultivated 24,000 bulbs in his village, supplying 1,000 bulbs in Rajshahi and 5,000 bulbs in Jashore's Gadkhali in 2021.

So far this year, he has cultivated 3,000 bulbs in tubs that contain three bulbs each, aiming to sell them among people as they can keep it in their houses or offices.

Hossain said the demand for tulips is growing fast in the country's flower markets.

"The higher quality flowers are currently imported but If we can continue cultivation, local currency would be saved," he

China's digital yuan wallets swell but usage lags

REUTERS, Shanghai

China's digital currency has debuted on app stores with fanfare, with online wallets for the electronic yuan seeing mass adoption in the two weeks since a public launch, yet its actual use in transactions has been far less impressive.

The People's Bank of China (PBOC) is ramping up testing of the digital currency, dubbed e-CNY, ahead of next month's Beijing Winter Olympics. But use of e-CNY is still limited to 10 major "pilot" cities, and hampered by people's preference for Ant Group's Alipay and Tencent's WeChat Pay, which dominate China's online payments.

The e-CNY is one of the first sovereign digital currencies to be launched, putting the PBOC at the fore of a global race to develop central bank digital currencies.

On January 4, PBOC released its e-CNY wallet application on mobile phone app stores, triggering intense public interest.

The digital wallet became the most downloaded free app on China's Apple iOS app store on January 8, staying in the spot for five consecutive days, and has been downloaded more than 2.5 million times, according to research consultancy Sensor Tower. Previously, e-CNY wallets could only be opened via select banks.

Still, e-CNY use is limited to the 10 major cities where pilot schemes are launched, such as Shanghai and Shenzhen, as well as the Winter Olympics site, where China hopes to showcase the digital yuan's clout to the event's foreign visitors.

Howard Mao, a university student in Shanghai, said he has downloaded the wallet, but hardly uses the electronic money.

"There are still not many application scenarios for e-CNY in daily life, and many merchants don't accept it," said Mao, who still relies on Alipay and WeChat Pay.

The discrepancy between busy wallet downloads and lukewarm acceptance is also captured by official data.

During July-October last year, the number of individual e-CNY wallets nearly jumped seven-fold, to 140 million, equivalent to one-tenth of China's population.

In contrast, cumulative transaction value grew 80 per cent to 62 billion yuan (\$9.77 billion). Alipay's monthly payment transaction value averaged nearly 10 trillion yuan, Ant disclosed in 2020.

"It takes time for people to start accepting e-CNY, given entrenched payment habits," said G. Bin Zhao, senior economist at PwC China.

But authorities have many ways to promote mass adoption, such as prioritising the use of e-CNY in the payment of water, electricity and medical bills, he said.

"A small push by the government will make a big difference."

The e-CNY is currently accepted by internet giants, including JD.com, Meituan and Trip.com, and can also be used online to buy plane tickets or pay mobile phone bills. A Chinese central banker said in November that 1.55 million merchants could accept payments using e-CNY wallets, including utilities and catering.

"Digital yuan development has reached critical mass," said Zou Chuanwei, chief economist of Wanxiang Blockchain.

Application scenarios of e-CNY, which are mostly in the retail space, will be gradually expanded to include financial asset transactions, trade, and cross-border payment, and "the room for innovation is huge," Zou said.

The e-CNY is one of the first sovereign digital currencies to be launched, putting the PBOC at the fore of a global race to develop central bank digital currencies

Omicron surge roils US small businesses

REUTERS, Lubbock

Phillip Howard pointed toward a stack of black ski pants piled atop a counter in his winter sports shop as evidence of the hurdles small business owners still face as the pandemic drags on.

The pants were supposed to arrive by August at Troy's Ski Lubbock shop in west Texas - well before his five-month hot season of selling that kicks off in October. Instead, they came from China the first week of January, delayed by supply-chain failures.

"Late-arriving product really kills us," Howard said this week, noting that several other items had also arrived late, missing his pre-holiday sales season.

"I've been in this business for almost 20 years, and I've never encountered anything like this."

As the pandemic enters its third year, many small businesses across the United States are besieged on three fronts: deepening supply chain issues; periodic staffing shortages; and fewer customers showing up in some areas, fearing the Omicron spike in Covid-19 cases.

This week the Federal Reserve released its latest collection of anecdotes about the state of the economy from businesses, labor groups and others nationwide, showing that the fast-spreading Omicron variant was exacerbating difficulties, especially for hiring and inflation. US retail sales fell 1.9 per cent in December amid the shortage of goods and surging infections, the Commerce Department said on Friday.

Though federal aid and the economy's overall recovery have kept failure and bankruptcy rates for small businesses far lower than expected, day-to-day management has become a challenge.

Census surveys show concerns steadily shifting from dwindling cash reserves and a hunt for financing to challenges with supply chains and rising costs.



Phillip Howard, a small entrepreneur, poses for a photo inside his Troy's Ski Lubbock shop in Lubbock, Texas on January 14. Howard says supply chain woes are making life extremely difficult for small business owners like himself.

PHOTO: REUTERS

Russia fines Google for not deleting banned content

REUTERS, Moscow

A Moscow court on Tuesday fined Alphabet Inc's Google a total of 14 million roubles (\$190,398) for violating Russian rules on banned content, the penalty coming amid a wider stand-off between Russia and Big Tech companies.

Russia has routinely fined social media giants for failing to remove prohibited content and is seeking to compel foreign technology companies to open offices in the country.

Moscow's Tagansky District Court said Google had been handed five administrative fines of 4 million roubles, 1.5 million roubles, 5 million roubles, 1.5 million roubles and 2 million roubles respectively. A spokesperson for Google confirmed the first two fines, but gave no additional comment.