

# Star BUSINESS

**TODAY? TOMORROW?**

OPEN A BANK ACCOUNT RIGHT NOW WITH **PRIMEPLUS**



## FAO regional confce starts on March 8 in Dhaka

**STAR BUSINESS REPORT**

Bangladesh will host the 36th Regional Conference for Asia and the Pacific of the Food and Agriculture Organization (FAO) for the first time since it joined the organisation in 1973.

Allan Dow, head of communications of the FAO's Asia-Pacific regional office, made the announcement at a virtual press conference yesterday.

Due to the Covid-19 situation, the conference will be held as a hybrid event at the InterContinental Dhaka, with some participants joining via videoconferencing.

A total of 46 countries from across the region are expected to attend with Prime Minister

READ MORE ON B2

## Banks asked to run with 50pc staff

**STAR BUSINESS REPORT**

Bangladesh Bank yesterday asked banks to run operations with 50 per cent of their workforce until February 6 by introducing alternate-day duty rosters immediately in order to tackle the third wave of the coronavirus pandemic.

However, banks can also decide for themselves the number of employees they will have in place to run essential banking services, said the banking regulator.

This means banks are allowed to run special banking operations by deploying more than 50 per cent of their employees.

The employees will have to stay in their respective residences when they do not have to attend work in person when following the alternate-day rosters and can work through virtual platforms, according to a central bank notice.

Clients will have to wear face masks on a mandatory basis while taking service from banks.

The BB has given the instructions as per the decisions taken by the government.

# \$1.58b FDI in the offing for shipbuilding

## Govt plans to set up shipyard in Payra

**SUKANTA HALDER and MD ASADUZ ZAMAN**

The government looks to set up a shipbuilding facility in partnership with foreign investors at the Payra seaport in Patuakhali with an investment of \$1.58 billion to cut import dependence for vessels and market ships globally.

State-run Bangladesh Steel and Engineering Corporation (BSEC) under the industries ministry will provide land to Gentium Solutions, a Singapore and Australia-based company and Damen Shipyards Group, a Dutch company, to construct the shipyard, which will make merchant and passenger ships.

"If the project is implemented, it will be the highest-ever foreign direct investment (FDI) in Bangladesh," said the ministry in a press release.

In August 2018, Japan Tobacco International acquired local Akij Group's tobacco business for \$1.47 billion, the single largest FDI in Bangladesh so far.

The disclosure comes after representatives from Gentium Solutions and Damen Shipyards Group presented a feasibility report for

developing the shipbuilding and repair facility to the ministry where Industries Minister Nurul Majid Mahmud Humayun was present.

Gentium Solutions and Damen prepared the feasibility report after signing a memorandum of understanding (MOU) with BSEC in 2020.

The report found the prospect of

share.

"Bangladesh wants to be a shipbuilding nation. The government will provide land and all sorts of support to establish a world-class shipbuilding yard," said Nurul Majid Mahmud Humayun.

The ministry took the initiative based on Prime Minister Sheikh Hasina's announcement of establishing a shipyard at Payra in 2014.

Subsequently, the ministry took up a priority project, for which the government has earmarked 101 acres of land at the seaport. Later, the BSEC signed the MoU.

Md Kaikobad Hossain, adviser to Gentium Solutions, said the feasibility study was carried out by Ernst & Young, a multinational professional services provider with headquarters in London.

"We have submitted an investment proposal as we have found the prospect through the feasibility report," he said, adding that the BSEC would examine and analyse the proposal and give its opinion to the ministry.

"We will start negotiation once they invite us," added Hossain, a former secretary of the government.

Gentium Solutions and Damen

READ MORE ON B3



### SHIPBUILDING SECTOR: KEY POINTS

- 200 shipyards in Bangladesh
- 15 with experience in building complex vessels
- \$1b annual market for local shipbuilding

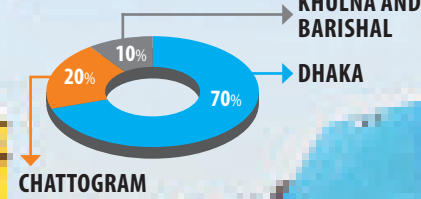
### MAJOR SHIPYARDS

- Khulna Shipyard
- Dockyard and Engineering Works
- Chittagong Dry Dock
- Western Marine Shipyard
- Khan Brothers
- Meghna Shipbuilders

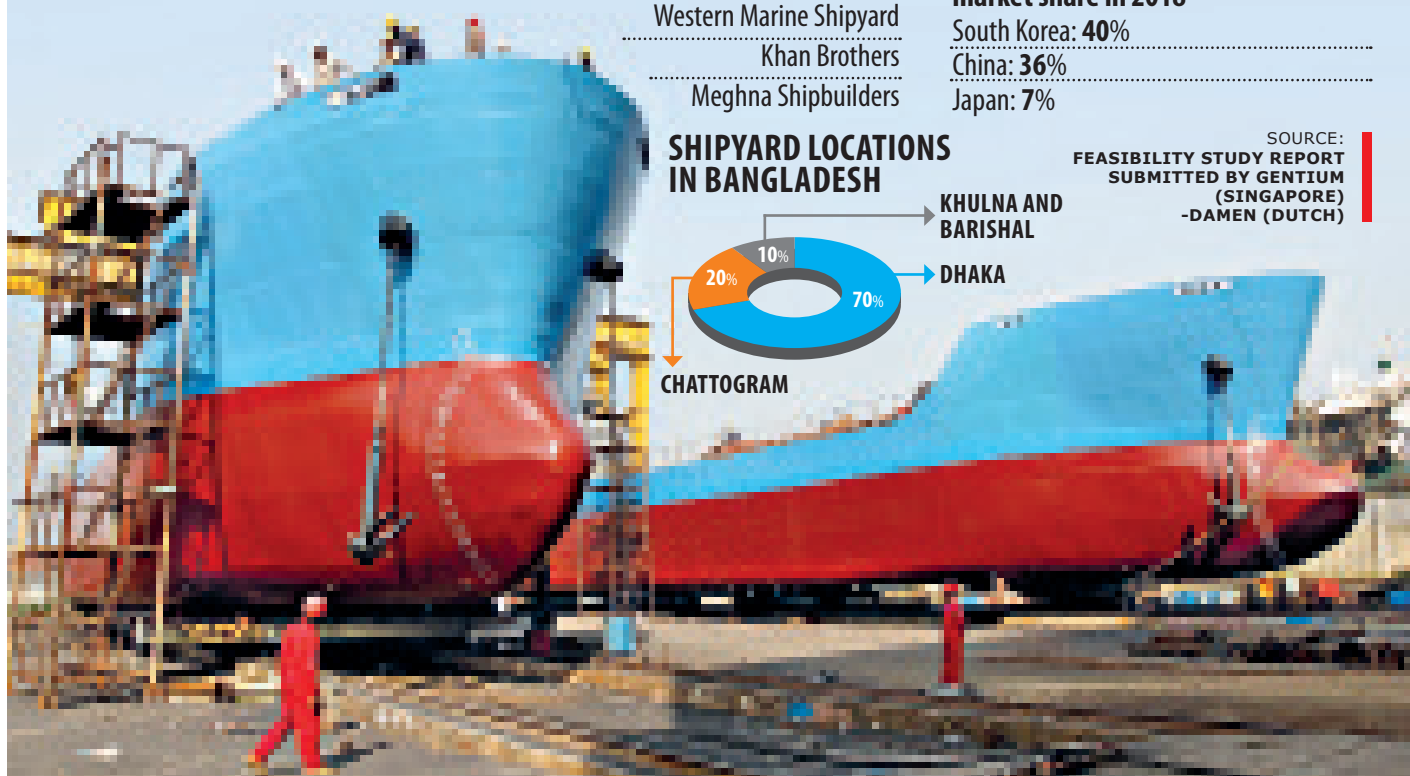
### GLOBAL SHIPBUILDING MARKET

- Shipbuilding and repairing market stood at \$192b in 2019
- Major shipbuilding nations' market share in 2018
- South Korea: 40%
- China: 36%
- Japan: 7%

### SHIPYARD LOCATIONS IN BANGLADESH



SOURCE: FEASIBILITY STUDY REPORT SUBMITTED BY GENTIUM (SINGAPORE) - DAMEN (DUTCH)



## Particle board market gains traction

**JAGARAN CHAKMA**

The market for particle board is thriving in Bangladesh on the back of the rising demand for timber-alternative furniture and their growing use in interior designing.

The demand for particle board, which is cheaper and eco-friendly than wooden ones, has been increasing around 15 to 18 per cent per year since 2017, thanks to rapid urbanisation and the growing housing sector, according to Fazle Rabbi, head of marketing of Partex Star Group, one of top particle board manufacturers in Bangladesh.

A particle board is a timber substitute, made of wood chips. It is used in interior decoration, furniture, door and door frames, partitions, false ceilings, shelves and panels for use at homes, offices and commercial establishments.

Established in 1962, Star Particle Board Mills Ltd, a concern of Partex Star Group, became the first such industry in Bangladesh as it set up a jute-based particle board factory.

The journey of the wood-based particle board industry started in

2006. And there has been massive investment in particle board manufacturing after 2011 as demand rose steadily in line with the fast-expanding consumer class.

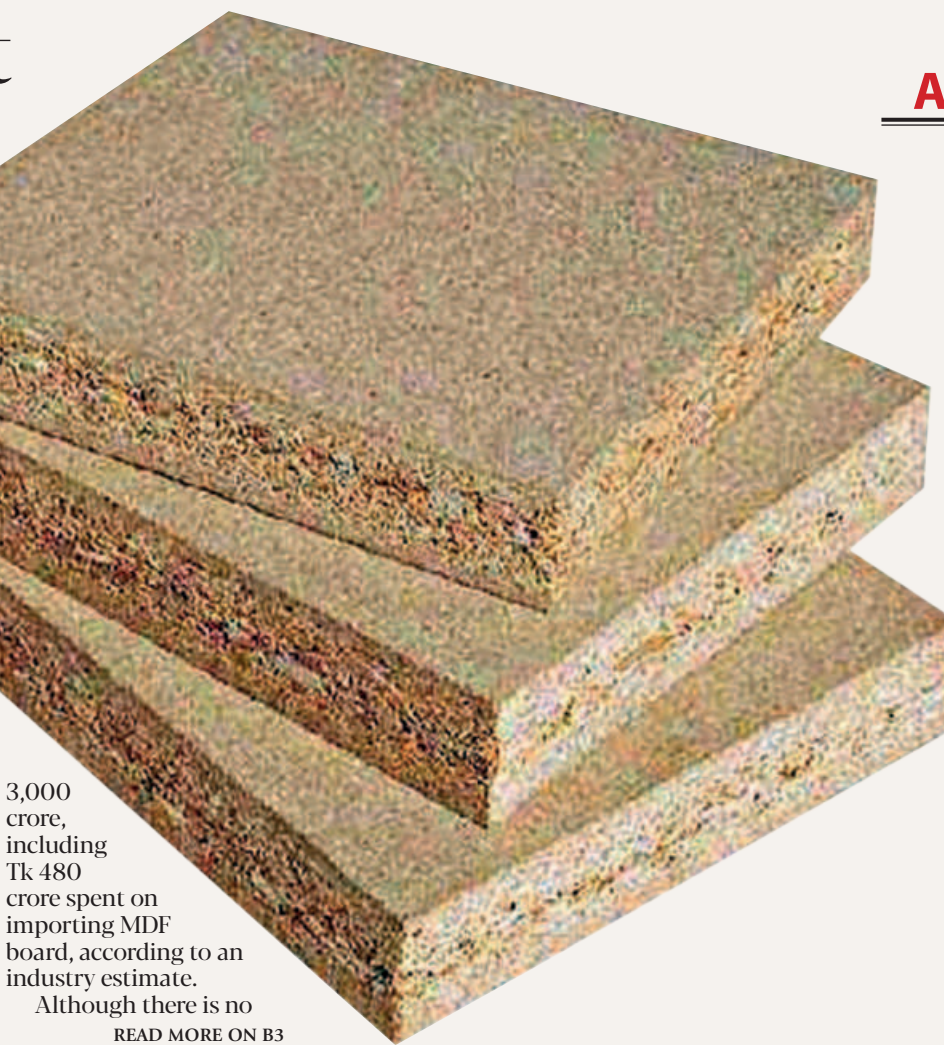
There are several types of particle boards produced in the country: melamine, ply board, plain board, veneered board, and PVC board. MDF board is imported from Malaysia.

Melamine board accounts for around 60 per cent of the market on the account of its higher usage among corporate, furniture and residential segments.

Manufacturers use locally available raw materials such as wastage of timber and jute stick as the major ingredients for making particle board.

"So, particle boards can even be considered as a by-product of saw mills," Rabbi said. However, chemical and pasting materials are imported from China, Myanmar and Malaysia.

The market size has reached Tk



3,000 crore, including Tk 480 crore spent on importing MDF board, according to an industry estimate.

Although there is no

READ MORE ON B3

### INDUSTRY AT A GLANCE

- Market size Tk **3,000**cr
- Total investment Tk **10,000**cr
- 15** to **16** big and small factories
- Total employment **15,000**
- Local manufacturers meet **80**pc demand
- Average annual growth **18**pc
- Furniture sector consumes **54**pc
- Corporate sector consumes **46**pc
- Annual demand for particle board is **76**cr square feet
- Major manufacturers: Akij, Star, Super, Amber, Woodland, Otobi

## BFIU seeks bank account details of Dr Yunus

**STAR BUSINESS REPORT**

The Bangladesh Financial Intelligence Unit (BFIU) has asked banks to provide detailed information about the accounts and transactions of Nobel laureate Dr Muhammad Yunus for the last two years.

On January 20, the agency, which works to curb money laundering and terrorist financing, ordered banks to furnish it with the information in three working days.

The BFIU did not give any reason why it is seeking information about the accounts and transaction details of Professor Yunus, the pioneer of microcredit and founder of Grameen Bank.

Contacted, Md Masud Biswas, head of the BFIU, declined to comment.

Prof Yunus and Grameen Bank were awarded the Nobel Peace Prize in 2006 for their work to "create economic and social development from below".

## Qcoom refunds Tk 40.24 lakh to 20 customers

**STAR BUSINESS REPORT**

Qcoom yesterday provided 20 of its customers a refund of around Tk 40.24 lakh, the first such move by a platform of the e-commerce sector mired in allegations of not delivering products against advance payments.

The return was made through Foster Corporation, one of the payment gateways brought in place by the government since July 2021 to ensure that the platforms got paid only after customers confirmed having been delivered products.

So far, more than 16 e-commerce companies have been found involved in embezzling over Tk 3,000 crore of customers simply by not keeping their side of the bargain.

Since July 1 last year, over Tk 394 crore has ended up getting stuck with Foster Corporation.

Qcoom and Foster Corporation have provided an initial list of 6,721 consumers to the commerce ministry, saying they were eligible for a refund of Tk 59.05 crore.

"The other Qcoom consumers will be refunded gradually," said Tapan Kanti Ghosh, senior secretary to the ministry.

He was speaking to journalist at a press conference at his Bangladesh Secretariat office marking the start of the refunding process.

Azad Hossain, one of yesterday's 20 customers, said he had made an advance payment of Tk 1.10 lakh in July last year for a motorcycle but neither received the product nor the money.

Another customer, Shafiqul Islam of Mymensingh, was happy to get back Tk 5.51 lakh which he had paid on July 1 last year to purchase five motorcycles.

Ghosh said any laundered money would be difficult to refund but it would be easy in case of money over which no court case was pending. The ministry will act as per court verdicts, he added.

Within the next 15 days the commerce ministry will launch unique business identification

READ MORE ON B3