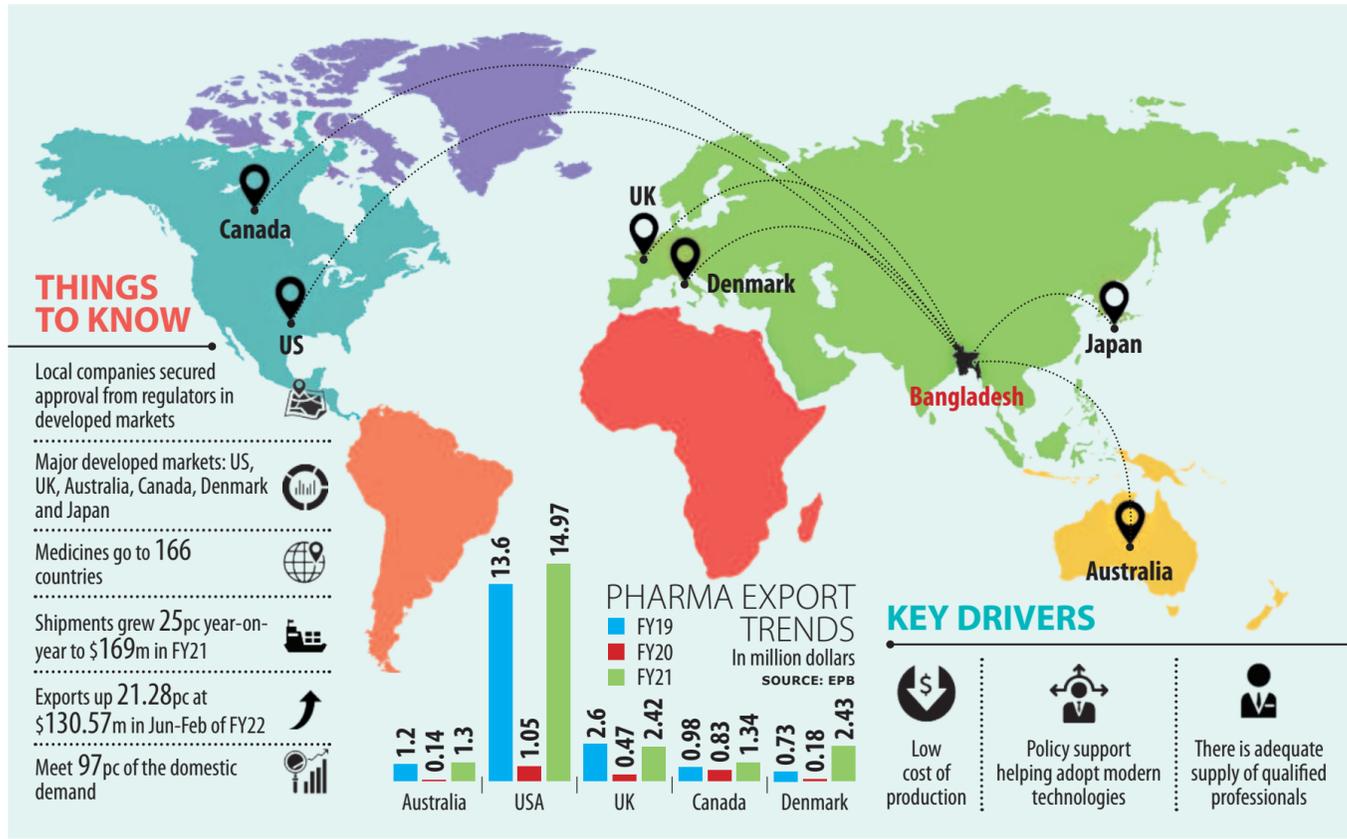


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Suspicious transaction reports up 44pc

STAR BUSINESS REPORT

The number of reports on suspicious transactions and activity received by the Bangladesh Financial Intelligence Unit (BFIU) rose 44 per cent year-on-year in the last fiscal year of 2020-21.

The agency received 5,280 suspicious transaction reports (STRs) and suspicious activity reports (SARs) from the reporting agencies, including banks and non-bank financial

SUSPICIOUS TRANSACTION REPORTS
(Filed by banks and other organisations)
SOURCE: BFIU



institutions, according to its annual report.

The BFIU unveiled the report at the Bangladesh Bank headquarters in the capital yesterday.

The agency is responsible for analysing STRs, SARs, cash transaction reports (CTRs) and information related to money laundering and terrorist financing reported by financial institutions and other sources.

Banks and other reporting agencies submit STRs and CTRs if they think that there might be a possibility of perpetrating money laundering.

"The rise in the STR is not a negative phenomenon as the upward trend indicated that the country's financial sector is now more cautious to tackle money laundering and terrorist financing," said Md Masud Biswas, head of the BFIU.

The BFIU forwarded 73 reports to law enforcement agencies, mostly to the Anti-Corruption Commission and the Criminal Investigation Department for their next course of action.

READ MORE ON B3

Medicine exports to developed markets on the rise

Driven by access to regulated destinations, cheap products, high quality

JAGARAN CHAKMA

Medicine exports to the developed countries are steadily growing riding on the attainment of regulatory approval from the US, European and some other countries helped by Bangladesh's capacity to produce high-quality drugs at affordable prices.

As a result, shipment rose significantly in the markets of the US, the UK, Australia, Canada and Denmark in the last three years.

This marks a major change in the pharmaceuticals industry since it largely relies on the Asian and African markets as overseas destinations and the domestic market to drive growth.

Bangladesh shipped drugs worth \$14.97 million to the US in the last fiscal year of 2020-21, strongly rebounding from the coronavirus-induced slowdown a year ago when manufacturers could bring in \$1.05 million only.

The shipment stood at \$13.6

million in FY2018-19, data from the Export Promotion Bureau (EPB) showed.

Among the developed countries, Denmark has emerged as the second-largest export destination for Bangladesh, with receipts surging nearly 14 times to \$2.43 million in FY21 from \$0.18 million in FY20.

The exports to Canada rose to \$1.34 million in FY21, up 62 per cent from \$0.83 million the year prior.

Medicine sales fetched \$2.42 million from the UK in the last fiscal year, an increase from \$0.47 million in FY20 but a decrease from \$2.6 million in FY19.

The shipment is increasing in Japan and Australia as well. And the upward growth in overseas sales has been driven by the market access to the highly regulated markets.

In a major development, the US Food and Drug Administration (US FDA) has given approval to a facility of Eskayef Pharmaceuticals Ltd,

an achievement that would allow the company to enter the world's largest drug market.

The medicine-maker submitted an abbreviated new drug application, which contains data submitted to the US regulator for the review and potential approval of a generic

ingredients.

Square Pharmaceuticals has also secured FDA approval.

"Our pharmaceuticals products are being increasingly accepted in developed countries as we produce cheaper, high quality, and patent-free medicines,"



drug product, for Pregabalin capsules in eight different strengths: 25mg, 50mg, 75mg, 100mg, 150mg, 200mg, 225mg, and 300mg.

In August 2016, Bangladesh entered the US market through Beximco Pharmaceuticals Ltd, a manufacturer of generic drugs and active pharmaceutical

said Prof ABM Faroque, a former dean of the Faculty of Pharmacy at the University of Dhaka.

"There is no question about the quality of our products as we can manufacture world-class lifesaving medicines. Besides, we can make any generic version of drugs that

are helping us enter the market of the developed countries."

Another factor, according to him, is pharmaceuticals products produced in Bangladesh are cheaper than in any other country owing to lower production costs as companies can hire professionals and skilled human resources locally.

"So, our pharmaceuticals products are competitive in the developed countries as well," Faroque said.

"The gateway to the most-coveted market in the world is now open for Eskayef as we have secured the most prestigious and stringent FDA approval," said Mohammad Mujahidul Islam, executive director for marketing and sales of Eskayef Pharmaceuticals.

Bangladesh has already had a strong footprint in the pharmaceuticals market of Africa and Asia. "Now, the time has come to expand to regulated markets," Islam said.

Abdul Mukhtar, chairman

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STOCKS	
DSEX ▲	CSCX ▲
0.02%	0.25%
6,765.47	11,893.59

COMMODITIES	
Gold ▼	Oil ▼
\$1,921.87 (per ounce)	\$94.41 (per barrel)

CURRENCIES				
	USD	EUR	GBP	CNY
BUY TK	85.05	93.24	110.45	13.08
SELL TK	86.05	97.04	114.25	13.75

ASIAN MARKETS				
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▼ 1.26%	▲ 0.15%	▲ 0.12%	▼ 4.95%	
55,776.85	25,346.48	3,236.04	3,063.96	

EU concerned over delay in EPZ labour law amendment

REFAYET ULLAH MIRDHA

A visiting European Union (EU) delegation yesterday expressed concerns over delays in amending a labour law meant for export processing zones (EPZs), which was also an eligibility criterion for its Everything But Arms (EBA) scheme.

There is one labour law in the country ensuring freedom of association to workers of factories outside of the EPZs while another EPZ labour law enables unionism for workers of factories inside EPZs under a "Workers Participation Committee".

However, the EU demanded that there be a uniform law for all workers. The EPZ labour law was supposed to be amended by December last year.

The EBA provides least developed countries duty-free, quota-free access for all products except arms and ammunition to the world's largest trade bloc. It was launched in 1971 with a view to bringing a balanced economic order worldwide.

The separate EPZ labour law was formulated following demands of foreign investors attracted to the EPZs as they were against freedom of association, said Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association.

He was one of those participating in a meeting with the EU delegation at the residence of the head of the EU delegation in Dhaka.

"We also want the amendment of the EPZ labour law for continuation of the EBA for the Bangladeshi exporters," said Hatem.

READ MORE ON B3



The labour law for export processing zones was supposed to be amended by December last year.

PHOTO: STAR/FILE

Financial wellness platform Wagely raises \$8.3m

MAHMUDUL HASAN

Financial wellness platform Wagely has announced raising \$8.3 million or Tk 71 crore in an oversubscribed pre-series A funding in an effort to scale up its operations in helping workers access their earned salaries on demand.

Pre-series A funding characterises a platform, denoting that it has already developed a validated product, has attracted a substantial user base and is able to show investors the potential to launch bigger operations.

Oversubscribed refers to the founders getting more investors or money offered than what they asked for.

The round was led by East Ventures and participated by existing backers, including Integra Partners, Asian

READ MORE ON B3



A potter makes clay items at Maheshpur's Pal Para of Barishal's Bakerganj upazila for sale around the country, including Dhaka, Noakhali, Khulna and Cumilla. The photo was taken recently.

PHOTO: TITU DAS

Ukraine economy could collapse if war drags on: IMF

AFP, Washington

The government in Kyiv continues to function, the banking system is stable and debt payments are viable in the short term, but the Russian invasion could plunge Ukraine into a devastating recession, the IMF said Monday.

The Washington-based crisis lender also warned the war could have broader repercussions, including by threatening global food security by causing prices to rise and hampering the planting of crops, especially wheat.

At a minimum, the country would see "output falling 10 per cent this year, assuming a prompt resolution of the war," the IMF said in an analysis of the economy in the wake of the Russian invasion.

Though the lender warned of "massive uncertainty" around the forecasts, it said if the conflict is prolonged, the situation will worsen.

Citing wartime data for conflicts in Iraq, Lebanon, Syria and Yemen, the IMF said the "annual output contraction could eventually be much higher, in the

range of 25-35 per cent."

The country's economy grew 3.2 per cent in 2021 amid a record grain harvest and strong consumer spending.

But in the wake of the Russian invasion on February 24, "the economy in Ukraine dramatically changed," said Vladyslav Rashkovan, alternate executive director for Ukraine on the IMF board.

That includes the destruction of hospitals, schools and houses as well as "tens of kilometers of roads, and countless objects of critical infrastructures," the official said in a statement.

Oleg Ustenko, economic adviser to Ukraine's President Volodymyr Zelensky, last week estimated the damage at \$100 billion so far.

Despite the destruction, the government and banks in the country have continued to function, Rashkovan said, and as of March 1, the country held foreign reserves of \$27.5 billion, "which is sufficient for Ukraine to meet its commitments," according to a statement dated March 9.

The IMF, which last week approved a \$1.4 billion emergency aid program for Ukraine, said "debt sustainability does not appear to be at risk" in the short term, although there are "very large" uncertainties.

Beyond the human and economic losses in the country, the IMF cautions about the likely spillovers from the war to the global economy.

Since the conflict began, the prices of energy and agriculture have soared worldwide, and the fund warned they could worsen, fueling rising inflation.

"Disruptions to the spring agriculture season could also curtail exports and growth and imperil food security," the report said.

The initial impact will be on prices, which would also push costs of other food like corn higher, according to the IMF.

Ukraine and Russia are considered agricultural breadbaskets because they are among the largest wheat exporters in the world, and an extended conflict could hit global food supplies if farmers are unable to plant.

"War in Ukraine means hunger in Africa," IMF Managing Director Kristalina Georgieva said Sunday on CBS.

UN Secretary-General Antonio Guterres warned Monday that the world must act to prevent a "hurricane of hunger and a meltdown of the global food system."

"This war goes far beyond Ukraine. It is also an assault on the world's most vulnerable people and countries," Guterres told reporters in New York.

The UN World Food Program in a report Friday cautioned that countries that rely heavily on imported grain will also feel the pain, including "hunger hotspots such as Afghanistan, Ethiopia, Syria and Yemen."

World Bank President David Malpass on Monday urged consumers to avoid hoarding flour and gasoline, which will only make matters worse.

And he said producers in advanced economies like the United States and Canada "have substantial potential for supply increases that can soften this blow."

Fahmida made member of UNCTAD's high-level advisory board

STAR BUSINESS REPORT

Fahmida Khatun, executive director of the Centre for Policy Dialogue, has been made a member of the high-level advisory board on the productive capacities index (PCI) of the United Nations Conference on Trade and Development (UNCTAD).

UNCTAD secretary-general has already invited her to join as a member of the advisory board on PCI, Centre for Policy Dialogue (CPD) said in a press release on Monday.

UNCTAD launched PCI as a practical tool to help member states to monitor and benchmark their progress and achievements in building new and enhancing existing productive capacities over time, and their potential to achieve the Sustainable Development Goals (SDGs).

The PCI advisory board will advise UNCTAD on its research and policy-oriented agenda related to productive capacities, including expansion of policy and institutional frameworks, further development and refinement of the methods, according to the press release.

The advisory board will also work in collaboration with academia, policy makers, statisticians and experts working on related programmes and endeavours, it said.



FBCCI, Bangladesh Business Council, Dubai ink a deal

STAR BUSINESS DESK

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the Bangladesh Business Council, Dubai have signed a memorandum of understanding (MoU) in a bid to expand business opportunities.

Md Jasim Uddin, president of the FBCCI, and Mohammad Mahtabur Rahman, president of the Bangladesh Business Council, Dubai, signed the agreement at Al Haramain Group's office in Dubai recently, a press release said.

"FBCCI will provide all necessary assistance to promote the business sectors of Bangladesh," Jasim said.

Professor Shibli Rubayat-Ul-Islam, chairman of the Bangladesh Securities and Exchange Commission (BSEC), Md Ayub Ali Babul, senior vice-president of the council, Md Saifuddin Ahmed, general secretary, and Md Raja Mallick, vice-president, were present.

"It is possible to do business in Dubai from anywhere in the world, so it is essential to set up a trade centre in Dubai," BSEC chairman said.



Abdul Hai Sarker, chairman of Dhaka Bank Ltd, cuts a ribbon to inaugurate "Dhaka Bank Mujib Corner" at the lender's head office premises in Dhaka yesterday. ATM Hayatuzzaman Khan, founder vice-chairman of the bank, Reshadur Rahman, director, Emranul Huq, managing director, and Abu Jafar, additional managing director, were present.

PHOTO: DHAKA BANK

Dhaka Bank opens Mujib Corner

STAR BUSINESS DESK

Dhaka Bank inaugurated the "Dhaka Bank Mujib Corner" to mark the birth centenary of Bangabandhu Sheikh Mujibur Rahman in the month of independence.

Abdul Hai Sarker, chairman of the bank, cut a ribbon to open the corner at the lender's head office in Dhaka yesterday, a press release said.

ATM Hayatuzzaman Khan, founder vice-chairman of the bank, Reshadur

Rahman, Mohammad Amirullah, Mohammad Hanif, directors, Khondokar Mohammad Shahjahan, Aminul Islam, former directors, Emranul Huq, managing director, Mohammad Abu Jafar, additional managing director, AKM Shah Nawaj, AMM Momen Uddin and Mostaque Ahmed, deputy managing directors, Akhlaqur Rahman, senior executive vice-president, and Arham Masudul Huq, chief executive office of Dhaka Bank Foundation, were present.

Bank Asia launches 'Neelima' for women entrepreneurs

STAR BUSINESS DESK

Bank Asia launched "Neelima", a platform for the development of women entrepreneurs, on the occasion of International Women's Day 2022 at the bank's corporate office in Dhaka on March 8.

The event was graced by the presence of Zakia Rouf Chowdhury, executive vice chairperson of Rangs Group, as chief guest, Tania Nusrat Zaman, director of Bank Asia Ltd, and Shamim Ara Khanom, managing director of Voice Breeze Bangladesh Ltd, as special guests.

Neelima is a platform under which training, advice and credit facilities will be provided to women entrepreneurs, a press release said.

Credit facilities under Neelima include working capital and long term loans for business expansion at a minimal cost.

The borrowers under Neelima will also receive incentives for successful repayment of credit facilities.

Women entrepreneurs can avail the services of Neelima through 129 Bank Asia branches and the bank's expanded network of more than 5,000 agent points all over Bangladesh.



Zakia Rouf Chowdhury, executive vice chairperson of Rangs Group, Tania Nusrat Zaman, director of Bank Asia Ltd, and Shamim Ara Khanom, managing director of Voice Breeze Bangladesh Ltd, inaugurate Bank Asia's 'Neelima', a platform for the development of women entrepreneurs, at the bank's corporate office in Dhaka on the occasion of the International Women's Day on March 8.

PHOTO: BANK ASIA



Gazi Golam Ashria, chairman of Jamuna Bank Ltd, inaugurates the bank's electronic KYC (e-KYC) platform to enter the digital age at the lender's head office in Dhaka recently. Redwan-ul-Karim Ansari, director of the bank, Mirza Elias Uddin Ahmed, managing director, AKM Atiqur Rahman and Mohammed Fazlur Rahman Chowdhury, deputy managing directors, were present.

PHOTO: JAMUNA BANK

Investors see

FROM PAGE B4

rate was recently at its highest level since May 2020, while another closely watched short-term funding stress gauge, the spread between the US three-month Libor and the overnight index swap rate was at a similar high. Volatility in stocks, currencies and US Treasury yields has also spiked.

In another potential red flag, Barclays on Monday suspended sales of two products linked to crude oil and market volatility, which some saw as a sign of

lack of liquidity.

Among the assets investors have been cutting are emerging markets bonds, which saw \$3.54 billion in net outflows last week, the biggest reduction since April 2020. Treasuries, meanwhile, saw some \$5.4 billion in inflows in the past nine weeks, according to BofA Global Research.

Mike Vogelzang, Chief Investment Officer at CAPTRUST in Boston, said his firm had taken "aggressive action" in response to the Ukraine

crisis to reduce the risk profile of its portfolios. That included cutting equity exposure and selling mortgages and a number of corporate bonds, replacing them with highly liquid short-term US Treasuries. "We're worried about a potential liquidity scare on a global stage," he said. "We were significantly underweight US Treasuries to our benchmarks for years now, and so we really filled that bucket up and reduced the illiquidity potential in our portfolios."

Robi posts 3pc rise in earnings

STAR BUSINESS REPORT

Robi posted 3 per cent rise in its earnings in the financial year ended on December 2021, said the second largest mobile phone operator in a disclosure yesterday.

The mobile phone, listed in 2020, posted Tk 0.34 earnings per share (EPS) in 2021 from Tk 0.33 each share the previous year.

The latest profit figure was the highest since 2019 when Robi recorded only Tk 0.04 per share.

Robi said its net asset value a share declined but its net operating cash flow per share increased 16 per cent to Tk 6.22 on December 31, 2021.

Shares of Robi declined 0.28 per cent to Tk 36.20 yesterday at the Dhaka Stock Exchange from the previous day. The company recommended 2 per cent final cash dividend.

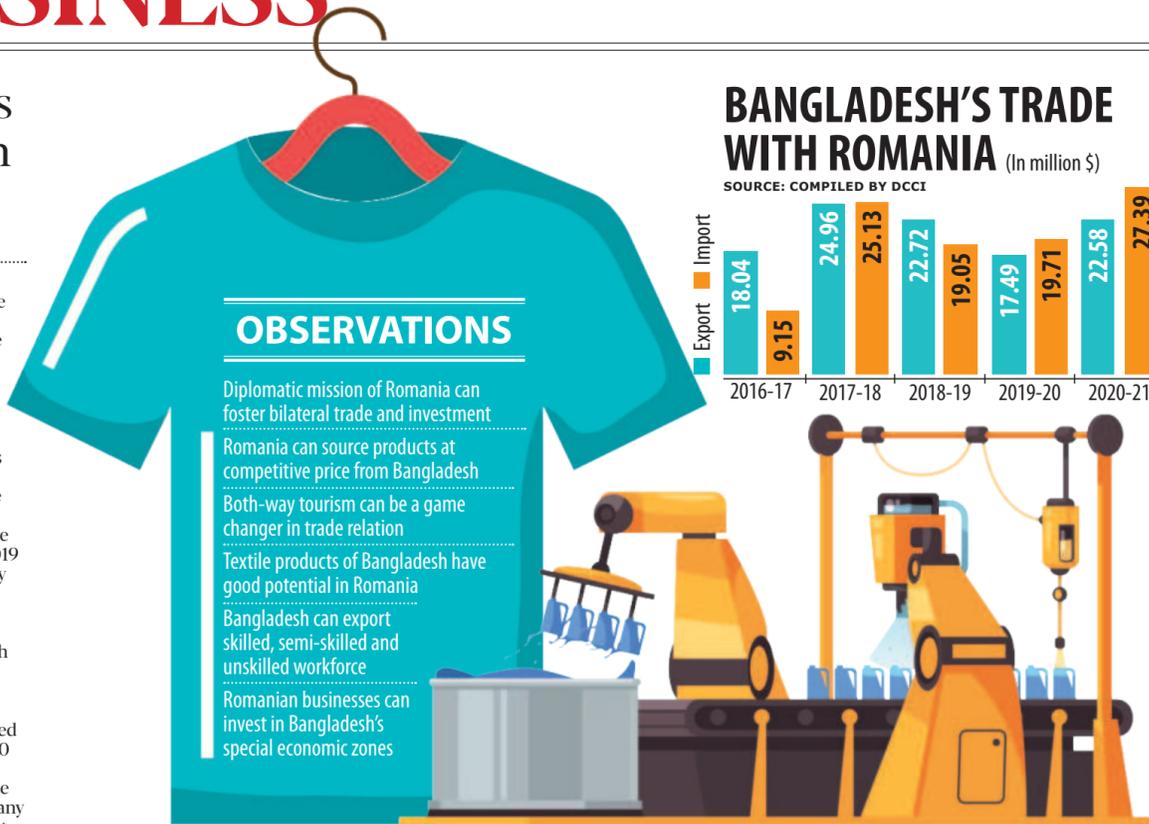
Move for faster completion of Japanese EZ

STAR BUSINESS REPORT

The Bangladesh Economic Zones Authority (Beza) is set to sign a deal with Bangladesh Special Economic Zone Ltd today for faster completion of the economic zone for Japanese investors on the occasion of the 50th anniversary of diplomatic relations between the two nations.

Abdul Azim Chowdhury, executive member for administration and finance of Beza, and Eisuke Nakanishi, general manager of Sumitomo Corporation, are expected to sign the deal.

In March 2019, the Executive Committee of the National Economic Council approved the Foreign Direct Investment Promotion Project to establish the zone at Tk 2,562 crore. To develop the zone, Bangladesh Special Economic Zone Ltd was formed through a joint venture with Sumitomo Corporation.



Establish diplomatic mission to boost trade, investment

Speakers urge Romania at DCCI discussion

STAR BUSINESS REPORT

The establishment of the diplomatic mission of Romania in Dhaka will foster trade and investment between the two countries and pave the way for exporting skilled workforce to the European nation, speakers said yesterday.

"If the government of Romania establishes its diplomatic mission in Dhaka, it will elevate the bilateral trade relations to a new height," said Sheikh Fazle Noor Taposh, mayor of the Dhaka South City Corporation, while addressing a discussion on trade and investment opportunities.

The Dhaka Chamber of Commerce & Industry (DCCI) organised the event at its office, according to a press release.

Taposh said there might be a close trade relationship between Bangladesh and Romania, but in order to make that happen, the exchange of visits of the business community is more important. "Two-way tourism can be a game-changer in terms of bilateral trade relationship."

Bangladesh has extended the capital or profit repatriation facility to foreign investors. So, the mayor invited Romanian investors to invest in the economic zones in the country to avail the facility. He said that a help desk will be

established in DCCI's office soon to help business entities get renewal of trade licence easily.

Robert Negoitã, mayor of the Bucharest-3rd District of Romania, called for a reciprocal relationship among the business community of both countries.

"In that case, the exchange of business delegation will enhance the communication."

According to him, Romania can be the gateway to Europe for Bangladesh. "So, investing in Romania will boost Bangladesh's export to Europe."

Romania can export agricultural products and technologies to Bangladesh.

"Textiles products of Bangladesh have a good opportunity in Romania. The Romanian textile sector needs a skilled workforce that Bangladesh has an opportunity to export," Negoitã said.

Rizwan Rahman, president of the DCCI, said the government of Bangladesh is now emphasising intensifying economic diplomacy prioritising global integration.

"The cross-border trade link of Bangladesh is in good shape with Europe, the US, Africa and the Middle East." Bilateral trade between Bangladesh and Romania stood at \$49.97 million in the last fiscal year. Bangladesh's import was \$27.39 million in the year.

"Trade needs to grow in a win-win

situation to make the most of new opportunities with a view to expanding economic cooperation."

Rahman requested Romanian businessmen to source furniture, plastic, pharmaceutical, ship, jute, leather products and garments from Bangladesh.

The Bilateral Investment Treaties, signed in 1987, can be implemented to allow Romanian investors to invest in Bangladesh's rewarding and competitive economic zones.

"The Romanian private sector can play a pivotal role to harness mutual potentials."

Benjir Ahmed, a former president of the Bangladesh Association of International Recruiting Agencies, said Bangladesh is ready to export skilled, semi-skilled and unskilled workforce to Romania.

He also called for setting up the diplomatic mission, said the DCCI in the press release. Mansoor Ahmed, senior vice president of the Bangladesh Knitwear Manufacturers and Exporters Association, said there was a great opportunity for Bangladesh's RMG exporters to increase exports to Romania.

"More emphasis should be placed on trade, investment and knowledge cooperation to strengthen bilateral trade."

He recommended Romania encourage its private sector to invest more in Bangladesh's economic zones.

Engage business leaders during market drive

FBCCI president says

STAR BUSINESS REPORT

The government and other related agencies should keep business leaders in the fold when working to protect consumer rights and launching drives against unscrupulous businesspeople, said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

He made the call during a programme organised by the Directorate of National Consumer Rights Protection (DNCRP) on the occasion of World Consumer Rights Day at the Osmani Memorial Auditorium in Dhaka yesterday.

"There are 64 district chambers in the country with whom we will cooperate if necessary as we want to do business in a disciplined manner," Uddin said.

Commerce Minister Tipu Munshi said that if consumers are aware of their rights, unscrupulous businesspersons who are behind the price hike of daily essentials will not be able to engage in such activities.

"The people of Bangladesh are not aware enough about consumer rights. Our responsibility is to make people aware so that they can understand their rights," he added.

AHM Safiquzzaman, director general of the DNCRP, said his organisation's manpower needs to be increased in order to properly carry out its activities. There are currently a total of 217 staff members, including 96 officers, working at the directorate.

"And we need a lab where various products can be inspected," he added.

Ghulam Rahman, president of the Consumers Association of Bangladesh, echoed the same.

Zakia Sultana, secretary of the industries ministry, and Tapan Kanti Ghosh, senior secretary to the commerce ministry, were also present at the programme.

Brac Bank launches multi-currency debit card

STAR BUSINESS DESK

Brac Bank has launched a multi-currency debit card that enables its customers to make international transactions and purchases from global e-commerce sites.

As such, the bank's customers can use this VISA debit card at hotels, restaurants, shops while travelling abroad, avail medical services at foreign hospitals, purchase foreign software, boost advertisements on social media, and many more, a press release said.

The existing debit cardholders need to replace their current card to avail these facilities.

"It has a multi-currency transaction facility, discounts, reward points and of course, all the perks and privileges offered by VISA," said Md Mahiul Islam, head of retail banking at Brac Bank.

Financial wellness

FROM PAGE B1

Bank, Global Founders Capital, Trihill Capital, Blauwpark Partners, and 1982 Ventures.

This brings the total funding raised in less than two years to \$14 million (Tk 120 crore) for the company having operations in Indonesia and Bangladesh.

Employees may need money on an emergency any time of the month and face difficulty in getting it. "Our solution provides the money that an employee already earns," Rameez Hoque, managing director, Wagy Bangladesh, told The Daily Star.

For example, if a customer applies for the fund support on a day of the month, he will get a portion from his earned money.

"Only 50 per cent of the earned salary can be withdrawn as we think the user shouldn't spend all of this money before the payment of the salary," he said.

Instead of banking charges and interests, the customers pay anywhere from Tk 50 to Tk 100 for availing the money.

Launched in Indonesia in 2020 and founded by former Grab and Tokopedia executives, Wagy said to have witnessed strong growth as its user base grew tenfold year-on-year in 2021.

Meanwhile it said to have partnered with some of Indonesia's largest employers, including British American Tobacco.

Around 1 lakh people are said to have availed the service and over 70 companies signed deals with the platform.

It was launched in Bangladesh in October 2021. Till now, it has four customers -- RMG companies SQ Group, Vision Group, International Classic Composite and Dosh Garments.

"We will soon offer our service to three other companies. One of them is a non-RMG company," he added.

Employers avail wagy services, in a way, to offer employee benefits and this improves retention, productivity and wellbeing, said Hoque.

In Bangladesh, 4.22 million workers in the RMG industry alone suffer due to the lack of support in cash flow timing, said a wagy statement.

More than 70 per cent of workers among them either borrow or opt for informal loans in order to afford basic necessities that puts them in a vicious circle of the debt trap, it added.

"With wagy's rapid growth in recent quarters, we believe they will be the preferred partner for large enterprises that aim to challenge the status quo of worker financial wellness in Indonesia and beyond," said Roderick Purwana, managing partner of East Ventures.

"We are proud to be successfully operating in two of the largest markets in Asia," said Tobias Fischer, CEO and co-founder at wagy.

EU concerned over delay in EPZ

FROM PAGE B1

The EU delegation also wanted to know about the causes for delays in the recruitment of an adequate number of inspectors for the Department of Inspection for Factories and Establishments (Dife), Hatem said.

The same was asked over making the Remediation Coordination Council for factories fully functional, he said.

Bangladeshi exporters at the meeting demanded fair prices for garment items and for following a unified code of conduct for audits of garment factories centring the purchase of goods.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, echoed Hatem.

"As per the EU roadmap given earlier, we have been taking measures gradually," said Hassan who was also present at the

meeting.

For instance, there was a time when scanning exportable goods at Hazrat Shahjalal International Airport took up a lot of time for the limited explosive detection systems kept in place, he said.

However, following suggestions made by the EU and other European countries, the government sets up four such detection machines to expedite the scanning process and improve airport and goods safety, he added.

Setting those up did take more time than what was suggested but those are functioning well now, said Hassan, adding that the labour and human rights would similarly be gradually improved.

The delegation held meetings with senior officials of the ministries of labour, commerce and foreign affairs to assess the progress of the reforms as

Bangladeshi exporters at the meeting demanded fair prices for garment items and for following a unified code of conduct for audits of garment factories centring the purchase of goods

per their action plan.

The team included Jordi Currell Gotor, director for international affairs, Directorate General for Employment, Social Affairs and Inclusion, and Benedikt Bunker, policy officer, Directorate General for Employment, Social Affairs and Inclusion, European Commission.

Ivo Schutte, deputy head of division, Asia and the Pacific-Regional Affairs and South Asia, European

External Action Service, and Alessandro Tonoli, policy officer, Directorate General for Trade, European Commission, are also in the delegation.

Md Abdur Rahim Khan, joint secretary to the commerce ministry, led the Bangladesh side in the first day of meetings with the EU delegation on Monday.

He said the government has already sent a draft of the copy of Bangladesh ratifying ILO Convention 138 to the law ministry for vetting before it was passed in parliament.

Moreover, the government has been trying to recruit an adequate number of inspectors for Dife, he said.

Khan said the EPZ Labour law was also scheduled to be amended as it was also at the law ministry for vetting on being granted approval from the cabinet committee.

Medicine exports to developed

FROM PAGE B1

and managing director of Incepta Pharmaceuticals Ltd, says local pharmaceutical companies are manufacturing high-quality drugs and are getting approval from international regulatory bodies.

"This is raising our exports to the developed countries. Now we are in the initial stage. The export will go up

rapidly in coming days." He thanked the regulators of Bangladesh for extending support to local medicine makers to explore opportunities in the foreign markets.

Beximco Pharmaceuticals accounts for 90 per cent of the medicines shipped to the US, said an official of the company.

Before entering a regulated market, a company has to obtain a good manufacturing practice certification from the regulatory body of the importing nation, according to Monjurul Alam, global business director of Beacon Pharmaceuticals.

Pharmaceuticals shipments from Bangladesh grew 25 per

cent year-on-year to \$169 million in FY21 thanks to the addition of anti-coronavirus drugs to the export basket, continuous improvement of quality and policy support.

Overseas sales brought in \$130.57 million in the June-February period of FY22, up 21.28 per cent year-on-year, according to the state-run EPB.

Suspicious transactions

FROM PAGE B1

CTRs were up 27 per cent year-on-year to 2.05 crore in FY21, according to the report.

The BFIU defines CTRs as any kind of cash deposit or withdrawal valued at Tk 10 lakh or more through one or more transactions in an account in a single day.

The volume of CTRs stood at Tk 14,438,29 crore last year, up 23 per cent the year prior.

The intelligence agency also carried out an analysis on such transactions in 21 border districts since they are prone to money laundering and terrorist financing activities.

It found that cash transactions in the form of CTRs in 15 out of the 21 districts were higher than their neighbouring districts.

For instance, cash transactions that falls in the CTR category stood at Tk 16,894 crore compared to Tk 9,460 crore a year ago.

A BFIU official says smuggling and criminal activities in the border areas are usually higher than in other parts of the country, prompting the agency to conduct the analysis.

"We usually conduct investigations in the border districts if unusual cash transactions take place," he said.

Masud Biswas says some money has been laundered

from Bangladesh and the agency has taken measures to rein in the financial felonies. He, however, did not give any specific figure.

Bangladesh lost about \$8.27 billion on an average annually between 2009 and 2018 for mis-invoicing of values of import-export goods by traders to evade taxes and illegally move money across international borders, said Washington-based Global Financial Integrity in December.

"We have taken several initiatives after Panama and Pandora papers revealed some names of money launderers from Bangladesh," Biswas said.

The Panama Papers is a huge leak of documents that show how clients of Panamanian law firm called Mossack Fonseca were able to launder money, dodge sanctions and avoid tax. They were released in 2016.

The Pandora Papers are a 2021 leak of more than 12 million documents incriminating hundreds of global politicians and wealthy elite for tax avoidance and corruption.

When asked whether the BFIU has made any attempt against the Bangladeshi people who are believed to have participated in the second home scheme in the countries such as Canada and Malaysia, Biswas declined to comment.



A farmer clears weeds from his paddy field in Khulna city. The Boro season, running from March to May, accounts for the biggest volume of crop output in Bangladesh, according to the Bangladesh Bureau of Statistics. In fiscal year 2019-20, it accounted for over 53 per cent of the 3.66 crore tonnes of rice produced in the country. In terms of acreage, it encompassed over 41 per cent of the 2.82 crore acres of land brought under rice cultivation. The photo was taken last week.

PHOTO: HABIBUR RAHMAN

Bepza, StanChart team up to attract investment to EPZs

STAR BUSINESS REPORT

Bangladesh Export Processing Zones Authority (Bepza) and Standard Chartered yesterday signed a memorandum of understanding (MoU) to enhance mutual cooperation to attract more investment for the export processing zones.

Standard Chartered will support Bepza to organise various trade and investment-related conferences, seminars, roundtable meetings and exhibitions at home and abroad, according to a statement released by the bank.

Ali Reza Mazid, member of Bepza, and Enamul Huque, managing director and head of client coverage, corporate commercial and institutional banking at Standard Chartered, signed the MoU at Bepza Complex in Dhaka.

Bepza Executive Chairman Major General Abul Kalam Mohammad Ziaur Rahman and Standard Chartered CEO Naser Ezaz Bijoy witnessed the signing ceremony.

"If we work jointly definitely the efforts will be much more effective for both of us in exploring new investment," said Bepza executive chairman.

"Our strength is our 40 years of experience. We have the expertise to facilitate new investment compared to other organisations," he said.

Rahman also hoped that this partnership will be helpful for Bepza in organising an investment promotion programme by using Standard Chartered's unique global network.

The StanChart Bangladesh's CEO said Bepza has been a transformational driver in accelerating export growth for Bangladesh since its founding.

"Under its foresightful patronage, the EPZs have been creating new employment opportunities despite the pressure exerted by the advent of the Fourth Industrial Revolution, while enabling much needed foreign currency inflows, helping meet growing external obligations."

Investors see risks spiking

Fear market-wide liquidity crunch

REUTERS, New York

Wild swings in asset prices following Russia's invasion of Ukraine are prompting some investors to pare risk in their portfolios, fearing that the type of volatility seen in commodities in recent weeks could hit other markets.

At issue is liquidity – or the ease at which investors can buy or sell an asset without affecting its price. While episodes of low liquidity have contributed to sharp gyrations across markets over the last decade, signs of stress have become more plentiful in the last few weeks, exacerbated by everything from sanctions against Russia to expected central bank tightening.



Should liquidity continue to deteriorate throughout markets, investors worry that other assets could be subject to the kind of violent price swings that have wracked commodities this month – which have included a one-day doubling in nickel prices and a surge in oil to 14-year highs.

"It isn't always clear where the contagion risks lie," said Frances Donald, Global Chief Economist at Manulife Investment Management. "This is why liquidity needs to be monitored, not just daily, but hourly at this point, for signs of challenges."

Financial indicators are showing increasing signs of stress throughout markets.

The so-called FRA OIS spread, which measures the gap between the US three-month forward rate agreement and the overnight index swap

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BSEC demands accurate account of undistributed dividends

Will take action against listed companies that will not comply

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has decided that it will take action against listed companies that fail to show an accurate account of undistributed dividends.

Undistributed dividends are profits of a company that have not been paid out to eligible shareholders by way of dividends.

Prof Shibli Rubayat Ul Islam, chairman of the BSEC, warned listed firms of this decision at an event styled "Birthday Celebration of the Father of the Nation and Shareholders' Claim Settlement", organised by the Capital Market Stabilisation Fund (CMSF) at Hotel Purbani International in Dhaka yesterday.

Some investors filed applications for their dividends after the BSEC started using undistributed profits to support the domestic stock market.

"So, it is a great pleasure for the regulator that the investors are getting the money after a long time," Islam said.

"With this, general investors have regained the confidence that there is a regulator which is working for their rights," he added.

As such, the BSEC asked all listed companies to give a detailed account of

their undistributed dividends, but some of them are repeatedly seeking more time to do so.

However, the commission will go strict in this regard after March 31 as listed firms were already given a considerable amount of time to submit the data.

BSEC asked all listed companies to give a detailed account of their undistributed dividends, but some of them are repeatedly seeking more time to do so. However, the commission will go strict in this regard after March 31.

"If any company fails to give a proper account or inform where their unclaimed funds are, we will levy a penalty that surpasses the amount of dividends owed," Islam said. The BSEC chairman went on to say that the amount of undistributed profits accumulated by firms since

their trading debut, and whether it is being used illegally needs to be sought out.

"No one has the right to establish their own building with the money," he added.

The BSEC decided in June last year to use undistributed and unclaimed dividends of listed companies in the CMSF, which aims to safeguard the interests of investors in the stock market.

After that, it ordered all listed companies, including banks and non-bank financial institutions (NBFIs), to submit their undistributed dividends to the fund.

The BSEC was later informed by Bangladesh Bank that listed banks and NBFIs cannot comply with the order.

The CMSF recently played a vital role when the market index was in a falling trend, Islam said.

The BSEC had ordered the CMSF authorities to invest Tk 100 crore in the stock market at a time when the DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), dropped 6,447 points to reach its lowest level in several months.

After the order came, the index started inching upwards to close at 6,765 points as of yesterday, DSE data shows.

"The BSEC observed that investors are not getting their dues properly so the stock market stabilisation fund was formed to help return peoples' money," said Shaikh Shamsuddin Ahmed, a commissioner of the BSEC.

"The CMSF is already working to utilise the fund in the stock market or return it to investors, which are both welcome tasks," he added.

The way the CMSF is being managed proves that the BSEC's decision to form the fund was correct and investor friendly.

"With its work for market support and returning dividends to the investors, people will get the confidence back. Confidence is necessary for sustainability in the market," Ahmed said.

Md Nojibur Rahman, chairman of the CMSF, focused on the utilisation of the fund in recent times.

"Some of the fund has been invested in the stock market while some has been returned to investors who claimed them," he said, adding that the CMSF has already settled 18 claims.

Azam J Chowdhury, the immediate past president of the Bangladesh Association of Publicly Listed Companies, and Md Monowar Hossain, chief of operation of the CMSF, also spoke at the event.

EU approves new round of Russia sanctions

REUTERS, Brussels

The European Union formally approved on Tuesday a new barrage of sanctions against Russia for its invasion of Ukraine, which include bans on investments in the Russian energy sector, luxury goods exports and imports of steel products from Russia.

The sanctions, which come into effect after publication in the EU official journal later on Tuesday, also freeze the assets of more business leaders who support the Russian state, including Chelsea football club owner Roman Abramovich.

The European Commission said in a statement on Tuesday that the sanctions included "a far-reaching ban on new investment across the Russian energy sector".

The measure will hit Russia's oil majors Rosneft, Transneft and Gazprom Neft, but EU members will be still able to buy oil and gas from them, an EU source told Reuters. There will also be a total ban on transactions with some Russian state-owned enterprises linked to the Kremlin's military-industrial complex, the EU executive said.

The bloc reached a preliminary agreement on the new sanctions on Monday, and no objections were raised before an agreed deadline.

The ban on Russian steel imports is estimated to affect 3.3 billion euros (\$3.6 billion) worth of products, the Commission said.

EU companies will also be no longer allowed to export any luxury goods worth more than 300 euros, including jewellery. Exports of cars costing more than 50,000 euros will also be banned, EU sources said.



The Plains oil refinery is seen in Mobile of Alabama state on March 10. US domestic oil production is set to increase as the Russian invasion of Ukraine causes oil prices to spike.

PHOTO: AFP

Oil prices plunge

REUTERS, London

Oil prices tumbled to their lowest levels in almost three weeks on Tuesday as supply disruption fears eased and as surging Covid-19 cases in China spurred demand concerns.

Brent futures were down \$6.40, or 5.9 per cent, to \$100.50 a barrel at 1308 GMT, while US West Texas Intermediate (WTI) crude was down \$6.35, or 6.1 per cent, to \$96.66 a barrel.

Brent fell as low as \$97.44 and WTI hit \$93.54, their lowest levels since February 25.

The steep decline followed a statement from Russian Foreign Minister Sergei Lavrov that Moscow is in favour of the 2015 Iran nuclear deal resuming as soon as possible.

The talks to revive the nuclear accord, which would lead to sanctions on Iran's oil sector being lifted and allow Tehran to resume crude exports, had recently stalled due to Russian demands.