

Public-private coordination crucial
Says Rushanara

STAR BUSINESS REPORT

Bangladesh has a lot of success in the economic and social sectors but coordination between the public and private sectors is very important for their continuity, said Rushanara Ali, the UK prime minister's trade envoy to Bangladesh.

Ali, also a British parliament member, made the remarks in a meeting with business leaders of Bangladesh at the Dhaka Chamber of Commerce and Industry (DCCI) yesterday.

She said the development of the private sector, economic growth and trade expansion were the real growth drivers for Bangladesh's economy.

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British High Commissioner to Bangladesh Robert Chatterton Dickson said Bangladesh's private sector was very strong and they were leading the economy from the front.

He said the Mirsarai economic zone in Chattogram was a good place for attracting foreign investment and there was a lot of opportunities there for the UK's investors as well.

DCCI President Rizwan Rahman invited British investments in shipbuilding, garments, agro processing, leather and footwear, light engineering and skills development sectors of Bangladesh.

BANGLADESH-MALAYSIA TRADE POTENTIAL

- Businesses of both sides can take trade benefit from investment
- Investors are allowed to repatriate 100% of their dividend
- Bangladesh govt formulated guideline for local firms to invest abroad
- Bangladesh investors can use the gateway of Asean
- Bangladesh offers up to 12-year tax exemption for foreign investors
- Malaysia encourages investment in high-value products

Bangladesh, Malaysia can benefit from reciprocal investments

Experts say at a webinar of business leaders from the two countries

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Businesses in Bangladesh and Malaysia can benefit if they invest in each other's countries as both have opened their doors to foreign firms, according to various experts.

"All investments in Bangladesh are secured by law and full repatriation of dividends is allowed," said Syed Almas Kabir, president of the Bangladesh-Malaysia Chamber of Commerce and Industry (BMCCI).

Kabir was addressing a webinar on "Exploring business opportunities in Bangladesh and Malaysia", jointly organised by the BMCCI and Malaysia External Trade Development Corporation (MATRADE) yesterday.

Malaysian businesspeople can invest in leather, electronics and light engineering, automobile, plastic goods, agro processing, frozen food, pharmaceuticals, jute and jute goods, tourism and hospitality, financial and capital market, skill and human resource development, infrastructure and logistics, transport and healthcare, he said.

Bangladesh Bank has issued a circular allowing Bangladeshi businesses to invest in Malaysia. "We will also be able to contribute to Malaysia's development as the BMCCI is working to make it easier for local businesses to invest there," Kabir said.

added. The BMCCI president went on to say that the government was establishing a special economic zone in Bangladesh where factories could relocate from Malaysia.

Haznah Md Hashim, Malaysian high commissioner to Bangladesh, appreciated the local economy's growth.

Bangladesh achieved healthy economic growth even amidst the Covid-19 pandemic and is recovering very fast from the fallouts, she said.

Besides, Bangladesh is a good destination for Malaysian investors as domestic consumption is growing in line with the country's economic growth, Hashim added. Amran Yem, senior director (export promotion and market access division) of Matrade, said Malaysian businesspeople need good local partners to work in Bangladesh.

"We are interested to invest in Bangladesh as there are vast opportunities between the two countries to boost trade and commerce," Yem said.

He pointed out that Malaysian investors were keen to invest in chemical and chemical product industries.

According to him, Bangladeshi investors could make use of the Association of Southeast Asian Nations to invest in Malaysia.

Md Ariful Hoque, director (registration

and incentives) of Bangladesh Investment Development Authority, said Bangladesh was offering import of capital machinery at only 1 per cent custom duty and zero value added tax.

Besides, the government is offering a 12 year tax holiday for foreign investors as well as easy access to work permits and visas, he said. Hoque said the government had created a welcoming environment for foreign direct investment, offering the opportunity to invest in almost any sector of the country.

Roswidin Mohd Zain, director of Malaysian Investment Development Authority (MIDA), said Malaysia encourages investment in high value products.

While describing the investment opportunities in Malaysia, Zain said the best benefit of investing in the country was its strategic location at the heart of Asia.

He went on to say that Malaysia's business friendly policies and the fact that investors were allowed to pay for their full investment out of pocket were two major opportunities for investors.

Moderated by Motaher Hoshan Khan, secretary general of the BMCCI, the programme was also addressed by Mozaaffar Shah Hanafi, trade consul of Malaysia External Trade Development Corporation (MATRADE) Chennai.

National safety committee inspects

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Bangladesh Chambers of Commerce and Industry (BCCI) yesterday.

The FBCCI and the International Labour Organisation (ILO) jointly organised the event, according to a press release from the federation.

The national committee has already inspected 5,200 factories, and the rest will also be brought under inspection, the adviser said.

Initially, many owners were reluctant to start reforms in the garment sector, but now they are enjoying the benefit of the inspection and remediation, he said.

The garment sector is reaping the benefits of the decent working environment. Similarly, the pharmaceuticals industry has gained a worldwide

reputation on the back of safe factories."

Gorge Faller, a technical adviser of the ILO, called for the successful implementation of government policies to make the garment sector safer.

"If the workplace is safe, it is beneficial for both employers and workers."

Bangladesh should work for a safe and sound workplace so that the world recognises that "Made in Bangladesh" goods represent safety, he said.

Md Ehsan-E-Elahi, secretary of the labour and employment ministry, said that safety, quality and productivity are interrelated.

"As the working environment of factories improves, so does the productivity of the workers and the quality of the

goods manufactured," he said, adding that the government is working to make Bangladesh free from child labour by 2025.

Mostofa Azad Chowdhury Babu, senior vice-president of the FBCCI, said that having the opportunity to work safely in the workplace is one of the basic rights of workers.

"There is no substitute to creating a safe work environment to survive in the global competition."

He urged the owners, workers and all other stakeholders to come forward to ensure safety in the workplace.

The FBCCI has set up a safety council to protect workers at the workplace. The council is working on the basis of the National Occupational Safety and Health Policy, Babu added.

Do proper feasibility

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sector and would give a significant return to the investor.

Because of the proper feasibility study, the construction of the Padma bridge and the Karnaphuli tunnel did not stop for a single day despite the coronavirus pandemic, the cabinet secretary said.

While making a presentation, AKM Mamunur Rashid, climate change specialist of the UNDP Bangladesh, said the current financing gap for climate actions in Bangladesh is \$3 billion annually.

"Diverting development finance to meet climate emergencies is also causing development deficits. In

this context, PPP is one of the most feasible financing options to reduce financing gaps and cut the development deficits of the government."

The PPP Authority is developing an innovation lab to explore the opportunities for climate-smart PPP projects in Bangladesh.

Mohammad Muslim Chowdhury, Comptroller and Auditor General, Ito Naoki, ambassador of Japan to Bangladesh, Jiming, ambassador of China, Essa Yousef Essa Alduhailan, ambassador of Saudi Arabia, Mustafa Osman Turan, ambassador of Turkey, and Sultana Afroz, CEO of the PPP Authority, also spoke.

Send non-listed

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With a view to giving a boost to the capital market, the BSEC has taken a raft of measures to increase the participation of institutional investors. The letter was a part of the steps, according to a top official of the commission.

The capital market in Bangladesh is dominated by retail investors, who account for around 80 per

cent of the investor base. It is expected that institutional investors will dominate activities instead of retail investors to bolster the capital market, the letter said.

"Insurance companies are expected to act as institutional investors and come up with innovative ideas for the sake of their business and capital market development."

Onion import

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The prices of onion were Tk 40-Tk 50 per kg a month ago, 26 per cent up from the current prices, despite the peak seasons for the crop in the country.

According to the Department of Agricultural Extension, a total of 33.62 lakh tonnes of onion was produced in the country in

the 2020-21 fiscal year.

However, the yearly demand for onion in the country is about 25 lakh tonnes, according to data presented at a workshop of the commerce ministry last year.

Bangladesh produced about 29.55 lakh tonnes of onion and imported six to seven lakh tonnes, it said.

Russia insists on rouble payments for gas

AFP, Moscow

Russia reiterated Tuesday that it will only be accepting payment for gas deliveries to the EU in roubles after G7 ministers called this arrangement "unacceptable".

"Nobody will supply gas for free. This is just impossible. And it can only be paid in rubles," Kremlin spokesman Dmitry Peskov told reporters.

"Companies must understand the completely changed environment that has arisen in the conditions of the economic war waged against Russia," he said.

Russian President Vladimir Putin said last week that Moscow will now only accept roubles as payment for natural gas deliveries to "unfriendly" countries, which include the European Union.

Western countries have piled crippling sanctions on Moscow with it moved troops into Ukraine, with

the United States banning the import of Russia oil and gas among other measures.

However, the European Union -- which received around 40 per cent of its gas supplies from Russia in 2021 -- has retained deliveries from Moscow.

Speaking on behalf of the G7 energy ministers, Germany's Robert Habeck said Monday that Russia's request was a "unilateral and clear breach of the existing agreements".

He said payments in roubles were "unacceptable" and called on energy companies not to comply with Putin's demand.

On Thursday, the Russian government, its central bank and energy giant Gazprom are expected to present Putin with a system that will allow gas payment to be conducted in rubles.

"There is nothing better than Russian gas, all the other options are worse. That is the reality," Peskov said.

Japan to ban Russia-bound exports of luxury cars, goods

REUTERS, Tokyo

Japan will ban the export of high-end cars and other luxury goods to Russia in its latest response to the Russian invasion of Ukraine, the trade ministry said on Tuesday.

The partial ban on Russia-bound auto items, which account for more than half of Japan's exports to Russia, came after Prime Minister Fumio Kishida made a commitment to place more sanctions on Russia at a Group of Seven summit last week.

The new items on the export control list, to take effect from April 5, span 19 categories, from cars worth more than 6 million yen (\$48,630) to jewellery.

watches, cosmetics, liquor and art priced at more than 40,000 yen, the Ministry of Economy, Trade and Industry said in a statement.

Russia-bound exports of boat engines worth more than 1.3 million yen, motorcycles worth over 600,000 yen and grand pianos priced at more than 200,000 yen will also be banned, the ministry said.

Japan's ban on luxury exports to Russia, first announced by Kishida on March 16, followed steps by the United States and European countries to impose sanctions on Russia for its invasion of Ukraine. Russia says it is carrying out "a special military operation" in its southern neighbour.

Flat prices going

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"It is not possible to raise the price of the flats that have been already booked despite the sudden increase in the price of raw materials."

"We have signed deals with the consumers and received money from them, so there is no scope to ask for additional money from them," he said, adding that the price would be adjusted in case of new projects in line with the escalated price of raw materials to

stay afloat.

Hossain, also a former president of the Federation of Bangladesh Chambers of Commerce and Industry, called for a logical adjustment of the price of flats.

However, he says, realtors can't increase the price of properties abnormally due to the competition in the sector.

Mohammad Kayum Khan, head of mortgage at IPDC Finance, a non-bank financial institution,

says they have noticed the price increase of raw materials but the demand for loans from developers and buyers has remained the same.

Because of the higher price, he says, buyers will have to increase their initial investment and this would be a burden for many middle-income clients.

Around 10,000 flats were sold in 2021, up from 8,500 to 9,000 per year since 2018, data from the REHAB showed.