

Bangladesh, South Korea agree to deepen ties

STAR BUSINESS REPORT

Bangladesh and South Korea have agreed taking their comprehensive partnership to the next level in commemoration of the 50th anniversary of diplomatic relations.

Focus will be on trade and investment, infrastructure development, human resources development, defence, agriculture, fisheries and biotechnology, and regional and global issues of common interest and concern, including global peace and security and climate change.

The consensus was reached at a Third Foreign Ministry Consultations held in Dhaka yesterday.

Foreign Secretary Masud Bin Momen and First Vice-Minister of Foreign Affairs of South Korea Choi Jong Kun led their respective delegations.

South Korea also agreed to extend cooperation in diverse areas, including capacity building in frontier technology and cyber security, technical and vocational education and training, shipbuilding and clean energy.

DBL Ceramics opens display centre in Barishal

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DBL Ceramics, a subsidiary of DBL Group, has opened its fifth display centre on Bir Shrestha Captain Mohiuddin Jahangir Road in Barishal.

Md Bayazed Bashar, general manager of DBL Ceramics, inaugurated the outlet on Tuesday, said a press release. The other display centres are in Dhaka, Sylhet and Rangpur.

M Abu Hasib Ron, head of sales at DBL Ceramics, was present.



Unemployment insurance is one of the components of unemployment protection measures that include temporary and income support for workers who become unemployed or are underemployed.

PHOTO: STAR/FILE

Progress still low for rolling out unemployment insurance

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The progress made in providing unemployment insurance has been extremely limited as almost all targets were missed since the National Social Security Strategy (NSSS) was adopted in 2015 to protect unemployed workers.

Social insurance includes unemployment insurance, which is one of the components of unemployment protection measures that include temporary and income support for workers who become unemployed or are underemployed.

Under the NSSS, four initial initiatives—conducting a study and developing a plan for the National Social Insurance Scheme (NSIS) in 2018, introducing the NSIS on a pilot basis in January 2019, formulating the NSIS law in January 2020, and rolling out the NSIS nationwide in January 2021—were taken for the welfare of unemployed workers.

All these targets have been missed, according to a new study, styled “Towards improved unemployment protection in Bangladesh”, by MA Abdur Razzaque, chairman of the Research and Policy Integration for Development (RAPID).

Razzaque shared the study’s findings at an event organised by the International Labour Organisation (ILO) in collaboration with the European Union (EU) at the Radisson Blu Dhaka Water Garden yesterday. The event was attended by government high ups, diplomats, researchers and union leaders.

Potential coverage in the initial stage will be low if only the formal sector is covered as 85 per cent of the jobs in Bangladesh are in informal sectors, Razzaque said.

So, informal sectors should be considered in the unemployment insurance scheme of the active labour market policy, he added.

For instance, of the total employment in the agricultural sector, 95.4 per cent of the jobs are informal.

In case of the industrial sector, 89.9 per cent of the work is informal. Similarly, 71.8 per cent of those employed in the services sector would be informal workers, he said while presenting the study’s key findings.

Razzaque also said the duration of benefits under the NSSS would be 13 weeks within a period of 12 months of unemployment and 26 weeks within a period of 24 months.

Koen Everaert, head of cooperation of the EU delegation, said the absence of a real worker database is a major problem for disbursing unemployment funds to those who really need it.

In 2020, the EU and Germany donated \$113 million to Bangladesh’s government for disbursing among retrenched garment workers who lost their jobs through shut downs or furloughs due to the severe fallouts of Covid-19.

He said every retrenched worker will get Tk 3,000 per month for three months, but a major portion of the amount is still not disbursed as the real unemployed workers have not been found yet.

Md Ehsan-E Elahi, secretary to the labour and employment ministry, said money was disbursed among 9,000 retrenched workers of the garment sector as of Wednesday, and the government has a target to reach another 60,000 workers with the EU and German funds.

Tuomo Poutiainen, country director of the ILO in Bangladesh, said social protection systems became a front liner for protecting workers during the Covid-19 pandemic. However, the strategies for social protection of workers have not been put in place properly in Bangladesh, he added.

Mobile operators buy

FROM PAGE B1

Grameenphone. He said his company would identify relevant use of 5G in collaboration with the government in the coming months.

Erik Aas, CEO of Banglalink, said it was an important step for the industry, as the availability of more spectrum would result in better internet speed and quality digital services for citizens of Bangladesh.

“In keeping with our objective - 4G for all, not 5G for a few, we intend to utilise the new spectrum primarily for 4G in the next two to three years,” he said. Shaded Alam, chief corporate and regulatory officer at Robi Axiata, said this spectrum would improve Robi’s quality of services.

“Our customers will now experience better digital services,” he added.

Although the BTRC instructed the operators to test and conduct trials in six months from the auction date, it has not yet

published a 5G guideline.

“We look forward to a dialogue with the BTRC on critical regulatory enablers and the overall 5G licensing framework, which will be finalised after industry consultation,” said Azman.

Sikder of the BTRC said an international standard 5G policy would be prepared.

However, some experts believe the government would not be able to create a good business case for 5G providing the operators spectrum.

The operators are prohibited from deploying optical fibres, using dense wavelength division multiplexing (DWDM) technology and launching eSIMs, said Abu Saeed Khan, senior policy fellow at Colombo-based think-tank LIRNEasia.

The DWDM is a process of multiplexing many different wavelength signals onto a single fibre. Against this backdrop of these “huge regulatory flaws”, the government aspiration for 5G is “utterly

farfical”, he said.

According to regulations, the operators have to avail optical fibre and the DWDM services from third party entities.

Telecom Minister Mustafa Jabbar said he was encouraging the operators to use optical fibres and the operators were now increasing the use of Bangladesh Telecommunications Company’s optical cable network.

“The telecom companies want to engage in every business, which we will not allow. For this, we have divided the different services among different entities,” he said. Khan also criticised the BTRC for providing spectrum to Teletalk, which has not paid over Tk 1,000 crore to the government in dues.

“Being the huge defaulter, Teletalk doesn’t have the moral ground for further spectrum acquisition without clearing its past dues,” he added.

the business environment for more competitiveness and to attract future investment.

Addressing the programme, Md Saiful Islam, president of the Metropolitan Chamber of Commerce and Industry, urged the government to introduce renewal of trade licence every five years with a view to reducing hassles faced by investors.

Investors will pay the annual fee to the

ADB to give \$143m

FROM PAGE B1

trade,” said ADB Principal Economist Tadateru Hayashi.

“The programme will help diversify the country’s export products and destinations. Improved connectivity will facilitate subregional trade and commerce among the South Asia subregional economic cooperation countries.”

The ADB loan package includes a \$90 million policy-based loan, which will support reforms in areas including bringing the country’s customs legal frameworks in compliance with international standards, the Manila-based lender said in a statement.

The reforms will also improve cargo clearance processes and strengthen the capacity of the National Board of Revenue (NBR) and the commerce ministry, it added.

To complement the policy reforms, a \$53 million project loan will construct integrated land customs stations and land ports of NBR and the Bangladesh Land Port Authority (BLPA) at Akhaura, Sonamasjid, and Tamabil border crossing points (BCPs). Facilities and equipment for customs clearance and cargo transhipment operations will also be installed.

ADB will provide a \$1.5 million technical assistance grant from its Technical Assistance Special Fund to support the modernisation of the customs legal framework and coordination among the border agencies.

The grant will also help in preparation of an operationalisation plan of central customs facilities, strengthen NBR’s capacity to implement modernised customs operations at BCPs, and build the project implementation capacity of NBR and BLPA.

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ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members—49 from the region.

the Bangladesh Export Processing Zones Authority, Taro Kawachi, managing director of the Bangladesh Special Economic Zone, Myung Ho-Lee, vice-president of Shoo-Ho-kai, Shah Mohammad Mahboob, director-general of the Bangladesh Investment Development Authority, and Tareq Rafi Bhuiyan Jun, secretary-general of the Japan Bangladesh Chamber of Commerce and Industry, also spoke.

UCB to form subsidiaries in Hong Kong, Malaysia

STAR BUSINESS REPORT

United Commercial Bank (UCB) has decided to form two subsidiaries in Hong Kong and Malaysia to run trade finance and money service business, albeit all subject to the approval of the regulatory authorities.

The lender disclosed the decision in two separate posts on the Dhaka Stock Exchange (DSE) website.

The Hong Kong subsidiary will have a paid-up capital of \$650,000 to conduct trade finance and other business while the Malaysian one \$950,000 to operate money service business.

The bank had earlier decided to form a subsidiary in Singapore to acquire a business on remittance.

Stocks of the UCB dropped 3.82 per cent to Tk 15.10 yesterday at the DSE. The paid-up capital of the bank is Tk 1,278 crore, according to the data of the DSE.

Brac Bank’s profits grow 15pc in 2021

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Brac Bank posted a 15 per cent higher profit year-on-year to Tk 465 crore in 2021 as its business momentum gained pace, mainly in the second half.

The earnings include income of all the subsidiaries of the private lender.

Brac Bank’s standalone profit stood at Tk 555 crore in 2021, which was 22 per cent higher from that a year ago, it said in a press statement after a virtual event on Wednesday to disclose the earnings.

The bank’s lower profit in consolidated financials was mainly due to losses incurred by bKash as it continues to invest heavily in customer acquisition and market share growth in the MFS fintech market, said the bank.

Managing Director and Chief Executive Officer Selim RF Hussain said Brac Bank’s 2021 results show that the bank was agile and resilient and has already stepped onto a strong growth path.

“Our sustainable banking and customer experience based business strategies have served us well,” he said.

“Our 2021 performance, despite the unprecedented environmental challenges, indicate that the bank is much stronger today, than it was two years ago when the pandemic started,” he added.

Chief Financial Officer M Masud Rana, Chief Operating Officer Md Sabbir Hossain and Head of Corporate Banking Tareq Refat Ullah Khan also spoke at the event.



Dealers of RFL Plastic Ltd and Durable Plastic Ltd from Bangladesh, India and Nepal pose for a photograph in the international dealer conference at a hotel in Istanbul, Turkey recently.

PHOTO: PRAN-RFL GROUP

RFL holds international dealer conference in Turkey

STAR BUSINESS DESK

RFL Plastic Limited and Durable Plastic Limited, two subsidiaries of Pran RFL Group, jointly organised an International Dealer Conference in Turkey recently.

RN Paul, managing director of RFL Group, inaugurated the conference at a hotel in Istanbul, a press release said.

The top 123 dealers of the two companies from Bangladesh, India and Nepal took part in the conference.

“Dealers are playing an important role in increasing exports of RFL Group. In recognition of their work, RFL Group organised the international dealer conference for the first time which, we

hope, will be organised regularly,” said Paul.

Currently, RFL products are being exported regularly to 70 countries around the world and the volume of exports are increasing every year.

Md Moniruzzaman, director of RFL Group, Toukirul Islam, executive director of Durable Plastic, Jahangir Alam, executive director of RFL Plastic, Mohammad Shah Alam, senior general manager for sales at Durable Plastic, Mohammad Rashed Ul Alam, deputy general manager for marketing, Debashish Sarkar, deputy general manager for marketing of RFL Plastic and MNG Osmani, deputy general manager for sales, were present.

Singer to invest Tk 680cr

FROM PAGE B1

in its annual report.

Its operating profit declined 20 per cent year-on-year to Tk 130

crore in 2021. Singer’s net profit dipped 35 per cent to Tk 51.8 crore in 2021 compared to Tk 80 crore the previous year, it

added.

With 1,697 employees, Singer has 437 retail outlets and 1,092 dealers across the country.