



A cobbler is seen preparing the soles of women's shoes at a workshop in Mohanagar area of Khulna city. The shoe making business suffered heavy losses in the past two years as people were less than willing to buy new footwear amid countrywide travel restrictions aimed at curbing the spread of Covid-19. But as the economy is now fully reopened, shoemakers are targeting the ongoing Eid shopping season to make up for lost sales. Each cobbler can make up to 12 pairs of shoes to earn about Tk 300 daily.

PHOTO: HABIBUR RAHMAN

China firm to implement Tk 3,975cr digital connectivity project

REJAU KARIM BYRON and MAHMUDUL HASAN

A Chinese company is set to implement a Tk 3,975 crore digital connectivity project that will equip Bangladesh with the latest ICT infrastructure, digitise government services and increase ICT usage at the field level.

A meeting of the cabinet committee on purchase yesterday granted approval for M/S China Railway International Group Co Ltd to implement the project.

"This is a good project that will generate employment," Finance Minister AHM Mustafa Kamal said at a virtual briefing after the meeting.

Md Zillur Rahman Chowdhury, additional secretary of the finance ministry, informed that the Chinese government will provide 80 per cent of the project cost as loans.

The project's implementation period starts from January 2021 and ends in December 2024 with the ICT department of the ICT Division being in charge of the implementing agency.

Under the project, the government

will establish thousands of broadband user connections, digital and specialised labs, a central cloud platform, frontier technology centre, IT infrastructure in various district and upazila complexes, and ICT training facilities.

Besides, a 21-story tower will be built in the capital's Purbachal to house an academy featuring modern ICT labs and facilities to nourish IT entrepreneurs, said Md Rezaul Maksud Jahedi, director general of the ICT department.

"Government officials will be trained at the tower and there will be an office featuring all important government departments for better coordination of the government's digital agenda," he added.

The ICT department has already leased a three-bigha plot for the tower, which will create research opportunities for the Fourth Industrial Revolution and human resource development, officials say.

A digital literacy centre with an ICT lab and other necessary infrastructure, including smart virtual classrooms and distance learning platforms, will also be

established under the project.

In addition, 10 digital villages, around 492 non-residential buildings for establishing a shared ICT operation centre, and all upazila complexes will be expanded upward by one storey.

Field surveys will be conducted under 10 digital village stations and 20,000 farmers will be provided with "Sensor Devices".

"The farmers will be trained with ICT knowledge so that they can be entrepreneurs by selling their produce at good prices. The will also learn advanced farming techniques to expand production," Jahedi said.

Each digital village will contain 50 to 100 villages on a cluster basis.

Under the project, last mile internet connectivity will be provided to 1.9 lakh educational institutions and government offices.

And with 10,000 new Sheikh Russel Digital Labs to be set up under the project as well, the country's secondary and higher secondary schools and equivalent will get a boost in transforming their traditional learning

systems.

According to the director general of the ICT department, there more than 35,000 institutions are eligible to house such labs and the ICT Division has already installed over 13,000 of these facilities.

Specialised labs will be set up at 57 public universities, where students can research ICT products and build an innovation ecosystem.

"The labs in universities will help the country prepare to face the Fourth Industrial Revolution and get the required skilled manpower," Jahedi said.

Students of these universities will have the scope to learn frontier technology, including data science, artificial intelligence, cyber security, IoT application and robotics, he added.

According to a document from the Planning Commission, 100 per cent broadband penetration will increase the accessibility of ICT services across the country, ensure good governance at all levels of government, and develop human resources through the application of new technology.

UCB to form subsidiaries in Qatar, UAE

STAR BUSINESS REPORT

United Commercial Bank (UCB) yesterday decided to form subsidiaries in Qatar and the UAE to expand its Money Services Business (MSB) operations, according to a company disclosure on the Dhaka Stock Exchange (DSE) website.

The bank is targeting countries where many non-resident Bangladeshis reside as they require such services to send their hard-earned money back home. However, the decision taken by the listed commercial bank's board of directors is still subject to approval from the relevant regulatory authorities.

The company had earlier announced that it decided to enter Malaysia, Hong Kong and Singapore for the same business.

An MSB is a type of financial service that involves currency exchange and money transfer.

Stocks of UCB rose 1.37 per cent to close at Tk 14.80 at the DSE yesterday.

Ramadan info now on bKash app

STAR BUSINESS DESK

bKash is providing essential information and services such as the schedules of iftar and sahari, zakat calculator, payment option for donating zakat to authorised charities, and health tips through its 'Romjane Protidin' icon on its app during the fasting month.

Even anyone can check bKash's offers related to Eid shopping, restaurants, health care and so on from the icon, a press release said.

In order to pay zakat, customers need to select the desired organisation and enter their name, email ID and the amount of zakat before submitting. They have the opportunity to know detailed information about the selected organisation as well.

To avail of all of the information and services, customers need to go to the 'Suggestions' section in the bKash app and select 'Romjane Protidin' icon.

Oil stabilises after big drop

AFP, Hong Kong

Asian markets were marginally higher on Wednesday while oil began recovering after a downgraded IMF global growth forecast for 2022 had sent crude prices plunging.

The International Monetary Fund slashed its outlook by 0.8 percentage points, largely over inflationary crises linked to the Ukraine war and the coronavirus pandemic -- prompting a five percent dive in oil prices on Tuesday.

"The economic effects of the war are spreading far and wide -- like seismic waves that emanate from the epicenter of an earthquake," IMF chief economist Pierre-Olivier Gourinchas said in a report.

BSEC frets as institutions shy away

FROM PAGE B1

"As institutional investors shun short-term trading and don't sell shares out of panic, volatility goes down when their participation increases. Now a time-bound action plan is necessary along with proper follow-up."

He thinks the bond market needs to be strengthened and new products have to be rolled out to attract institutional investors.

"Besides, the mutual fund sector should be reformed so that it can widen its footprint. The mutual fund sector plays a vital role in the developed stock markets," added Khan, also the vice-chairman of Shanta Asset Management.

The mutual fund sector contributes 0.73 per cent to the total market capitalisation of the Dhaka Stock Exchange, according to the data of UCB Stock Brokerage.

Richard D' Rozario,

president of the DSE Brokers Association, says the government might coerce institutional investors to enhance their investment but such an approach would not bring much good.

A perfect environment needs to be offered by creating transparency in the whole market in a bid to attract institutional investors, he said.

"If investors can trust listed firms' financial reports, institutional investors will feel confident and invest in the market. Besides, foreign investors will also be active."

Good instruments and well-performing companies should be included in the market, Rozario added.

Abu Ahmed, a former chairman of the economics department of the University of Dhaka, thinks the BSEC is not addressing the real problems facing the market.

He argued that asset

management companies lack funds to make investments, while several stock dealers are largely focused on dealing with initial public offerings (IPOs).

"If the BSEC is serious about raising the participation of big investors in the market, it needs to curb manipulation first. Because of the manipulation, big investors feel discouraged."

He recommended introducing an IPO quota for large individual investors with at least Tk 2 crore in investment.

"This will incentivise them to invest more and behave like institutional investors."

A stockbroker, preferring anonymity, says manipulation is widespread in the stock market, so the prices of many low-performing stocks have reached a higher level.

In contrast, the prices of the well-performing stocks have been low for years,

amplifying fears among institutional investors.

"The stock market regulator should take stern measures to stop rampant manipulation," he added.

The stockbroker also criticised the BSEC move where it organised roadshows in a number of countries in recent years in a bid to attract investments.

"You don't need to hold such roadshows. If the environment is congenial and there is scope to make a profit, investors will come automatically."

A number of analysts called for bringing in life insurance funds and pension funds to the market as they can invest for a longer period.

Siddiqi also called for creating a congenial investment environment and ensuring corporate governance in the whole ecosystem in order to woo both local institutional investors and foreign investors.

Remove irregularities to cut poverty

FROM PAGE B1

various government social safety net programmes are insufficient and so, it is necessary to increase allocations to this end in the upcoming national budget.

In addition, the selection process for the beneficiaries of such programmes tends to lack transparency and therefore needs revamping.

Besides, the scope of social safety net programmes needs to be expanded in urban areas as well. These comments came in light of a report published by the General Economics Division and Cabinet Division on July 2021.

Planning Minister MA Mannan said the government's goal is not to eradicate poverty, but to relieve it.

"The allocation that a family or individual receives

under any given social safety net programme is certainly inadequate but we're trying to increase it," he said.

"It could be considered whether rationing can be brought back, but there is a need to coordinate it with the current market system," Mannan added.

Qazi Khaliquzzaman Ahmad, chairman of Right to Food Bangladesh, urged for ensuring human dignity by eliminating the attitude that "poor people" need help.

"Instead, look it as a basic human right," he said. Ahmed then said that there is a lack of coordination among the ministries that work on the issue of good governance.

"We have to emphasise on correcting that," he added.

Mohammad Mahfuz Kabir, research director of

the Bangladesh Institute of International and Strategic Studies, said good governance is crucial for implementing social safety net programmes.

"How long will the corruption that takes place in the selection of beneficiaries continue? We have to take action on this now," he said, adding that the climate change issue need to be linked to these programmes as well.

Mohsin Ali, general secretary of Right to Food Bangladesh, said social safety net programmes are generally not aimed at the urban poor and instead target the rural poor.

At the same time, social safety net programmes are created keeping only the poor in mind while vulnerable people are kept out of equation.

He also said poor families in slum areas, especially

children, should be covered by such programmes.

"For this, special projects are needed and the budget should have clear guidelines in this regard," Ali said.

BB orders

FROM PAGE B1

Money Laundering in 2016, instructing banks to establish the vessel-tracking systems.

As a part of the move, the central bank issued the notice to implement the BFIU's guidelines, the BB official said.

Economists and different foreign organisations working on the prevention of money laundering have been expressing concerns about a rising trend of money laundering occurring in Bangladesh.

Bangladesh lost approximately \$8.27 billion on an average annually between 2009 and 2018 due to trade-based money laundering, according to a Global Financial Integrity (GFI) report released in December last year.

The illicit financial flow (IFF) was mainly perpetrated in the form of misinvoicing in the values of imports and exports by traders to evade taxes and illegally move money across international borders, said the Washington-based organisation.

The average loss of customs and taxes during the decade was 17.3 per cent of Bangladesh's international trade, said the GFI in its report "Trade-Related Illicit Financial Flows in 134 Developing Countries 2009-2018".

Appetite to legalise black money

FROM PAGE B1

Besides, a large number of taxpayers cleaned their assets and income in FY21 taking advantage of the low tax rate, he said.

In FY21, the government offered amnesty that black money-holders would not face any query from taxmen if they disclosed their undisclosed investment in shares, bonds and other securities as well as undisclosed cash,

bank deposits and other financial instruments.

The tax authorities also extended the scope to taxpayers to legalise undisclosed moveable and immovable properties without questions on the payment of a specified amount of taxes on the properties based on the location of land, buildings and area of the property.

The NBR has tightened the scope this fiscal

year but has kept the opportunity to legalise the undisclosed income or investment without facing any questions.

It has offered full amnesty to taxpayers who will invest in the setting up of new industries. Taxpayers who will establish factories this fiscal year will have to pay only 10 per cent tax on the invested amount, according to the NBR.

Yet only 2,313 taxpayers have shown their undisclosed wealth and income in the July-February period of the current fiscal year.

Of them, 2,258 whitened their money through investment in properties, showing bank deposits and cash, while 46 disclosed investments in securities.

Only nine taxpayers invested in industries, according to NBR data.

Fate of 700 export containers

FROM PAGE B1

damage, it added.

Exporters and freight forwarders expressed concern over shipment of the goods on board alongside possible damage.

Two of the containers contain school uniform and workwear worth \$1.5 lakh of Savar-based garment maker Mehnaz Styles and Craft meant for a US-based buyer.

Arifur Rahman Khan, assistant general manager (commercial) of the firm, told The Daily Star that they were yet to know about the fate of their cargo.

The cargo was meant to be loaded onto a mother vessel at Singapore and the accident has created

uncertainties over when the cargo will actually reach the transshipment port, he said.

Officials of different freight forwarders and shipping agents assume that the vessel would need to be repaired to be fit for sailing. It is yet to be decided whether the repairs can be done at sea or at the port, said an official of Elite Cargo, a forwarder that has booking of containers on the vessel.

The MMD formed a two-member probe body led by Marine Surveyor Engineer Rafiqul Islam to investigate the cause of the collision, assess the losses and determine the liabilities. Islam said they already

visited the oil tanker but was yet to visit the container vessel due to inclement weather.

They sought required documents and voice message records from both vessels, he said, adding that representatives of both vessels' protection and indemnity clubs, the insuring firms, were working to assess the losses and liabilities.

CPA Secretary Md Omar Faruk said the next course of action would be decided only after receiving the assessment of a team sent by the vessel's Vietnamese owner.

It might take a few days for a decision to be reached, he said.