



Bangladesh's overall logistics sector should be improved keeping in mind the projected rise in the country's overseas trade volume in the coming decades, experts said. The photo was taken from a private inland container depot in Chattogram city.

PHOTO: RAJIB RAIHAN

Adopt extensive plan to improve logistics: experts

STAR BUSINESS REPORT

The government should adopt a comprehensive plan to invest in the logistics sector as it would reduce the cost of doing business and attract more foreign investors to the country, experts said yesterday.

Bangladesh may become an attractive destination for foreign direct investment (FDI) if the country can overcome certain challenges, such as improving the overall logistics sector keeping in mind the country's projected increase in trade volume, they added.

These comments came at a day-long seminar on "FDI in Logistics Sector", organised by the Nordic Chamber of Commerce and Industry (NCCI) in collaboration with the embassies of Denmark, Norway and Sweden, and an EU delegation at The Westin Dhaka.

Business leaders, foreign dignitaries, government regulatory bodies, policy makers and advocacy coalitions joined the event.

"Bangladesh lacks a comprehensive plan for logistics as our transportation and import-export services are not well-organised," said Ahsan H Mansur, an

executive director of the Policy Research Institute.

"As such, we are lagging behind many of our competitor countries in logistics. So, if we want to attract more foreign investors, we have to ensure a conducive trade environment and ease the cost of doing business here," he added.

Mansur urged the government to make a comprehensive plan for investment and special arrangements to remove barriers in the logistics sector.

During one of four panel discussions held throughout the day, Mats Samuelsson, senior vice-president of Global Logistics (H&M), addressed the complexities of the country's aviation service.

Speaking at the event, Norwegian Ambassador Espen Rikter-Svendsen said they see a scope for increased cooperation between Nordic countries and Bangladesh when it comes to sustainability and sustainable growth.

"No doubt, diverse logistics infrastructure development, including ports and multi model sub-regional transport connectivity, is essential. However, it is also important to strengthen the underlying processes of

governing logistics," he added.

NCCI President Tahrin Aman highlighted the fact that Bangladesh's graduation from a least developed country will bring about a new set of economic challenges.

"So, the support of Nordic countries will be instrumental in continuing the upward trend," Aman said.

Speaking as chief guest, Commerce Minister Tipu Munshi called upon foreign stakeholders to invest in Bangladesh's logistics sector.

"It is high time to invest in Bangladesh as we have a big market of about 17 crore people. There is a lot of skilled manpower here. There are all kinds of investment opportunities as well," he said.

"As we are set to graduate from a least developed country, we are working relentlessly to address any new challenges," Munshi added.

The commerce minister went on to say that the government wants to invest in developing the country's infrastructure.

"A testament to that is the Padma Bridge. Additionally, the government is working on the upgradation of several

ports," he said.

The four panel discussions were respectively titled "Capital", "Digitisation in Trade", "Processes" and "Policies and Roadmap Ahead".

"Investing in infrastructure and logistics is essential for Bangladesh's continued development to reach ambitious goals and avoid falling into the middle-income trap," said Winnie Estrup Petersen, ambassador of Denmark.

Swedish Ambassador Alex Berg von Linde said updated systems of trade, such as digital, paperless transactions and upgraded technologies together with appropriate capacity development will play vital roles in ensuring efficient processes in the logistic sector.

"For a country like Bangladesh, efficient logistics will substantially enhance its competitive edge by reducing the cost of doing business with Nordic countries and the overall EU," she added.

Charles Whiteley, head of the EU delegation, Md Tofazzal Hossain Miah, senior secretary of the Prime Minister's Office, Md Mahub ur Rahman, chief executive officer of HSBC bank, and others spoke at the event.

Stocks soar on confidence gain

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Stocks in Bangladesh soared for a second consecutive trading day yesterday as general investors' confidence grew on a regulatory step aimed at stopping the free-fall of the index.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), rose 131 points, or 2.10 per cent, to 6,369.

The Bangladesh Securities and Exchange Commission (BSEC) on May 25 brought down the lower limit of the circuit breaker to 2 per cent, meaning that stocks would not be allowed to drop over 2 per cent in a day.

This was the third change in the past three months. The first was on March 8 when lower limit was decreased to 2 per cent from 10 per cent. Then it was increased to 5 per cent on April 20.

At the DSE, 342 stocks advanced, 25 declined and 10 remained unchanged.

Stocks ended in the positive for the second consecutive day with 131.35 points amidst a rise in turnover thanks to some regulatory interventions which brought back confidence of the investors, said International Leasing Securities in its daily market review.

As a result, investors showed their interest and put fresh bets on the sector-specific issues, it added.

All the sectors achieved price appreciations, including services (6.6 per cent), ceramic (5.2 per cent) and IT (5.1 per cent) by the highest margins.

Based on the turnover, investors' activities were mostly concentrated on financial institutions (18.5 per cent), miscellaneous (12.9 per cent) and pharmaceuticals (11.5 per cent).

Meanwhile, both the DS30, the blue chip index, and DSES, the Shariah-based index, advanced 39 points and 26 points respectively.

Turnover of the DSE also rose 54 per cent to Tk 833 crore from the previous day's Tk 539 crore.

IPDC Finance topped the gainers' list, rising 9.97 per cent. The Paper Processing and Packaging, Tamijuddin Textile Mills, Alltex Industry and Dulamia Cotton Spinning Mills were also in the list.

Prime Insurance Company shed the most, dropping 1.95 per cent. Islami Bank, First Finance, Beacon Pharmaceuticals and Exim Bank were among those suffering losses.

Ctg int'l trade fair begins tomorrow

STAR BUSINESS REPORT

A month-long Chattogram International Trade Fair will begin tomorrow in the port city to promote domestic products at home and abroad.

Commerce Minister Tipu Munshi is scheduled to inaugurate the fair, to be organised by the Chittagong Chamber of Commerce and Industry (CCCI), on Railway Pologround.

There will be 370 stalls featuring over 310 companies including ones from India, Thailand and Iran showcasing plastic, furniture, leather, jute, garment, handicraft and agro products, CCCI President Mahbulul Alam said at a press conference in the CCCI auditorium yesterday.

Alam hoped for the fair to play a pivotal role in displaying and marketing locally-made products.

Monthly mobile data usage doubles

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the average monthly usage of mobile internet was just 208 megabytes (MB) per customer in 2008," he added.

Sikder yesterday made these comments while speaking at an event at the Osmani Memorial Auditorium in Dhaka, where he shared the stunning rise of internet usage in the country in the last 14 years.

International internet bandwidth usage in Bangladesh was 7.5 gigabytes per second (Gbps) in 2008 while it now stands at 3,850 Gbps. In 2008, the price of internet bandwidth per Mbps was Tk 27,000, which dropped to only Tk 285 as of June 2021.

Only 0.1 per cent of telecom subscribers had a smartphone in 2008 where it was 48 per cent as of April 2022.

In 2008, the country's tele-density was 34.5 per cent while it now stands at 105.85 per cent as of April

2022.

Sikder went on to say that at present, 100 per cent of the people of the country are covered under the 2G network while 98 per cent of the people are getting the benefit of the 4G network.

The event was held to celebrate World Telecommunication and Information Society Day 2022, which was observed worldwide on May 17.

The theme of this year's event was "Digital Technologies for Older Persons and Healthy Ageing".

"However, elderly people in Bangladesh are using less internet services than their peers in other parts of the world as they are lagging behind in terms of inclusion in digital technology," he said.

The BTRC chairman urged the government, telecommunication and digital service providers, academia and all others concerned to take the

necessary steps to ensure healthy aging and improved digital life of the elderly using digital technology.

Mustafa Jabbar, telecom minister, said despite the stunning rise of internet usage, Bangladesh will not face any bandwidth crisis. Besides, the country will get its third submarine cable by 2025.

He then urged network operators in the country to provide quality 4G services to their customers.

Regarding 5G services, he said that it would be introduced in time when needed.

Md Khalilur Rahman, secretary to the Posts and Telecommunications Division; Md Rafiqul Matin, managing director of Bangladesh Telecommunications Company; and Md Nasim Parvez, director general of the Systems and Services Division of the BTRC, also spoke at the event.

Preserve all loan documents

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The documents that need to be preserved include loan applications, proposal assessments, approvals, renewals, rescheduling, loan write-offs, exemption from interest or profit, and the minutes and notes of the board meetings.

If the loan amount exceeds Tk 50 lakh, the documents should be preserved at the loan provider's branch and at least in another branch or principal office, said the circular.

In order to save the documents digitally, NBFI's will have to follow the proper guidelines so that the backup of the

documents is saved.

The internal auditor will have to conduct an analysis every quarter to see whether the documents have been well-preserved and will have to provide a report to the CEO of the financial institution.

If there is any forgery in preserving the documents, the CEO will inform the central bank within seven working days.

Each NBFI needs to organise a special board meeting to follow the order and the central bank will have to be informed within the next three months of the steps taken afterwards, the circular added.

Tyre imports fall

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He says the cost of importing tyres has gone up because of the taka's devaluation against the US dollar.

At present, banks are charging importers as high as Tk 97 per USD to settle import bills. It was below Tk 90 a month ago.

"The tyre market has become volatile," said Ahmed.

Liaquat Ali Chowdhury, president of the Chattogram Tyre Tube Importers and Dealers Group, says importers are running out of cash due to the higher LC margin.

"The sector is fully import-dependent. It is not a luxury product -- it is an

essential product."

Currently, more than 11 lakh trucks, lorries and buses are operational in Bangladesh and they consume 50,000 sets of tyres per month, according to Chowdhury.

"Importers have reduced tyre imports as the LC margins and the cost of imports have gone up. There has already been a negative impact on the tyre market and it will be felt in the transport sector soon as well."

The importer-dealers group has recently sought the intervention of the finance ministry, the commerce ministry, and the central bank to resolve the crisis facing the sector.



Kazi Wahidul Alam, editor of The Bangladesh Monitor and organiser of Triplover Dhaka Travel Mart-2022, addresses a press conference at the Pan Pacific Sonargaon Dhaka in the capital on Saturday over an international tourism fair. The three-day fair will begin on June 2. Md Zahid Hossain, director (additional secretary) for sales and marketing at Biman Bangladesh Airlines, and Nisha Tasnim Shaikh, general manager and head of operations at Triplover, were present.

PHOTO: TRIUNE GROUP



Tarek Reaz Khan, managing director of Padma Bank, recently inaugurated the bank's centralised inward clearing to establish good corporate governance, at the lender's head office in Dhaka. Zabeed Amin, deputy managing director, Sabirul Islam Chowdhury, senior executive vice-president, ASM Asadul Islam, senior vice president, Syed Towhid Hossain, executive vice-president, and Md Mosharraf Hossain Khan, vice-president, were present.

PHOTO: PADMA BANK

BB raises policy rate for first time in a decade

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The central bank yesterday revised upwards the BC selling rate to Tk 89.15 a dollar. Besides, banks have been asked to offer a maximum of Tk 88.15 to exporters while purchasing their export bills.

Mansur said that the central bank should allow the market forces to determine the exchange of the taka.

"It would have been better if the interbank exchange rate was set at Tk 89 per dollar two to

three months ago. The state of affairs of the foreign exchange market has changed to a large extent."

"The taka should be depreciated to Tk 92-93 per dollar in order to keep the market stable."