

MetLife offers automatic premium payments

STAR BUSINESS DESK

MetLife Bangladesh has introduced an online enrolment system for automatic electronic fund transfers (EFT) meant for premium payments.

Customers only need to register once to activate the EFT after which premiums will be paid automatically from their bank accounts, said a press release.

“With the new online enrolment process, our customers can now activate EFT debit in just 2 minutes, and enjoy world class insurance services seamlessly,” said Ala Ahmad, chief executive officer of MetLife Bangladesh.

bKash launches ‘b.Academy’ for skills dev of employees

STAR BUSINESS DESK

bKash yesterday launched a learning fest called “b.Academy” to make its employees more efficient and future-ready through training and other skill development activities.

As a part of its relentless efforts to develop human resources, the mobile financial service provider has taken this initiative, a press release said.

The first phase of this programme has been organised through a week-long learning fest, under which employees will get training on innovation, presentation, project management, communication, and data analytics from local and overseas trainers.

“We believe b.Academy will continue to enhance the skills of the employees to maintain that position in the coming days,” said Ferdous Yusuf, chief human resources officer of bKash.

How the Ukraine conflict is reshaping global oil markets

REUTERS, London

Russia’s invasion of Ukraine has reconfigured the global oil market, with African suppliers stepping in to meet European demand and Moscow, stung by Western sanctions, increasingly tapping risky ship-to-ship transfers to get its crude to Asia.

The reroutings mark the biggest supply-side shakeup of the global oil trade since the U.S. shale revolution altered the shape of the market around a decade ago and suggest Russia will be able to navigate a European Union (EU) oil ban, provided Asia and China continue to buy its crude.

Sanctions imposed on Moscow after the conflict in Ukraine kicked off in February, including a US ban on its oil imports, have prompted Russia to pivot away from Europe, where its crude is shunned, to customers in India and China who are picking up cargoes at a steep discount, according to industry data and traders.

Russian exports were back to pre-invasion levels in April, according to data from the Paris-based International Energy

Agency and oil prices have stabilised around \$110 after hitting a 14-year high above \$139 a barrel in March.

Even if the EU agrees to an oil ban in its next round of Russian sanctions, analysts said the impact could be tempered by demand from Asia.

“Unless the West puts diplomatic pressure on Asian buyers, we do not see the supply gap widening and oil prices spiking,” said Norbert Rücker of Julius Baer.

A complex patchwork of US, EU and British sanctions have prohibited Russian-owned or flagged ships from calling at ports meaning that some of the increased trade to Asia is being facilitated via ship-to-ship transfer at sea -- a costly process where the risk of spills is greater.

Overall, the flow of Russian oil to Asia via the sea has jumped at least 50 per cent since the start of the year, according to tanker-tracker Petro-Logistics and other data.

Transfers between vessels, which account for a small fraction of the overall sea trade, have shifted away from the Danish coast to the Mediterranean Sea to avoid sanctions and protests.

“Ship-to-ship (STS) transfers were common in Danish waters, at the entry point of the Baltic Sea,” Petro-Logistics President Mark Gerber told Reuters. “Those are not happening anymore; hence the STS trend of sanctioned tanker to non-sanctioned tanker increasing in the warmer and friendlier Mediterranean waters.”

Gerber put the volumes of Russian crude and products being transferred between tankers in the Mediterranean at about 400,000 barrels per day (bpd), of which the majority is going to Asia, adding to the 2.3 million bpd going directly.

In January, before the invasion, around 1.5 million bpd were being sent directly to Asia.

Russian oil is loaded on Aframax or Suezmax tankers that carry less than 1 million barrels and it is transferred at sea to larger vessels that can take 2 million barrels, making shipping more cost effective, traders said.

The seaborne volumes are only part of the total exports from Russia. Including pipeline supplies, total Russian crude and products exports increased to just above 8 million bpd in April, back to the pre-invasion rate.



People of the lower-income bracket waiting in queues since daybreak for a truck of the Trading Corporation of Bangladesh to arrive at Moylapota Mour in Khulna city and start selling basic food commodities at subsidised rates from 10:00am. Each truck usually has a stock of 1 tonne of rice, which is sold at Tk 30 per kilogramme, and 500 kilogrammes of flour, which is sold at Tk 18 per kilogramme. Each person can avail a maximum of five kilogrammes of each item. The photo was taken yesterday.

PHOTO: HABIBUR RAHMAN

Swisscontact, Daraz in deal to support small firm growth

STAR BUSINESS DESK

Swisscontact Bangladesh recently teamed up with Daraz Bangladesh under a B Skillful Programme Phase II to promote digital marketing platforms among micro, small, and medium enterprises in leather goods, light engineering, and furniture manufacturing sectors.

Under this partnership, Daraz will educate the firms on e-commerce and assist them in setting up and maintaining digital shops in social media channels such as Facebook and Instagram, said a press release.

They will be able to establish a viable commercial relationship with Daraz, which will lead to increased growth of businesses through improved marketing practices.

Mujibul Hasan, country director of Swisscontact, Dajna Sorensen, team leader of B Skillful Programme, Corinne Henchoz Pignani, deputy head of cooperation at the embassy of Switzerland in Bangladesh, Ameena Chowdhury, programme manager for income and economic development, AHM Hasinul Quddus Rusho, chief corporate affairs officer of Daraz Bangladesh, and Shabbir Hossain, chief commercial officer, were present.

2 Pran concerns win productivity award

STAR BUSINESS DESK

Habiganj Agro Ltd and Sylvan Technologies Ltd, sister concerns of Pran-RFL Group, won National Productivity and Quality Excellence Award-2020 for enhancing productivity and manufacturing quality products.

On behalf of Habiganj Agro, Eleash Mridha, managing director of Pran Group, and Mostafizur Rahman, chief operating officer of Sylvan Technologies, received the award from Industries Minister Nurul Majid Mahmud Humayun at Pan Pacific Sonargaon Dhaka in the capital on Sunday.

Habiganj Agro claimed second place in the food industry sector in the large industrial category and Sylvan Technologies clinched first prize under the steel and engineering sector in the medium industry category, a press release said.

“We are working to boost productivity and quality of our products. This recognition will inspire us to do more,” said Mridha.

Kamal Ahmed Mojumder, state minister for industries, Zakia Sultana, secretary of the ministry, and Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry, were present.

From electronic cash registers

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Another reason is the installation of the devices at larger stores has put them in a disadvantageous position with the shops that don’t use EFDs at all, thus remaining out of the oversight of the NBR.

Sultana Pervin Pia, proprietor of Galaxy, a wholesale and retail fashion house at the Orchard Point shopping mall in the capital, says many customers bargain when they are served a bill with a VAT invoice.

“The shopping mall is closed to the Gausia Market and New Market. They can buy the same product at a lower price from there where they will not have to pay the VAT,” she said.

The entrepreneur, however, explains to customers the VAT payment requirement in order to persuade them.

At a restaurant in the Anderkilla area of the port city, a salesperson handed a bill that did not contain VAT-related information. When enquired, the restaurant owners say the issuance of EFD-generated receipts causes losses to both buyers and sellers.

The restaurant does not issue the VAT invoices unless a customer seeks one, the salesperson said.

Accepting bills from customers without using EFD-generated sales receipts is a punishable offence under laws, according to Mohammad Akbar Hossain, commissioner of the Chittagong VAT Commissionerate.

“We have taken action against non-compliant shops after receiving complaints. Apart from carrying out regular campaigns, whenever customers complain, we take necessary steps,” he said.

An NBR official says the head office of the tax administration is also aware of the problem that many traders are not issuing sales receipts generated by the EFDs, which will confirm the deposition of the VAT to the exchequer.

“Shopkeepers say there is no sale. Again, when we visit a spot, they issue memos from the devices. When we leave the place, they stop again,” he said.

Amid the dismal use of EFDs, which were believed to bring about a revolutionary change in the VAT collection in Bangladesh, NBR Chairman Abu Hena Md Rahmatul Muneem in December last year admitted that the installation and maintenance of the devices had become a problem.

Accordingly, the NBR floated a tender calling bid to outsource the EFD, SDC (Sales Data Controller) and EFD management systems. The bid submission time was extended to February and the NBR received five proposals.

It is yet to appoint any firm to provide the support.

Seeking anonymity, a top official of the NBR says the EFD outsourcing plan is a government decision.

“Many government

projects are being implemented under the public-private partnership. There are millions of shops across the country. These are not monitored properly. That is why we will receive the service from private companies.”

“But the administrative issue will be completely in our control.”

Not all tax officials are convinced.

Another top official of the NBR who was engaged in the EFD installation scheme said the lottery was introduced to encourage customers to demand the receipts.

“What is missing is a robust campaign to raise awareness among customers. There is no need for EFDs if the machines are required monitoring.”

Some officials also expressed doubts whether it would be possible for private firms to monitor the use of EFDs properly when taxmen have failed to carry out the same task.

Rouble rallies

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Russia plans to settle its Eurobond obligations using a mechanism similar to the scheme used to pay for Russian gas in roubles, Finance Minister Anton Siluanov told the Vedomosti daily.

Russian stock indexes were mixed.

The dollar-denominated RTS index rose 4.2 per cent to 1,181.7 points. The rouble-based MOEX Russian index was 0.3 per cent lower at 2,401.0 points, pressured by the rouble’s recovery.

UK to lend \$450m in five years

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simplification of procedures. The government has already established a one-stop centre, he said.

In the past, development finance institutions had been coming here but now commercial banks from the countries such as Malaysia and Singapore are also coming.

“That means the market is opening up here. In fact, we would also encourage other foreign investors to come to this market,” said Rashid.

On the challenges the country faces in terms of foreign investment, he said foreign investors look at the level of governance and environmental standards and check if local companies have access to low-cost funds.

He said there were 160 green factories that were mostly from the RMG and pharmaceuticals sectors.

“They have done it because they have incentives as they are export-oriented factories and face buyers’ pressure.”

“If factories in other sectors go green, they will get low-cost financing. Investors are looking for good companies. As soon as you can have these things in place, you will have more foreign investments,” Rashid added.

Apart from garments and pharmaceuticals, Bangladesh also has sectors with potential like jute and IT, which can be multi-billion-dollar sectors. Then, there is the blue economy that has immense potential but is yet to be tapped.

“Bangladesh has adequate power supply. Now, hopefully, we will see a lot of new factories in the economic zones,” Rashid added.

Accelerate use

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system must not be given the task of enforcing it.”

Mansur, a former economist at the International Monetary Fund, says VAT evasion tendency is also seen in developed countries.

“In our country, the collection of VAT from retailers will be small since stores are small in sizes. Priority should be given to the proper collection

of VAT from the wholesale and manufacturing levels.”

“For this, surveillance will have to be beefed up. At the same time, the automation process has to be strengthened.”

He says the NBR’s initiative to engage the private sector in the operations of EFDs is okay, but the NBR must have vigilance on both traders and private service providers.



Abul Khair, director of corporate affairs at Kohinoor Chemical Company (Bangladesh), received the trophy and certificate of National Productivity Excellence & Institutional Appreciation Award-2020 from Nurul Majid Mahmud Humayun, minister for Industries, for achieving second place in the “large industry” category at the Pan Pacific Sonargaon Dhaka in the capital on Sunday.

PHOTO: KOHINOOR CHEMICAL COMPANY



Md Masud Biswas, head of the Bangladesh Financial Intelligence Unit (BFIU), recently inaugurated the MTB Branch Anti Money Laundering Compliance Officer Conference and MTB AML & CFT Awareness Week 2022 at MTB tower in Dhaka to celebrate 20 years of AML compliance in Bangladesh. Syed Mahbubur Rahman, managing director of Mutual Trust Bank (MTB), Chowdhury Akhtar Asif, additional managing director, Goutam Prosad Das and Md Khalid Mahmood Khan, deputy managing directors, Muhammad Mohsin Hossain, additional director of BFIU, and Md Masud Rana, additional director, were present.

PHOTO: MUTUAL TRUST BANK