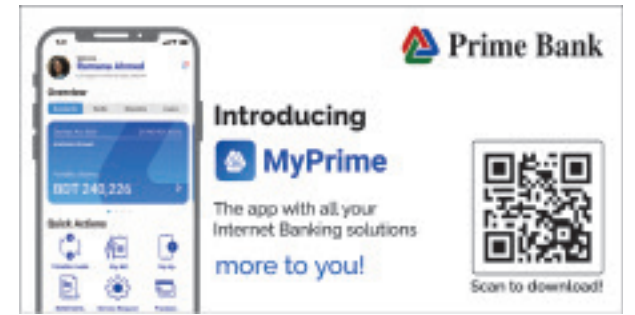


Star BUSINESS



LAUNDERED MONEY Tk 1,294cr confiscated since FY17 Says BFIU

STAR BUSINESS REPORT

The Bangladesh Financial Intelligence Unit (BFIU) has confiscated Tk 1,294 crore from money launderers since the fiscal year of 2016-17 as per court orders, said the agency yesterday.

A total of 46 court cases were involved in the confiscation process.

In addition, Tk 1,330 crore was seized since FY16 from entities and persons who were allegedly involved in money laundering.

Kamal Hossain, additional director of the BFIU, disclosed the information while sharing the organisation's initiatives to fight money laundering at a seminar at the International Convention City Bashundhara in Dhaka.

Bankers have a bigger role to play in stopping money laundering and terrorist financing, said Fazle Kabir, governor of Bangladesh Bank

The BFIU, the national body dedicated to preventing money laundering and terrorist financing, organised the event to mark its 20th anniversary.

Speaking at the ceremony, Fazle Kabir, governor of the Bangladesh Bank, said bankers have a bigger role in stopping money laundering and terrorist financing.

The government has adopted a zero-tolerance policy against terrorism, he said, urging banks to comply with rules and regulations so as to tackle money laundering in an effective manner.

Sheikh Mohammad Salim Ullah, secretary of the Financial Institutions Division of the finance ministry, said bankers should give all-out efforts to tackle money laundering.

Selim RF Hussain, chairman of the Association of Bankers, Bangladesh, a platform

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In a bid to reduce the risks of accidents, the port authority is drawing up a set of recommendations for customs authority and port users such as importers, trade bodies, shipping agents and freight forwarders involved in the handling of hazardous cargoes. PHOTO: STAR

Ctg port authority to tighten fire safety rules

To set directives for port users for quick delivery of hazardous cargoes

DWAIPAYAN BARUA, Ctg

Following the deadly fire at a private inland container depot earlier this month, the Chattogram Port Authority (CPA) has taken steps to tighten fire safety measures, modernise storage of dangerous cargoes and speed up delivery.

The move, which came after the explosion at BM Container Depot on June 4 that killed at least 48 people, is aimed at reducing the risks of accidents.

Sources said the port authority is drawing up a set of recommendations for itself and for stakeholders, including the customs authority and the port users such as importers, trade bodies, shipping agents and freight forwarders involved in the handling of hazardous cargoes.

In a meeting with the stakeholders last Monday, CPA officials discussed a set of recommendations related to imports, handling, storage and delivery of dangerous cargoes.

The CPA would soon notify the stakeholders about the directives, said a source.

"It is part of our continuous effort in handling dangerous goods," said CPA Director (traffic) Enamul Karim.

One of the directives is aimed at making it mandatory for importers to take away

sheds. Most of the cargoes pose fire risks at the country's premier seaport.

Port data showed the goods in the containers include hydrogen peroxide, sulfuric acid, thinner, sodium sulphate,

their refusal to pay fines for anomalies.

A day after the inferno, the CPA wrote a letter to the Chattogram Customs, asking it to remove the materials immediately through auctions or destroy them.

On June 6, the customs authorities auctioned off 30.5 tonnes of hydrogen peroxide imported four years ago.

The following day, panic spread among the port officials and workers when smoke was seen billowing from an acid-loaded container at a yard. The port authority immediately brought the situation under control.

Though the import and export of dangerous chemical and inflammable goods are nominal compared to the total volume of foreign trade in Bangladesh, it is increasing gradually.

In the last few years, the Chattogram Customs has removed a major portion of dangerous goods that had been lying at the port yards for long, Karim said.

READ MORE ON B3



dangerous goods within 72 hours after their arrival at the port.

Another recommended the customs authority extend support to importers so that they can secure the consignments immediately after being unloaded from vessels.

Currently, at least 257 containers of hazardous chemicals and other inflammable materials are lying inside the port yard and

methanol, ethyl hexanol, potassium chloride, calcium carbide, nitric acid, and calcium oxide.

Most of the goods have been lying at the sheds and yards for years as the importers have not received the items for various reasons, including the fall in the prices of the goods in the local market, the failure to submit original documents in support of the shipments and get clearance reports, and

Trade bodies oppose 8pm shop closure move

Labour ministry sits with business leaders today

STAR BUSINESS REPORT

Top business leaders yesterday urged the government to postpone its decision to close stores, shopping malls, markets and kitchen markets after 8:00pm until Eid-ul-Azha since an early closure will deal a blow to their sales.

The plea from two separate meetings of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the Bangladesh Chamber of Industries (BCI) came after the government moved to shut stores and markets after 8:00pm to save electricity and



energy costs amid rising energy prices worldwide.

On Thursday, the government ordered the authorities to take necessary measures to this effect.

"Festival-centric sales usually get momentum after the evening when offices close. So, if the opening hour of shops is limited to 8:00pm, hundreds of thousands of small and medium-sized businesses across the country will be in trouble," said Mostofa Azad Chowdhury Babu, senior vice-president of the FBCCI, at a meeting at the Federation Building.

The business people, at the meeting of the FBCCI standing committee on local garments, said businesses had suffered losses as sales plummeted during festivals such as Eid and Bangla New Year in the last two years owing to the coronavirus pandemic, according to a press release.

"If the decision on shops closure is implemented before Eid-ul-Azha, small and medium businesses will suffer the most," said Anwar-ul-Alam Chowdhury, president of the BCI, at a separate meeting at the BCI office in Dhaka.

READ MORE ON B3

STOCKS		WEEK-ON-WEEK
DSEX	0.84%	6,425.74
CASPI	0.67%	18,898.24

COMMODITIES		AS OF FRIDAY
Gold	\$1,840.25	(per ounce)
Oil	\$109.24	(per barrel)

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
0.26%	1.77%	0.02%	0.96%	
51,360.42	25,963.00	3,098.09	3,316.79	

NEW TAXPAYERS NBR relaxes rules on spot assessment

SOHEL PARVEZ

The National Board of Revenue (NBR) has broadened and relaxed the rules for bringing new taxpayers under the tax net by assessing their incomes on the spot.

As such, the revenue authority will be able to register new taxpayers through spot assessments from the next fiscal year, expanding its reach from shopping centres or commercial markets for identifying businesses and professionals, who despite having taxable income, still remain outside the net.

At the same time, the NBR offered a scope for businessmen and professionals to show five times the capital of their assessed income if the persons pay tax regularly.

Taxmen will not raise any question regarding the source of capital, according to the Finance Bill 2022 placed by the finance minister for the next fiscal year.

"We are offering the opportunity to encourage people to declare and come into the tax net," said a senior official of the NBR.

The move comes as the tax collector finds that many people still remain out of the tax net even though they have taxable income.

Various stakeholders, including leading chambers, have been demanding the NBR bring more people under its coverage to increase the collection of income tax, which accounts for 32 per cent of the government's total revenue.

READ MORE ON B3



Farmers take away jute plants way ahead of their maturity apprehending prolonged floods in Bogura's Sariakandi upazila, which lies right next to the Jamuna river. With the waters crossing the danger level on Friday night, some 500 hectares of jute and 150 hectares of Aus plantations have been inundated. There will be crop losses if the water does not recede in two or three days, according to an official of the Department of Agricultural Extension. The photo was taken yesterday.

PHOTO: MOSTAFA SHABUJ

IIDFC fined Tk 31 lakh

AKM ZAMIR UDDIN

Bangladesh Bank has imposed a fine of Tk 31 lakh on the Industrial and Infrastructure Development Finance Company (IIDFC) for violating the central bank's rules for non-bank financial institutions (NBFIs) over renting and decorating branches.

The NBFI had relocated its Uttara branch in January this year without prior approval from Bangladesh Bank, which is why the IIDFC faced the fine on May 26, according to the central bank's documents.

As per the rules, the NBFIs must take approval from the central bank before relocating and decorating branches.

The NBFI rented a new space from January 1 this year but its agreement with the previous building's owner was scheduled to end on February 14.

As a result, the NBFI had to pay double the rent for the period between January 1 and February 14.

READ MORE ON B3

Venezuela resumes oil export to EU after 2 years

REUTERS

A 650,000-barrel cargo of Venezuela's oil chartered by Italy's Eni is about to set sail carrying the first export of crude from the US-sanctioned country to Europe in two years, Refinitiv Eikon data showed on Friday.

The US State Department sent letters to Eni and Spain's Repsol in May authorizing them to resume taking Venezuelan crude as a way to settle billions of dollars of unpaid debt and dividends owed by the OPEC-member nation.

The US State Department sent letters to Eni and Spain's Repsol in May authorizing them to resume taking Venezuelan crude

A second tanker chartered by Eni, the very large crude carrier (VLCC) Pantanassa, is currently navigating towards Venezuela and expected to load 2 million barrels of the same grade, diluted crude oil (DCO), and take it to Europe, according to the Eikon data and a shipping document seen by Reuters.

That cargo is expected to be delivered by Venezuela's state-owned PDVSA later this month with an option for Eni to sell a portion of the crude to Spain's Repsol for its Cartagena and Bilbao refineries, according to the document and sources.

The Malta-flagged Pantanassa is scheduled to load via ship-to-ship transfer near Venezuela's Amuay port, the document added.

Eni, Repsol and PDVSA did not immediately reply to requests for comment.

Venezuela's May oil exports plummeted to the lowest level in 19 months over contract changes enforced by PDVSA to switch most spot sales to prepayment, reducing the risk of unpaid cargoes.



Ship repairs and refurbishment are heavily dependent on manual labour, requiring five categories of workers, including welders, grinding and fitting specialists and painters. Hundreds of people make a living working in rudimentary dockyards along the banks of the Sandhya river in Pirojpur's Nesarabad upazila. Around 10 types of vessels are also built here, from iron trawlers to cargo boats, varying in length from 30 feet to 250 feet. The photo was taken last week.

PHOTO: HABIBUR RAHMAN

Is recession the only way out of US inflation scourge?

AFP, Washington

A massive interest rate hike by the US Federal Reserve and promises of more to come are fueling warnings that the only off-ramp from the searing price hikes engulfing American families is a full-blown recession.

The Fed remains hopeful it can slow activity and demand, cooling the blistering pace of inflation, without derailing the world's largest economy. But skepticism is growing about the chances of success.

The central bank hiked the benchmark borrowing rate on Wednesday by three-quarters of a point, the biggest increase in nearly 30 years, and indicated a similar move is possible in July.

The super-sized rate increase came as the Fed faces intense pressure to curb soaring gas, food and housing prices that have left millions of Americans struggling to make ends meet and sent President Joe Biden's approval ratings plunging.

The central bank has raised the key rate 1.5 points since March, as the Russian

invasion of Ukraine and ongoing Covid-related supply chain issues combine to send prices up at the fastest pace in more than four decades.

Fed Chair Jerome Powell said a recession with job losses is not the goal, but bringing down inflation "expeditiously" is "essential" since that is vital to a healthy economy.

But Kathy Bostjancic, chief US economist at Oxford Economics, warned that "it becomes very difficult to thread that needle." The Fed will need a Goldilocks scenario where "a number of things fall into place and at the right time," she told AFP.

The healthy US labour market and strong consumer demand, helped by a beefy stockpile of savings, are working in the Fed's favour and could support activity even as the economy cools.

In the wake of the Fed decision, mortgage rates rocketed to their highest level in 13 years, with the average for a 30-year, fixed rate home loan reaching 5.78 percent.

Drivers still face gas prices at the pump

of more than \$5 a gallon, although for the first time in days, the national average fell on Wednesday, down from Tuesday's record.

"My colleagues and I are acutely aware that high inflation imposes significant hardship, especially on those least able to meet the higher costs of essentials like food, housing and transportation," Powell told reporters after the rate hike was announced.

The Fed's tools can only affect demand, but White House has been trying to push through legislation to lower prices directly.

Biden signed a shipping reform bill on Thursday that will allow the government to crack down on firms that have raised transport costs as much as 1,000 per cent — which has ripple effects for many products.

The measure will "put a stop to shipping companies taking advantage of American families, farmers, ranchers and businesses and to bring down prices and give the American people a little bit of breathing room," he said at the White House.

Tax reduction to discourage cash

FROM PAGE B4

"If the effective tax rate declines in line with the reduction, we will be able to say it is a good move. Now, it is time to see the execution," said Naser, also the chief executive officer of Standard Chartered Bangladesh.

"For us, it is important that companies get the benefit of the corporate tax cut."

However, he says, companies will not benefit from the reduction if expenses are disallowed by taxmen.

This is because if expenditures are disallowed, the amount is treated as the profit and thus taxed.

In this regard, Naser suggested the revenue administration cut the discretionary powers of tax officials.

He cited the NBR's

plan to disallow the contribution of companies to the Workers' Profit Participation Fund, saying disallowing such expenses would affect compliant firms.

"It has multiple effects. The tax burden will increase significantly. This will be very detrimental to companies," he said, urging the tax authorities to reconsider promotional expenses.

Naser opposed the government's bid to offer unquestioned amnesty to legalise offshore properties and funds.

"The FICCI disagrees with the proposal from the ethical point of view. We also believe that it is detrimental to compliant taxpayers and will encourage tax evaders to benefit from the lower income tax rate and take the money out

of the country in the next 12 months to avail the facility."

"This will put further pressure on the foreign exchange market."

While presenting the budget on June 9, the finance minister tabled the proposal for giving the taxpayers the opportunity to disclose their overseas assets without facing any question on the payment of 7 per cent to 15 per cent of tax, depending on whether the asset is movable or not and whether the asset would be repatriated to Bangladesh.

Speaking about the overall budgetary measures for the next fiscal year, Naser said, "Despite difficult times, the government has really tried to make the budget business-friendly."

There are areas that need to be addressed, according

to the FICCI chief.

"The allocation for food security should have been increased this year."

At the same time, he said, the decision on the large and mega projects should be taken carefully since they carry downside implications.

"If projects are delayed, there will be cost overrun."

The banker urged the government not to defer the implementation of the projects related to job creation and connectivity since they will affect the industries that have been set up to support the schemes.

"You will have to think through to understand the implications of projects. And the cost should be reduced wherever possible because we need fiscal space to tackle challenges in this ongoing difficult period."

Ukraine war

FROM PAGE B4

remarks at the Saint Petersburg International Economic Forum.

Moscow's military action became a "lifeline" for Western countries "that allows them to blame their own miscalculations on others, in this case, on Russia," he added.

Driven by a spike in fuel prices, the United States and European countries have faced soaring inflation, with Britain predicting that inflation in the country could surpass 11 per cent this year.

Gas prices were also on the rise Friday, exacerbated by the decision by Russian energy giant Gazprom to slash deliveries to Europe, citing repair works.

Putin said that high energy prices "have been observed since the third quarter (of last year), long before the start of our operation in Donbas", adding that the price hikes were also the result of Europe's "failed energy policy".

Moscow's military campaign and unprecedented economic sanctions imposed on Moscow have also disrupted deliveries of grain and other commodities from Russia and Ukraine, resulting in food price rises.

But Putin said that Russia was not preventing ships loaded with grain from leaving Ukraine, instead blaming authorities in Kyiv for mining their ports, downplaying the significance of Ukraine's grain supplies.

Putin said the food and fertiliser shortage "threatens starvation primarily in the poorest countries."



Md Wakiluddin, chairman of Mutual Trust Bank Ltd, virtually presides over the 23rd annual general meeting of the bank recently. The meeting announced 10 per cent stock dividend for 2021. Md Abdul Malek, vice-chairman of the bank, Syed Manzur Elahi, founding chairman, Syed Mahbubur Rahman, managing director, Chowdhury Akhtar Asif, additional managing director, Malik Muntasir Reza, group company secretary, and Mohammad Nazmul Hossain, group chief financial officer, also attended the meeting.

PHOTO: MUTUAL TRUST BANK



Nilufer Zafarullah, chairman of the board of directors of Midland Bank Ltd, presides over the bank's ninth annual general meeting at its head office in Gulshan, Dhaka yesterday. The meeting announced 5 per cent cash dividend for 2021. Md Ahsan-uz Zaman, managing director of the lender, and Md Zahid Hossain, deputy managing director, were present.

PHOTO: MIDLAND BANK

Germans turn to food banks

FROM PAGE B4

Groceries, while donated, are still sold rather than given away free to the customers as the Tafel has to cover running costs, including rents and electricity. The organisation too has had to put up prices because their running costs have risen.

"It's not just one product," said 69-year-old pensioner Peter Behme. "All the prices are going up."

In a bid to ease the pressure on squeezed finances, the government has lowered taxes on fuel, drastically slashed the cost of public transport and

promised all taxpayers a one-off payment of 300 euros.

But Behme remains unimpressed. "I don't know where the government help is going," he said.

Even the food banks themselves are feeling the effects of the massive inflation.

"We have had to raise some prices by 20 or 50 cents because we need money to replenish our stocks," said Malina Jankow, manager of the Bernau food bank.

Along with pensioners and unemployed people, the queues are now also

filling up with Ukrainian refugees.

Anna Dec, a 35-year-old hospital worker, has come to Bernau with two Ukrainian women who are staying in her home and currently each receiving 449 euros a month in benefits.

"They have to pay for water, energy, food, hygiene products... That's almost nothing," she said.

Overwhelmed by the influx of customers, some food banks in Germany have had to turn away new arrivals or ration the food they distribute.

"We have been asking the government for a long

time for a law to force supermarkets to give away their unsold food," said Norbert Weich, 72, chairman of the food bank.

Some 16 per cent of Germans, or more than 13 million people, were living below the poverty line in 2020, according to a study by the charity Deutscher Paritaetische Gesamtverband, published in December 2021.

"The federation of food banks has a resolution: as soon as we are no longer needed, we will disband," said Weich. "But I don't think it will be in my lifetime."

Bank of Japan keeps easing despite global rate hikes

AFP, Tokyo

The Bank of Japan on Friday stuck to its monetary easing policy even as other central banks raise interest rates to tame inflation, but said it would "pay due attention" to forex markets after the yen hit a 24-year low.

The bank will hold rates at minus 0.1 per cent and continue buying unlimited government bonds to maintain a low cap on long-term yields — part of a decade-old plan to boost the world's third-largest economy.

The decision, announced after a two-day policy meeting, bucks a global monetary tightening trend aimed at battling sky-high fuel and food prices caused by the Ukraine war and supply chain snarls.

Rate hikes have been led by the US Federal Reserve, which this week announced its most aggressive increase in nearly 30 years and signalled more were in the pipeline.

Ins premium can be paid thru bKash Brac Bank, Jiban Bima sign agreement

STAR BUSINESS DESK

Brac Bank has signed an agreement with Jiban Bima Corporation to collect insurance premiums through the bank's subsidiary, bKash, and enable real-time accounts reconciliation through an application programming interface.

Tareq Refat Ullah Khan, deputy managing director of the bank, and Md Saiful Islam, managing director (additional secretary) of the insurer, inked the deal at The Westin Dhaka recently, said a press release.

Sheikh Mohammad Salim Ullah, secretary to financial institutions division at the finance ministry, Md Asadul Islam, chairman of the insurer, Selim RF Hussain, managing director of the bank, and Sheikh Md Monirul Islam, chief external and corporate affairs officer of bKash, were present.

Technical, madrasa students to receive stipends thru Nagad

STAR BUSINESS DESK

The Technical and Madrasah Education Division and Nagad recently signed an agreement over reaching stipends to students free of charge through the mobile financial service provider.

Md Moniruzzaman, additional secretary to the Technical and Madrasah Education Division, and Md Shafayet Alam, executive director of Nagad, signed the agreement in Dhaka, said a press release. Md Akhtaruzzaman, joint secretary, and Sabina Yasmin, senior assistant secretary, also attended the programme.

Mexico signs renewable energy deals with US firms

AFP, Mexico City

Mexico has made commitments with 17 US companies on clean energy generation, its president announced Friday.

After months of friction with business leaders, President Andres Manuel Lopez Obrador said the deals would generate 1,854 megawatts (MW) as the government scrambles to fight climate change.

He did not immediately disclose the amounts involved.

"As a result of these agreements, the creation of solar parks on the border between Mexico and the United States is being explored," the president said.

Also among the goals would be building energy transmission networks to let power be exported to California and other US states, he added at a climate conference.

e-CAB elects new exec committee

STAR BUSINESS REPORT

Members of the e-Commerce Association of Bangladesh (e-CAB) yesterday elected an executive committee comprising nine members for a two-year term.

Amin Helaly, chairman of a commission formed to hold the election, announced the result.

Eight of the nine seats were won by members of an "Agrogami" panel.

Of them, Ambaren Reza, co-founder of foodpanda Bangladesh, bagged the highest 453 votes.

The other members from this panel are Muhammad Abdul Wahed Tomal, Shomi Kaiser, Nasima Akhter, Asif Ahnaf, Saidur Rahman, Shahriar Hasan and Sahab Uddin Shipon.

From a "The Change Makers" panel, Ilmul Haque Sajib was elected.

The voting was held at Sayeedana Community Centre in Dhanmondi of the capital from 10:00am to 4:00pm.

Some 31 candidates, across three panels and some independently, contested.

Out of 795 voters, 611 or 76.8 per cent cast their votes. Eleven votes were cancelled for violation of regulations.

Continue amnesty for black money in housing

REHAB reiterates demand for Tk 20,000cr refinancing scheme

STAR BUSINESS REPORT

Realtors yesterday demanded the continuation of unquestioned amnesty for using black money to buy property even though holders of undisclosed income showed little interest to legalise their assets through such investments in the outgoing fiscal year.

The Real Estate and Housing Association of Bangladesh (REHAB) made the call as the finance minister, in his latest budget speech, did not propose continuing the measure in fiscal 2022-23.

"Tk 20,600 crore was whitened in fiscal 2020-21 through the measure and the amount would rise to Tk 50,000 crore if the government keeps giving amnesty," said REHAB President Alamgir Shamsul Alam.

The association believes the sector would be able to play a more fruitful role in the government's revenue earnings if its demands are met.

"The country will be able to reach its gross domestic product (GDP) growth target if the manufacturing sector, including the housing sector, remains dynamic," he added.

Alamin was speaking at a press conference at the Pan Pacific Sonargaon Dhaka, where the association shared its reaction to the proposed national budget.

REHAB says the current global economy is in turmoil for a variety of reasons and many fear there could be a bigger economic shock worldwide in the future, which would have an impact on Bangladesh.

"Countries around the world are trying to prevent money trafficking. They are

arranging ways to keep foreign currency inside the country."

The association demanded Bangladesh Bank set up a Tk 20,000 crore refinancing scheme in the name of "housing loans". It also urged for a reduction in land and flat registration costs as well as that of construction materials to help create a secondary market business.

Alamin said the demand for housing loans for the last few years has not been reflected in the proposed national budget.

Ensuring housing for middle-class people will be easily possible if the government can arrange loans with single-digit interest rates, he added.

REHAB thinks the land registration cost of 12.5 per cent should be gradually brought down to 2-3 per cent, which would be an appropriate charge.

The REHAB president went on to say that mild steel rods are one of the main components of the housing sector. However, prices of the construction material have skyrocketed in the last few months.

"In the current global scenario, we wanted to reduce the customs duty on steel raw materials. Instead, value-added tax (VAT) has been increased and as a result, the price of the rod will increase further," he said.

Realtors say the cost of various raw materials, including rod and cement, will increase in the next fiscal year because of the increase in VAT and customs tariff.

The National Board of Revenue

(NBR) proposed raising the indirect tax by Tk 200 per tonne at the manufacturing stage of billet and rod.

Following the spike, the rate of VAT on the manufacturing of billet will increase 20 per cent to Tk 1,200 per tonne from Tk 1,000 previously.

As a result, rod prices will increase and affect home builders, the REHAB President said.

The NBR also hiked the import tariff on elevators by 19 per cent for the next fiscal year apart from raising the customs duty for associated materials such as cables, tube plates and aluminium foil, which will further fuel housing prices.

REHAB says if the construction cost increases by Tk 500 per square feet, customers will bear an additional cost of Tk 1,000 per square feet.

If the government does not take appropriate steps in such a situation, this sector that employs about 2 crore people both directly and indirectly will be in worse condition, it added.

Unilever to collect 1,000 tonnes of plastic from Dhaka

STAR BUSINESS DESK

Unilever Bangladesh Ltd (UBL) and CIRCULAR, a social purpose driven organisation involved in plastic waste management, joined hands to collect 1,000 tonnes of plastic from Dhaka in the next one year.

The plastic wastes (flexible, single-use and rigid) will be collected from the two city corporations of Dhaka from June this year to May 2023, Unilever said in a statement yesterday.

According to World Bank data, less than one-third (30 per cent) of the plastic waste produced in Bangladesh is collected and only 37 per cent of the collected plastic waste is recycled while the remaining is landfilled, among which an estimated 24,032-36,047 tonnes are dumped in the river system.

To prevent this environmental catastrophe caused by plastic waste pollution, Unilever Bangladesh believes it is important to build a sustainable circular loop that contributes to circular economy and sustainable development goals (SDGs).

UBL, the country's oldest and largest fast-moving consumer good (FMCG) company, has built multi-stakeholder models with diversified partners to collect 10,000 tonnes of plastic from the environment by 2023.

According to World Bank, less than one-third of the plastic waste produced in Bangladesh is collected and only 37 per cent of the collected plastic waste is recycled while the remaining is landfilled

Therefore, the latest plastic collection collaboration with CIRCULAR is a testament of its continuous progression towards UBL's commitment to improve health of the planet and environment by collecting more plastics.

In 2021, UBL has launched the biggest municipal backed plastic waste collection project of Bangladesh in collaboration with Narayanganj City Corporation and UNDP.

Unilever in partnership with CIRCULAR will work on building a sustainable and equitable reverse supply chain for the recovery of all kinds of post-consumed plastics waste.

Zaved Akhtar, chief executive officer and managing director of Unilever Bangladesh Limited, said: "Our value is to do business sustainably and leave behind a thriving world for future generations."

"We want to ensure that plastic stays in the economy and out of the environment. As a responsible company, we are committed to playing our part."

"However, plastic pollution is too big for us to solve alone. We believe that this is a collective responsibility, and each stakeholder needs to play an active role," he said.



DEMAND

FUND REHAB has long been asking for Tk 20,000cr refinancing fund

Tk 20,600 crore was whitened in fiscal 2020-21 through the measure and the amount would rise to Tk 50,000 crore if the government keeps giving amnesty

Alamgir Shamsul Alam
REHAB President

REHAB SAYS...

- Housing for middle-class possible if they get loans at single digit interest
- Land registration cost should be lowered to 2-3pc from 12.5pc
- If construction cost rises by Tk 500/sft, customers will face extra cost of Tk 1,000/sft
- If their demands not met, 2cr people in the sector will be in trouble
- Govt's economic growth target will not be met if housing sector is not made dynamic

Bitcoin hits 18-month low

REUTERS

Bitcoin dropped below \$20,000 on Saturday to its lowest level in 18 months, extending its slide as investors pull back from riskier assets amid rising interest rates.

The biggest cryptocurrency was down 7.1 per cent to \$18,993 at 0906 GMT, having earlier touched \$18,732, its lowest since December 2020.

It is down about 59 per cent this year, while rival cryptocurrency Ethereum-backed ether is down 73 per cent.

IIDFC fined Tk 31 lakh

FROM PAGE B1

Bangladesh Bank had issued regulations in 2015 asking banks and the NBFIs to this effect such that excessive expenditure could be avoided while setting up or relocating new branches.

As per the agreement between the previous building's owner and the IIDFC, there was a scope for both parties to renew the contract, according to the BB documents.

"But, IIDFC did not do so. This is why the unexpected situation emerged," said the BB documents.

The central bank issued a show-cause notice to the IIDFC on March 28, asking it to explain why it should not be penalised.

The IIDFC initially informed the central bank that the infrastructure of the previous branch was not fit for running operations.

There were problems in the water supply and there was no parking facility, which proved troublesome for clients and hindered the smooth delivery of financial services.

Moreover, the NBFIs were compelled to hurriedly sign an agreement to take rent of the new space as its owner was in talks with others too.

"The NBFIs did not take the prior approval from Bangladesh Bank mistakenly," said the IIDFC. It also apologised to the central bank, promising that this would not recur in the future.

But the BB did not accept the apology and imposed the fine.

The IIDFC applied for the central bank approval for its new office space on February 1, one month after the entering into the new contract.

As per the central bank

rules, the NBFIs that breach the rule face Tk 1 lakh fine for each day that elapses starting from the date the agreement is signed to the time the central bank is informed and permission sought.

Since the NBFIs sought the permission from the BB after 31 days, the central bank imposed Tk 31 lakh.

The BB deducted the fine from the NBFIs' current account with the central bank on June 9.

Md Golam Sarwar Bhuiyan, managing director of the IIDFC, said there had been a misunderstanding on the issue between the central bank and the NBFIs.

He said he had met the BB governor at his office on May 15 requesting that the central bank reconsider the matter.

"We have submitted an appeal to avoid the fine," he said.

Trade bodies oppose 8pm shop closure

FROM PAGE B1

Around 60 per cent of the annual sales take place during Eid-ul-Fitr, around 20 per cent during Eid-ul-Azha and 20 per cent the rest of the year, he said.

"But because of the pandemic, there was a huge fall in sales during at least five Eid festivals. The traders may miss the upcoming Eid sales if the decision is implemented."

"Closing shops at 8:00pm is not an effective way to save energy. Rather, the government should focus on the proper management of resources to reduce wastages."

Talking to The Daily Star, Helal Uddin, president of the Bangladesh Shop Owners Association proposed re-fixing opening hours so that shops and markets can operate from 12:00 noon to 9:00pm.

The labour ministry

has called a meeting to implement the government's move.

An invitation has been sent to the president of the Bangladesh Employers' Federation, the FBCCI, the Metropolitan Chamber of Commerce and Industry, the Dhaka Chamber of Commerce and Industry, the Bangladesh Garment Manufacturers and Exporters Association, the Bangladesh Knitwear Manufacturers and Exporters Association, and the Bangladesh Shop Owners Association, to attend the meeting at the ministry's conference room.

The government has been forced to move to cut imports as higher inflation has hit people hard and rising bills put a strain on the foreign currency reserves and the exchange rate of the local currency against the US dollar.

Tk 1,294cr confiscated

FROM PAGE B1

For managing directors of banks, said that the BFIU has contributed to raising awareness against money laundering.

Fazle Kabir also touched upon the ongoing higher inflation and the foreign exchange pressure in the financial sector.

The country's foreign currency reserves now stand at \$41.5 billion, which is enough given the current trend of imports.

As per global standard, a country has to ensure a reserve of American greenbacks that can settle import payments for at least three months, Kabir said.

"Bangladesh will need \$21.5 billion to settle import payments in the next three months, so the country is in a comfort zone. But there is no scope to feel complacency."

Md Masud Biswas, chief of the BFIU, presided over the meeting.

Fed vows unconditional inflation war

REUTERS

The Federal Reserve, fresh from its biggest interest rate hike in more than a quarter of a century, signaled on Friday that the rising risk of recession will not stop its battle to bring down searing inflation that's punishing American households.

"The Committee's commitment to restoring price stability - which is necessary for sustaining a strong labour market - is unconditional," the Fed said in its twice-yearly monetary policy report to Congress, referring to the US central bank's rate setting Federal Open Market Committee.

"We're attacking inflation and we're going to do all that we can to get it back down to a more normal level, which for us has got to be 2 per cent," Atlanta Fed

President Raphael Bostic told American Public Media's Marketplace radio program. "We'll do whatever it takes to make that happen."

Three weeks ago, Bostic cautioned against overly rapid rate hikes and said the Fed may need to pause tightening in September to assess the economy. On Friday he said he supported this week's hefty rate increase, and that policy needs to be "more muscular."

Inflation, measured by the Personal Consumption Expenditures Price Index, is running at more than three times the Fed's 2 per cent target. The central bank on Wednesday raised the range for its policy rate by 75 basis points to 1.50 per cent-1.75 per cent and published forecasts showing most policymakers support lifting borrowing costs further this year to perhaps 3.4 per cent, and higher in 2023.

Ctg port authority

FROM PAGE B1

Among the recommendations preparing for itself, the CPA is going to curb the entry of anyone with fireboxes, gas lighters and cigarettes in the restricted zones.

It is going to initiate regular fire drills and fire-fighting training for port users in all sheds.

The CPA is constructing a separate shed, equipped with modern technology and facilities, for storing dangerous goods at the no. 1 yard.

Under the directives framed for port users, the Federation of Bangladesh Chambers of Commerce and Industry, the Bangladesh Garment Manufacturers and Exporters Association, the

Chittagong Chamber of Commerce and Industry and the Bangladesh Shipping Agents Association (BSAA) will have to press their importing members to follow the rules.

Importers will have to follow the guidelines of the International Maritime Dangerous Goods (IMDG) Code while making declarations of the products. The cargoes and containers must have dangerous goods stickers so that they can be identified easily, said a CPA official.

Shipping agents and freight forwarders would ensure that no dangerous goods are carried in damaged containers, he said.

Permission from the Bangladesh Navy needs to be taken 24 hours before unloading such goods at the port, according to one of the recommendations.

The directives would ask the customs authority to complete the auction of dangerous goods during the first bidding instead of holding three auctions, organise spot auctions and take legal steps against the importers in the case of their refusal to receive the delivery quickly.

BSAA Chairman Syed Mohammad Arif welcomed the CPA initiatives.

All port users need to cooperate in complying with the international guidelines to reduce the risk of accidents, he also said.

EU, India relaunch FTA talks

REUTERS, Brussels

The European Union and India on Friday relunched negotiations to forge a free trade agreement, with the aim of completing talks by the end of 2023.

"This partnership will become a defining moment for world trade in the 21st century," Indian Commerce Minister Piyush Goyal told a news conference.

The two sides previously launched talks in 2007, but they were frozen in 2013 due to lack of progress. EU and Indian leaders agreed in May 2021 to resume negotiations.

EU Trade Commissioner Valdis Dombrovskis said the free trade agreement would cover "essentially all trade", in line with World Trade Organisation standards, including sectors such as automobiles and spirits.

The two sides previously launched talks in 2007, but they were frozen in 2013 due to lack of progress

"For the European Union, the partnership with India is one of the most important relationships for the upcoming decade", Dombrovskis said.

The next round of negotiations is scheduled to take place in New Delhi from June 27 to July 1.

The two sides will also hold separate discussions to create agreements to protect investment and region-specific agri food product names such as champagne or feta cheese, known as geographical indications.

For the European Union, a free trade agreement with India would fit its strategy of increasing its engagement with the Indo-Pacific region, where the bloc is targeting bilateral deals to take advantage of expected higher economic growth.

A deal with India could act as a counter-balance to China's growing influence in the region. The EU is also aware that former EU member Britain is also pushing for a trade accord with India.

During the talks the EU will likely push for lower tariffs to gain greater access to Indian markets for its cars, alcoholic drinks and agri-food products such as cheese.



A fruit trader is seen with a forlorn look on his face even though he has an abundance of pineapples to sell as prices of the fruit are half of what they were last year, when Covid-19 drove up demand for foods rich in vitamin C.

PHOTO: MIRZA SHAKIL

Pineapple prices frustrate farmers

MIRZA SHAKIL, Tangail

Although pineapple yields in Madhupur upazila of Tangail have been good this year, growers have been left frustrated by a 40 to 50 per cent drop in prices for the highly popular fruit, according to local farmers and agriculture officials.

Blaming the availability of other seasonal fruits and fall in Covid-19 infections for decreased demand, they said the lack of proper marketing facilities and food processing industries in the area are two other reasons for the fall in prices.

The Madhupur Garh region is famous for contributing a majority of the roughly two lakh tonnes of pineapple produced across Bangladesh each year.

Pineapples grown in the region, which include the Giant Q, Honey Queen and Ashwina varieties, are famous for their sweet, juicy flesh that bears a distinct aromatic flavour.

About 80 per cent of the pineapples grown in the region are the Giant Q variety while the Honey Queen and Ashwina varieties account for 10 per cent each. According to the Department of Agricultural Extension in Madhupur, pineapples were cultivated on around 5,800 hectares of land in the upazila this year.

Similarly, more than 3,000 hectares of land in the adjacent



Ghatail and Fulbaria upazilas in Mymensingh are being used to grow the fruit.

Local agriculture officials said that pineapple growers in the region enjoyed high prices for the past two years as people increasingly consumed the fruit rich in vitamin C to help stave off Covid-19 infections.

However, pineapple prices are low this year due to decreased demand thanks to the availability of other summer fruits like mango, litchi and jackfruit while the coronavirus situation has all but subsided, they added.

Several pineapple traders at Jalchhatra market, the largest pineapple market in Madhupur, said although Giant Q pineapples sold for between Tk 30 and Tk 50 depending on size last year, the same fruit is now selling for no more than

Tk 15 to Tk 30.

Tariqul Islam, a pineapple grower in the Mote Bazar area, said he cultivated pineapples on four acres of land this year.

"I have harvested 200 naturally ripened pineapples from my orchard a couple of days ago but could not sell them yet due to the lack of buyers," he added.

Echoing the same, Saiful Islam, a farmer in Beribadh area who cultivated pineapples on four bighas of land, said even though yields are good, prices are very low this season.

"Wholesalers are not offering more than Tk 12 to Tk 15 per piece for the pineapples that cost at least Tk 30 last year," he added.

With this backdrop, several growers emphasised on the need for setting up food processing or juice industries

in the region to help them get fair prices for their produce.

Another issue though is that a section of farmers is using excessive amounts of pesticides and chemicals to grow pineapples, which is making health-conscious people lose interest in the fruit, sources said.

However, local farmers insist that they have no alternative to using such chemicals as they would otherwise incur losses if forced to wait for the fruits to ripen naturally.

Besides, most wholesalers are uninterested in buying naturally ripened fruits as most of them rot during transportation, they said.

Contacted, Al Mamun Russel, upazila agriculture officer of Madhupur, said ripening agents are used all over the world and they are not harmful for human health if used correctly.

Still though, a section of local pineapple growers is using the chemical in excessive amounts at will, which reduces the taste and quality of the fruits.

"We always suggest that they do not use more than the recommended dosage but they do not care about it," he added.

Asked about the possibility of setting up of food and juice processing industries in the area for locally grown pineapples and other fruits, the agriculture officer said they have already asked the agriculture minister to take an initiative in this regard.

Tax reduction to discourage cash transactions

Says FICCI President Naser Ezaz Bijoy

SOHEL PARVEZ

The 2.5 percentage points corporate tax rate cut will encourage firms in Bangladesh to move away from cash transactions, said Naser Ezaz Bijoy, president of the Foreign Investors' Chamber of Commerce & Industry (FICCI).

The government has proposed a cut in the corporate tax rate by 2.5 percentage points for listed and non-listed companies.



Firms will have to carry out most of their transactions through banks and mobile financial services to avail the benefit. They also can't spend and invest up to Tk 12 lakh using cash.

The move by the National Board of Revenue (NBR) is aimed at encouraging formal transactions, expediting the process of making the economy cashless, and generating more revenues. Naser described the initiative as very positive and constructive.

"This will discourage cash transactions and we, from the FICCI, recommended this," he said in a phone interview on the tax and budgetary measures proposed by the finance minister for the next fiscal year.

The FICCI thinks companies will give more effort to come out of cash-based transactions if the differentiation in tax benefits is higher.

"The more incentive you provide, the more tendency there will be to take the benefit," Naser said.

He called for raising the ceiling for cash transactions initially.

FICCI members contribute around 90 per cent to the foreign direct investment in Bangladesh and have generated more than 50 lakh jobs, directly and indirectly, according to the apex body of foreign investors

"The limit should be scaled back gradually to bring it down to Tk 12 lakh. Otherwise, the purpose will remain unattained," he said, adding that the banking system and mobile financial service providers are capable of handling such transactions.

FICCI members contribute around 90 per cent to the foreign direct investment in Bangladesh and have generated more than 50 lakh jobs, directly and indirectly, according to the apex body of foreign investors.

During the conversation, Naser also lauded some initiatives of the National Board of Revenue (NBR) and added there have been attempts to make budget and tax measures business-friendly.

The uniform corporate tax rate of 10 per cent for all export-oriented green factories and 12 per cent for conventional factories, like that of the garment industry, is hailed by the noted banker as a step toward treating all exporters equally.

"This will create a level-playing field for all exporters. Going forward, we will expect some more initiatives to diversify exports," he said.

Besides, the scope extended to the companies with a single production unit to get the value-added tax registration and the reduction of the tax deducted at source for the supply of raw materials are good moves.

According to the FICCI, the effective tax rate is the main consideration of investors, not the nominal tax rate.

READ MORE ON B2

Germans turn to food banks as inflation bites

AFP, Berlin

German pensioner Gabriele Washah waits in line to fill her trolley with bags of carrots for 50 cents, yoghurts just past their sell-by date and bunches of wilting flowers.

With the cost of living soaring across Europe, the 65-year-old retired shop assistant is one of many Germans turning to food banks to make ends meet.

"Sometimes I go home from the shop almost crying because I can't afford it any more," she told AFP outside the row of stalls in Bernau, near Berlin.

Nestled in an alleyway behind a big chain supermarket, the food bank sells at greatly reduced prices groceries donated by supermarkets, as well as cheap prepared meals.

Here, customers can pick up a full trolley of food for around 30 euros (around \$32).

For Washah, that means bread, butter and her favourite sandwich filling, sausage -- "which used to cost 99 cents (\$1.02) but now sometimes costs more than two euros".

Driven by the war in Ukraine, inflation in Germany soared to 7.9 per cent in May -- its highest level since reunification in 1990, with food prices among those worst affected.

Demand for food banks across the country has increased "significantly" since the start of the year and doubled in some areas, according to a spokeswoman for the Tafel food bank network.

There are around 1,000 such schemes in Germany, run by volunteers and available to customers on a means-tested basis.

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A woman buys spinach at a fruit and vegetable market in Berlin. Some 16 per cent of Germans, or more than 13 million people, were living below the poverty line in 2020, according to a study by the charity Deutscher Paritaetische Gesamtverband, published in December 2021.

PHOTO: AFP

Ukraine war not behind rising global inflation

Putin thinks

AFP, Saint Petersburg

Russian President Vladimir Putin said Friday that Moscow's military intervention in Ukraine was not the cause of global economic troubles, instead blaming Western countries for using the situation to cover up their own mistakes.

"What is happening is not the result of recent months, much less the result of a special military operation that Russia is conducting in the Donbas," Putin said referring to the predominantly Russia-speaking region of Eastern Ukraine.

"The rising prices, inflation, the problem with foods, prices for fuel... are the result of systematic mistakes in the economic policy of the current US administration and European bureaucracy," Putin said in televised

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