

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, Ambareen 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.

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.

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

DEMAND



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



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.

IIDFC fined Tk 31 lakh

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Bangladesh Bank has 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 NBFi was compelled to hurriedly sign an agreement to take rent of the new space as its owner was in talks with others too.

"The NBFi 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 NBFi sought the permission from the BB after 31 days, the central bank imposed Tk 31 lakh.

The BB deducted the fine from the NBFi's 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 NBFi.

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.

issued later.

Snehasish Barua, partner of Snehasish Mahmud & Co, a chartered accountancy firm, said the new rule is likely to encourage small businessmen who have not declared their initial capital until now.

If anyone shows annual income of Tk 5 lakh and pays tax of Tk 15,000, he would be able to show Tk 25 lakh as initial capital.

"So, this is an opportunity for small traders who have not declared their capital yet," he said.

Trade bodies oppose 8pm shop closure

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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

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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

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Among the recommendations the CPA is going to prepare 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.