



Medical equipment on display at one of the several exhibitions at International Convention City Bashundhara in Dhaka yesterday. Over 250 companies from eight countries are showcasing their products at the fairs.

PHOTO: AMRAN HOSSAIN

Multi-sectoral fairs open focusing on industrialisation

STAR BUSINESS REPORT

Concurrent exhibitions focusing on products needed in various sectors such as food, agriculture, healthcare, tourism, power, renewable energy, lighting, construction and real estate kicked off in Dhaka yesterday.

Launching the fairs, which would run till 8:00pm tomorrow, Industries Minister Nurul Majid Mahmud Humayun hoped that they would draw local and international investment, expedite industrialisation and increase export and foreign currency earnings.

Over 250 companies from eight countries are showcasing their products using about 350 stalls at the exhibitions, organised by CEMS-GlobalUSA in association with CEMS Bangladesh, at International Convention City Bashundhara.

The minister urged local and international entrepreneurs to invest in food processing, citing that there were huge opportunities in both domestic

and global markets. "We can take the opportunity to produce quality food," he said.

Bangladesh Food Safety Authority (BFSA) is working to create a science-based food safety management system to support the government's Vision 2021 and Sustainable Development Goals 2030, said BFSA Chairman Abdul Qayum Sarkar.

The BFSA promotes participation and integration of efforts by public and private organisations, including food regulatory authorities, players in the food sector, and other stakeholders, he said.

The country is going through a period of unprecedented economic progress and the living standards of the population are improving rapidly, said AHM Ahsan, vice chairman and chief executive officer of Export Promotion Bureau.

He said numerous domestic and foreign manufacturers would be represented at these exhibitions, which would surely enhance networking among businesses.

Such exhibits showcase Bangladesh's



potential in industry and commerce, said Syed Ershad Ahmed, president of the American Chamber of Commerce in Bangladesh.

The shows will be crucial in the growth of Bangladesh's health tourism sector, said Dr V M Thomas, chairman of the Chennai Fertility Center and Research Institute.

He anticipated that these would enhance Bangladesh's image in the global market and help give a boost to investors' confidence.

A number of entrepreneurs stated that

they were participating mainly to find new customers and promote their products.

One of them was Abul Hossain Jibon, managing director and chief executive officer of A Hossain International, which focuses on domestic and industrial water treatment plants.

"I have been working in this sector since 2001. I come to these exhibitions mainly to increase familiarity. Also, to find new customers. A lot of businessmen come to this fair. Look around and compare...Which product is perfect for him or her," he said.

Like him, Saiful Islam, chief executive officer of Lite Weight Concrete, was selling products as suggested by his company's name.

He said his products could be used for walls, floors and ceilings and had a number of beneficial characteristics, such as being light in weight, weather and fire proof, termite resistant, providing superior thermal insulation and having a low water absorption capacity.

Forex reserves under further strain

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"The fact that dollars are being sold by Bangladesh Bank means that demand for the greenback is still higher than the supply," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

The value of taka already saw a sharp decline after the central bank had allowed banks to set the exchange rate of the local currency against the US dollar, he added.

The exchange rate of the taka stood at Tk 105.66 per dollar on October 12, down 23.43 per cent from a year ago.

The depreciation of the local currency has already reduced the opening of letters of credit (LCs), which will have a positive impact in curbing the depletion of foreign exchange reserves.

However, the settlement of LCs has yet to see any positive output from the depreciation as those which are being settled now were opened three to four months earlier.

The number of LCs opened amounted to \$12.4 billion in the first two months of the ongoing fiscal year in contrast to \$12.3 billion in fiscal 2021-22. However, the settlement of LCs has increased to \$15.3 billion, up

42.3 per cent from a year earlier.

Mansur says that remittance and export earnings did not give any positive sign in September, creating a worry for the macroeconomy.

He suggested the central bank follow the three indicators – export, import and remittance – each day in order to keep the reserves stable.

"If remittance and export earnings decrease further, the central bank should give efforts to squeeze imports payments more," he said.

Mansur also recommended the government manage budgetary and balance of payment support from the International Monetary Fund in the quickest possible time so as to defuse the ongoing volatility.

Mansur, also a former IMF official, prescribed the central bank follow a uniform exchange rate instead of the existing multiple fixed rates between the taka and US dollar in order to restore discipline in the foreign exchange market.

Monzur Hossain, research director of the Bangladesh Institute of Development Studies, said the existing amount of reserves is good but its speedy depletion is creating trouble for the economy.

The central bank is now supplying dollar to banks, mostly state-

run lenders, at a lower rate than its current market price so that state-run corporations such as the Bangladesh Petroleum Corporation can import essential commodities at a cheap rate.

As such, the central bank is now injecting each greenback quoting Tk 97 from banks that open LCs for state-run corporation.

Hossain reckons that Bangladesh Bank should follow the market rate while injecting dollars into banks as the facilities enjoyed by the government should be same for the private sector as well.

Banks now pay a maximum of Tk 107.5 to buy dollars coming in through foreign exchange houses in the form of remittance while they pay up to Tk 99 to purchase dollars from exporters.

Importers are now buying the greenback based on the weighted average exchange rate, meaning the average of the rates at which banks purchase dollars from exporters and remittance from foreign exchange houses, plus Tk 1.

Hossain says the central bank should stop intervening in the market by following a uniform exchange rate, which the country had been following for years.

The central bank is now supplying dollar to banks, mostly state-

Beef up security, curb graft for more FDI

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Tröster cited World Bank reports that show foreign direct investment (FDI) in Bangladesh is extremely low compared to other countries in the region.

Net FDI was 0.4 per cent of Bangladesh's gross domestic product (GDP) in 2020. In the case of India, the FDI as a percentage of GDP was 2.4 per cent. Sri Lanka and Pakistan also had a higher net FDI to GDP ratio compared to Bangladesh that same year, according to World Bank data.

Bangladesh received \$1.96 billion in net foreign investment in July-January of fiscal year 2021-22, which was 35 per cent higher year on year, shows Bangladesh Bank data.

Tröster said countries that want FDI to have to be competitive to attract investors.

At the event, GBC Chairman Md Sazzadul Hassan said they will work to encourage investment and trade with

Bangladesh and work to facilitate a suitable business environment for German companies.

The GBC also aims to help German companies that want to come to Bangladesh and it will raise voices to the concerns of German businesses operating in Bangladesh too.

Hassan then said there are plenty of opportunities to diversify exports from Bangladesh to Germany while also increasing imports from the biggest economy in Europe.

He said some leading German companies have shown interest to invest in Bangladesh.

Currently, 15 GBC members are operating in the energy and power, chemical, agriculture, and textile sectors of Bangladesh. Some of these firms have been working in the country for decades, even before it gained independence.

Formally registered as a trust in December 2019, the GBC's launch was delayed by the pandemic. The

platform is managed by five boards of trustees representing renowned German business organisations.

Tröster said a genuine representation of German business was previously missing in Bangladesh.

"The GBC will be a platform for purely German business interests in the country," he said, expecting that the GBC would play an advisory role for German enterprises as well as for the German embassy.

Tawfiq Ali, managing trustee of the GBC, said Bangladesh offers a lot of positive things.

"Every company that tries to grow should understand the growth momentum of this country. Bangladesh could be a good destination for any company that wants to grow," said Ali, also chief representative of Commerzbank in Bangladesh.

"The government of Bangladesh also needs to improve the business environment," he added.

Invest more to fight off cyber-attacks

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He said many big organisations use pirated software, which ultimately increases cybersecurity threats. Much of such software are unnecessary but are still used because of a lack of awareness.

"Emphasis has been given to develop native technology and technology-related research to build a capable and smart Bangladesh in the future. Besides, the scope of the Cyber Incident Response Team is being extended to every sector," he added.

Brig Gen Md Nasim Parvez, director general of the Systems and Services Division, presented a keynote at the workshop.

He said it was important to use multi-factor authentication, strong passwords, a password manager and updated software while recognising and reporting phishing were equally important when it comes to seeking protection from cyber threats.

Mustafa Jabbar, posts and telecommunications minister, said

the issue of cyber security was very new in the context of Bangladesh and there was a lack of awareness among people.

Although the government named 29 critical infrastructures to be important for the state, there is no bar on media workers availing information from these institutions, he added.

Jabbar advised parents to follow parental guidelines to keep children and teenagers safe online.

Shyam Sunder Sikder, chairman of the BTRC, said a large number of mobile and internet users in Bangladesh fell victim to cybercrime because they were not very skilled in technology.

He said awareness should be raised about telecommunication services and cyber security at the grassroot levels.

"If every educational institution conducts weekly awareness campaigns on cyber issues, it will be fruitful and the Ministry of Education should come forward for this," he said.

According to a report of the Bangladesh government's e-Government Computer Incident Response Team (BGD e-GOV CIRT), cyber attacks, especially ransomware attacks, have increased tremendously in Bangladesh.

There were some key findings and observations for Bangladesh in the report.

Two were on the fact that no organisation notified and shared information regarding their breaches/ incidents to stakeholders or customer and there are no regulations addressing the negligence of reporting and notification of cyber incidents and data breaches. In addition, there is inadequate cyber threat monitoring and detection operations within organisations.

It also found that there was a lack of systematic and structured threat and incident handling capabilities within organisations and a lack of effort of senior management concerned regarding strategic decisions of cyber security capabilities development.

Help build Matarbari as a petrochemical hub FBCCI urges Jica

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The Japan International Cooperation Agency (Jica) should facilitate establishing a petrochemical industry in Matarbari-Moheshkhali project area, said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

He also called for undertaking projects for the development of a sustainable energy sector.

The FBCCI chief came up with the calls at a discussion with the officials of Jica's head office who are related to the Matarbari-Moheshkhali project.

Bangladesh's geographical location and offshore economy showcase huge potential, Jashim Uddin said at the event held at the FBCCI office in Dhaka yesterday.

Veon Group CEO due today

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Bangalink's parent company Veon Group CEO Kaan Terzioglu is scheduled to arrive in Dhaka today for a four-day visit.

This will be his third visit to Bangladesh this year, Bangalink said in a statement yesterday.



He will sit with government officials and stakeholders of the company along with attending a press conference in Chattogram.

Bangalink's consistent growth, the potential of Bangladesh's digital possibilities, the telecom industry and Veon's long-term plans will be discussed at the meeting.

"The upcoming visit is an opportunity for me to discuss with government representatives and key stakeholders how we can further maintain the growth and contribute to Bangladesh's digital progress," Terzioglu said.

Titas Gas posts lower profit in FY22

STAR BUSINESS REPORT

Titas Gas Transmission & Distribution Company Limited's profit declined in the financial year that ended on June 30.

The state-run utility supplier made a profit of Tk 317 crore in 2021-22, down 8.30 per cent from Tk 346 crore a year earlier.

The net asset value per share rose to Tk 74.16 from Tk 72.57 a year earlier while the net operating cash flow per share returned to the positive Tk 0.30 in FY22 from a negative Tk 1.11 in FY21.

The board of directors recommended a 10 per cent cash dividend for 2021-22.