

ILO can help build skilled workforce

Says regional director

STAR BUSINESS REPORT

The International Labour Organisation (ILO) could help Bangladesh build a young and skilled workforce, said Chihoko Asada-Miyakawa, regional director for Asia and Pacific for ILO.

The region should prioritise social protection, social dialogue, employment generation, decent work, and ensure basic protection of the workers now, she said on Monday.

She spoke at an event held at the office of the Bangladesh Employers' Federation (BEF) at Gulshan in Dhaka. Bangladesh has been actively working to ensure workers' safety, social protection and decent work conditions in the last few decades, she said.

The country has also updated its rules and laws to make those sustainable and practical, Asada-Miyakawa also said.

In his speech, Ardashir Kabir, BEF president, highlighted how BEF and the ILO had been working together in Bangladesh on different issues, including skills development, occupational safety and health, social dialogue, industrial relations and decent work.

Kabir pointed out that Bangladesh's need to prepare its workforce to embrace the fourth industrial revolution.

He hoped the ILO would remain by Bangladesh's side as the country passes through different stages of economic development.

He believed the new regional director's guidance could take the region's as well as Bangladesh's partnership with the ILO to the next level.

ILO Bangladesh Country Director Tuomo Poutiainen and other senior officials from ILO Dhaka office were present at the meeting.

GPH Ispat finalist of 2022 Platts Global Metals Awards

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GPH Ispat has been nominated as one of the finalists at the 10th edition of 2022 Platts Global Metals Awards in two categories – "Industry Leadership Award: Steel" and the "New Technology for the Metals and Mining Industry".

The winners will be declared through a ceremony in London on October 27, said a press release.



Shudhangshu Kumar Debnath has mastered the art of making flowers simply out of textiles, steel and plastic wires, cups and styrofoam. He leaves his Naogaon home from time to time to encamp next to fairs around the country for short periods and sell his products, which range in prices of Tk 20 to Tk 100. The photo was taken at Harta Bazar in Barishal's Wazirpur upazila last week.

PHOTO: TITU DAS

Most DSE stocks struggle to get buyers

Turnover plunges 23pc to Tk 1,005cr

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Stocks in Bangladesh continued to drop for a fourth consecutive day yesterday as apprehensive investors continued to sell shares while most stocks were left without a buyer for most of the time.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), edged down 12 points, or 0.19 per cent, to 6,400.

Turnover at the DSE slid 23 per cent to Tk 1,005 crore from what was the previous day.

The DS30, the index comprising blue-chip companies, and the DSES, the Shariah-compliant index, both remained flat at their previous day's 2,277 and 1,406 respectively.

At the DSE, 220 securities, or 60 per cent of the total listed issues, remained the same due to having a low number of buyers for most of the trading time. Another 49 issues advanced, and 100 declined at the bourse.

Most stocks have become illiquid following the launching of floor prices by the BSEC, as investors believe the stock prices deserve to be lower, said a top official of a merchant bank.

In July, the Bangladesh Securities

and Exchange Commission (BSEC) set the floor price of every stock to halt the free fall of the market indices amidst global economic uncertainties that have impacted Bangladesh's economic indicators in the last couple of months.

It said the floor price would be the average of the closing prices of the five days till July 28. Looks like the floor price saved the stock index from a massive fall but this will have a negative impact on the market in the long run, he said.

Big investors, especially foreign investors, do not like a stock market where the regulator intervenes in price movements, he added.

If the stock index could fall freely, it would have gone up with investments of new investors after some time, he added.

Dhaka stocks extended a losing streak to a fourth session amidst macroeconomic worries, said International Leasing Securities in its daily market review.

"The jittery investors went on a sell-off to exit from the market for a while now as they fear deepening challenges of inflation riding on the price hike of daily necessities including foods," it said.

The apprehensive investors preferred to

hold onto cash to meet daily expenses amid rising inflation and future uncertainties, it added.

Among the sectors, jute rose 3.3 per cent, food 0.5 per cent and cement 0.2 per cent sectors whereas IT dropped 2.3 per cent and paper 2.1 per cent.

Based on the turnover, investors' focus was mainly on pharmaceuticals (22.3 per cent), engineering (16.5 per cent) and miscellaneous (12.4 per cent) sectors.

The JMI Syringes and Medical Devices topped the gainers' list, advancing 10 per cent. Navana Pharmaceuticals, Anwar Galvanizing, Apex Foods, and Olympic Industries also rose over 7 per cent.

The Peninsula Chittagong suffered the highest correction, sliding almost 13 per cent. BDCOM Online, Navana CNG, Paper Processing and Packaging, and Bangladesh Industrial Finance declined by more than 8 per cent.

The Caspi, the all-share price index of Chittagong Stock Exchange, decreased 41 points, or 0.21 per cent, to end at 18,854.

Of the issues that were traded on the bourse in the port city, 36 advanced, 80 declined, and 84 did not show any price movement.

Rupayan City Uttara gets new CEO

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Rupayan City Uttara has promoted its deputy managing director to the post of chief executive officer (CEO) recently.



M Mahbubur Rahman was previously the executive director of Sanmar Properties in Dhaka and Chattogram from 2010 to 2021, said a press release.

He obtained his bachelor's and master's degrees in international relations from the University of Dhaka.

Global Islami Bank signs IPO deal with two bourses

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Global Islami Bank has signed an agreement with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on sharing a "Uniform and Integrated Electronic Subscription System" for IPO management.

Syed Habib Hasnat, managing director of the bank, Khairul Bashar Abu Taher Mohammed, chief regulatory officer of the DSE, and Shoheb Hassan Mahmood, assistant manager for accounts management of the CSE, signed the agreement at DSE Tower in Dhaka on Sunday, said a press release.

M Shaiful Rahman Mazumdar, managing director (acting) of the DSE, Kazi Mashiur Rahman Jayhad, additional managing director, Sami Karim, deputy managing director, Md Manjur Hossain, company secretary of Global Islami Bank, Khandoker Raihan Ali, chief executive officer of Prime Bank Investment, and Iftekhar Alam, chief executive officer of Lanka Bangla Investment, were present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (OCT 18, 2022)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 65-Tk 75	2.19 ↑	15.7 ↑
Coarse rice (kg)	Tk 46-Tk 52	-1.1 ↓	5.38 ↑
Loose flour (kg)	Tk 55-Tk 58	9.71 ↑	66.18 ↑
Lentil (kg)	Tk 95-Tk 100	-3.94 ↓	9.55 ↑
Soybean (litre)	Tk 162-Tk 170	-4.32 ↓	20.73 ↑
Potato (kg)	Tk 24-Tk 28	-1.89 ↓	44.44 ↑
Onion (kg)	Tk 50-Tk 55	23.53 ↑	-16 ↓
Egg (4 pcs)	Tk 45-Tk 50	0	31.94 ↑

SOURCE: TCB



Mahbubur Rahman, chairman of Eastland Insurance Company Ltd, inaugurates the insurer's Business Conference-2022 at the Dhaka Chamber of Commerce and Industry (DCCI) auditorium in Motijheel, Dhaka on Monday. Kamal Uddin Ahmed, Mohammad Arshad Ali, and Tanvir Khan, members of the board of the company, Ghulam Rahman, executive vice-chairman, Abdul Haque, chief executive officer, Shahid-E-Monzoor Morshed, Md Shafiul Alam, and M Golam Hafez, additional managing directors, attended the event.

PHOTO: EASTLAND INSURANCE COMPANY



Sheikh Bashir Uddin, managing director of Akij Group, cuts a ribbon to inaugurate the company's new showroom in Banani, Dhaka on Sunday. Shamsuddin Ahmed, deputy managing director of Akij Group, and Mohammad Khourshed Alam, business director of Akij Building Materials, were present.

PHOTO: AKIJ GROUP

Akij Group opens showroom in Banani

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Akij Group has opened a showroom in Banani of Dhaka for its ceramic tiles, boards, doors, sanitaryware and tableware.

Managing Director Sheikh Bashir Uddin inaugurated the showroom on Sunday, said a press release.

It aims to bring "all the essential and finest interior and homebuilding products under one roof", he said.

Architects Shamsul Wares and Ehsan Khan, Abu Saeed M Ahmed, president of Arkasia, Md Foyez Ullah, principal architect of architecture firm VolumeZero, Asifur Rahman Bhuiyan, additional chief architect of the Department of Architecture, Shamsuddin Ahmed, deputy managing director of Akij Group, and Mohammad Khourshed Alam, business director of Akij Building Materials, were present.

Time to remove barriers

FROM PAGE B1

The predicament faced by startups and small enterprises is even deeper since their financial capability is not strong enough to manage documents from government offices by spending additional money. As a result, fresh entrepreneurs feel discouraged in making investments sometimes.

Owing to the complexity, Bangladesh is also one of the lowest recipients of foreign direct investment and many foreign investors leave the country after carrying out initial surveys.

Usually, prospective investors in Bangladesh require to collect 42 signatures from various government offices to set up a venture.

Recently, a study report from the Centre for Policy Dialogue (CPD) said opening a factory requires quite a long list of 18 commercial documents in addition to the environmental certificate.

Some of the major requirements are export registration certification, trade licences, value-added tax certificate, tax identification number, the article of the memorandum, the certification of incorporation, bonded warehouse licence, and construction certification.

In order to meet the structural or building safety standards, factories need building permits from the Rajdhani Unnayan Kartipakkha, city corporations, municipalities, or development authorities, depending on their location.

Businesses also have to obtain certificates on designs, city survey documents, and the copy of allotment letters, said the CPD study report.

The scenario is much different in Vietnam, one of the competitors of Bangladesh, according to a businessman.

For example, a Taiwanese investor in Vietnam needs to fulfil eight requirements and requires five weeks and \$2,940 to start a new business venture, he said.

Entrepreneurs complain that doing business is becoming difficult

day by day because of the additional time and money spent on obtaining government documents and permissions.

They allege that they are harassed by the officials of various offices under the National Board of Revenue (NBR) for services related to tax, customs and bonded warehouses.

Local entrepreneurs are already in a tight spot for the worsening gas crisis and the delay in the release of goods from ports.

Businesses already have to wait 11 days and six hours to have their cargoes released after their arrival at seaports, according to the Time Release Study 2022 of the NBR. Land ports take 10 days and eight hours and airports take seven days and 11 hours to deliver goods.

And the challenges confronting entrepreneurs show no sign of abating although businesses urgently need to improve their efficiency with a view to becoming more competitive in the international markets as duty benefits could go following the country's graduation from the group of least-developed countries in 2026.

Large business groups have been able to navigate through the web of complexities and corrupt practices on the back of their financial muscle, but small companies are failing to operate in the same environment, said another entrepreneur.

Businesses have demanded the extension of the tenure of trade licences to three to five years from one year in a bid to save time and money.

Corruption is also a major barrier standing in the way of businesses.

According to a study by the Center for Governance Studies, more than half of SMEs in Bangladesh have to pay a bribe to obtain essential services such as acquiring and renewing licences, using public utilities, and obtaining the tax identification number and the value-added tax certificate.

In terms of perception, almost nine out of 10 SMEs believe corruption is

pervasive in the SME sector, it said.

At the event where the CPD shared the study report, a businessman said he had to pay Tk30,000 to obtain a certificate from an office of the NBR for import purposes.

In another frustrating development, the One Stop Service Centre under the Bangladesh Investment Development Authority has not been fully functional. The state agency is supposed to provide more than 150 services from a single window to ease business processes.

The CPD suggested the introduction of a one-stop service at every regulatory body that provides any permits.

As Bangladesh recovers from the coronavirus pandemic and is set to become a developing country in four years and aspires to be a developed economy in less than two decades, the need for speeding up regulatory reforms has only grown.

A congenial business environment is also needed to make the most of the 21st century dubbed as the Asian Century as large nations in the continent are expected to play a dominant role globally in the coming decades.

According to McKinsey & Company, \$1 out of every \$2 of global consumption in the next 10 years is going to take place in Asia, indicating the importance of growing businesses in Asian countries.

Bangladesh should utilise this opportunity by eliminating all trade barriers and improving business climate.

Western Marine

FROM PAGE B4

Dhaka Stock Exchange yesterday.

Established in Chattogram in 2000, the shipyard is located over 42 acres of land and employs 3,500 people, including more than 500 marine and technical experts.

It has so far exported vessels to countries such as Germany, Norway, Ecuador, New Zealand, and Kenya.