



Bholaganj Sada Pathor, about 35 kilometres away from the Sylhet city, has turned into a new destination for tourists. Although Bangladesh has a lot of tourist attractions, the country cannot make use of it properly, say experts.

PHOTO: STAR/FILE

Tourism lacks proper planning

Experts say many places that could become tourist attractions remain unknown to public

STAR BUSINESS REPORT

The tourism sector in Bangladesh is still suffering and has not flourished properly due to a lack of proper planning, which may be a barrier to achieving Sustainable Development Goals (SDGs) by 2030, speakers told a seminar yesterday.

Many places that could become tourist attractions remain unknown to the public and are yet to be accessible to tourists of all strata, especially those who are financially not that well off, they said.

Of the 17 SDG goals, three are directly linked to the tourism sector. Although these targets vary from country to country, at least six goals are connected to Bangladesh, they said.

"Every year, around 25 lakh to 30 lakh people used to fly abroad for tourism purposes," said Abu Sufian, editor of local travel publication Vromon Magazine.

"Although Bangladesh has a lot of tourist attractions and one crore expatriates, the country cannot make use of it properly," he said.

The seminar on "Post Covid-19 Tourism: Key tools to achieve the SDGs in Bangladesh" was jointly organised by Social Development Foundation (SDF) of the finance ministry and Vromon



Magazine at InterContinental Dhaka.

Countries including Japan, Italy, India, Vietnam, Sri Lanka, Nepal and the Malaysia have formulated alternative, post-pandemic plans of three years to 10 years to attract tourists, said Sufian.

While those have already achieved significant success, the same has not been done in Bangladesh, he said.

"If Bangladesh fails to utilise the opportunity, the country's tourism sector will face a major disaster after 2023," said Sufian.

Acknowledging the lack of plans, Planning Minister MA Mannan requested

the Ministry of Civil Aviation and Tourism to take up small project targeting increasing amenities for locals who are financially not that well off.

"We have many popular tourist attractions inside the country like the Kuakata sea beach in Patuakhali, Ratargul swamp forest, Bisanakandi's garden and hills in Sylhet and Tanguar haor in Sunamganj," he said.

"But there are not enough amenities there. Low-income group people usually visit those areas. There are not enough places for taking rest, nursing stations and sanitation," he said.

The minister also asked to resume short flights using abandoned airports.

At the event, M Mahub Ali, state minister for civil aviation and tourism, said the tourism sector badly needs some incentives and facilities and lifting of taxation.

"We have done many things in this sector but it was meaningless. We did not do it through proper planning," he said.

To overcome the difficulties, the government has taken a master plan to develop the tourism sector. It may help the tourists get proper guidelines, he hoped.

Along with the Padma bridge, the country's ongoing communication development projects may give a boost to the tourism sector, he said.

About the master plan, M Mokammel Hossain, secretary to the civil aviation and tourism ministry, said it would be disclosed soon.

"In the last two years, we have been working to formulate the master plan. We have selected 1,051 destinations out of which 51 have been prioritised," he said.

"We will focus this tourism through branding globally," he said. Md Abdus Samad, chairperson of the SDF, presided over the seminar.

Sameer Sattar elected DCCI president

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Md Sameer Sattar has been elected president of the Dhaka Chamber of Commerce & Industry (DCCI) for 2023.

Sattar is currently serving as the head of legal consultancy firm Sattar&Co that advises on corporate and commercial law in dealing with local and foreign investments.

Besides, SM Golam Faruk Alamgir and Md Junayed Iba Ali have been elected senior vice-president and vice-president respectively.

Alamgir is now serving as managing director of BDCOM Online while Ali is chairman of Hitech Steel & Plastic Industries (Pvt) and Zaber Steel and proprietor of JN Corporation and Trade Land International.

Moreover, MA Wahab, Razeed H Chowdhury, Taskeen Ahmed, M Shafiqul Alam, Kamrul Hasan Tuhin and M Mosharraf Hossain were elected directors.

They took over their charges at an annual general meeting of the chamber held on its premises yesterday, the DCCI said in a press release.



BB official wins gold medal for performance

STAR BUSINESS REPORT

Bangladesh Bank has given a gold medal to its joint director Mohammad Salauddin Tapadar for his outstanding performance in 2021.

The gold medal is considered as the highest annual prize of the BB Employees' Recognition Award, which is given to its officials every year.

Tapadar played a crucial role in drawing up policies related to the stimulus packages during the height of the coronavirus pandemic.

His efforts helped turn around the economy from the business slowdown stemming from the pandemic.

On top of that, he also contributed to tackling the economic stress emanating from the Russia-Ukraine war.

The central bank awarded a total of its 33 employees in several categories for the period of 2020 and 2021.

BB Governor Abdur Rouf Talukder handed over the awards to the employees at a programme at the central bank headquarters in Dhaka on December 19.



German consumer morale picks up

AFP, Frankfurt

German consumers are heading into 2023 feeling slightly less gloomy than in recent months, a key survey found Wednesday, as government interventions take some of the sting out of soaring energy costs.

Pollster GfK said its forward-looking survey of around 2,000 people inched up by 2.3 points to reach minus 37.8 points for January, the third consecutive monthly increase.

The more upbeat mood comes as energy prices have eased off after hitting record highs in the wake of Russia's war in Ukraine, and as consumers start to feel the impact of Berlin's 200-billion-euro (\$212-billion) energy support package, GfK said.

"The German government's measures to cushion the exploding energy costs are apparently having an effect," GfK's consumer expert Rolf Buerkl said in a statement.

But he cautioned that the index was still at a very low level and the rebound in consumer confidence

was on "shaky ground".

"If, for example, the geopolitical situation were to worsen again and lead to a significant increase in energy prices, the light at the end of the tunnel would very quickly dim again," Buerkl said.

The GfK survey is the latest in a series of indicators showing an improved outlook for Europe's largest economy, as hopes grow that a looming recession won't be as bad as initially feared.

Business confidence rose for a third straight month in December, a closely watched survey by the Ifo institute showed earlier this week.

Ifo now sees the German economy shrinking by just 0.1 percent in 2023, after previously forecasting a contraction of 0.3 percent.

The influential Ifo Kiel institute has even predicted that the economy would dodge a recession altogether due to the government relief measures.

The German government said in its autumn forecast that the economy would contract 0.4 percent next year.

Now loan repayment relaxed for NBFIs borrowers

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borrowers of banks will be allowed to avoid being categorised as a defaulter if they clear 50 per cent of their instalments payable in the final quarter of 2022 instead of 75 per cent previously.

The BB notice said NBFIs are facing difficulties in realising instalments on time as the cash flow to SMEs and large enterprises has been affected by various external factors.

Yesterday's decisions have been taken to make paying instalments easier for the affected borrowers and bring dynamism to the economy and the business sector.

The new policy would also be applied to the investments made by shariah-based financial institutions.

If borrowers fail to repay the

loans, lease and investments within the new repayment schedule, they would be classified as per rules, said the BB.

NBFIs can't levy any additional interest or fee on the borrowers for the extra repayment period.

The latest tenure extension came less than two weeks after the Federation of Bangladesh Chambers of Commerce and Industry, the country's apex trade body, pressed for a relaxed loan classification policy until June next year.

Economists, however, expressed concern about offering a relaxed facility on a wholesale basis in order to avoid its misuse. Only small and medium-sized borrowers should have been allowed to enjoy the relaxed facility, they said.

BSEC lifts floor price

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A top official of a stock brokerage house, preferring anonymity, said the decision of setting the floor price was a big mistake as it was denting investors' confidence for a long time.

This intervention ultimately dragged down the turnover of the market. With the withdrawal, stock prices may fall further but it should not be reinstated and this should be publicly announced so that investors do not live in apprehension, he said.

"If the prices of stocks remain high artificially with a floor price but cannot be sold, how can the investors of the stocks benefit?" he asked.

So, the floor price cannot be the solution, he said, adding that the market index could fall now but at one point it would bounce back on its own strength.

Earlier on March 19, 2020 the stock market regulator imposed the floor price on all stocks by calculating their average prices from the preceding five days to stop the index from falling amidst the pandemic.

The decision was criticised by most analysts and foreign investors, prompting the regulator to start lifting the floor price in phases since April of 2021.

Formal talks kick off

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During an earlier visit of Prime Minister Sheikh Hasina to India in September, she and Prime Minister Narendra Modi announced in a joint statement that the Ceta negotiations would start from December this year.

The Ceta is a detailed form of a free trade agreement (FTA) and India is a major source for imports.

For this, experts suggest maintaining a list of "sensitive" commodities so that the government can also generate a significant amount of revenue from import duties.

Last fiscal year, Bangladesh imported goods worth \$16.19 billion from India, the second biggest source of imports after China.

Bangladesh also generated over Tk 15,000 crore from the import duty.

In August this year, a joint study said Bangladesh might not make a large gain from a Ceta.

This was due to the fact that Bangladesh would lose duty-free market access provided for it being a least developed country (LDC).

Comparatively, India will make a larger gain from the trade deal primarily through the removal of high tariff rates it currently faces in Bangladesh, said the study.

Bangladesh Foreign Trade Institute (BFTI) and the Centre for Regional Trade (CRT) of India jointly conducted the study last week based on trade data between 2015 and 2020.

If signed, the Ceta will be the first kind of an FTA as Bangladesh has till date signed only a preferential trade agreement with Bhutan in December 2020.

The Ceta is part of Bangladesh's preparations for retaining duty benefits once it makes the United Nations status graduation from an LDC to a developing nation in 2026.

Moreover, Bangladesh has the potential to benefit from the trade of services in tourism, transport and educational cooperation and also creation of jobs locally from Indian investment.

However, Bangladesh should slowly liberalise or maintain a list of

sensitive products which is widely practised in signing such deals worldwide, said experts.

The trade relationship with India is dominated by imports, said the study.

If goods and services through informal channels are considered, imports from India will increase substantially. India is an important travel, education and health tourism destination for Bangladesh, it said.

Bangladesh is one of the most protected economies in the world with the nominal protection rate being as high as 27 per cent.

If Bangladesh signs an FTA with India leaving the current high tariff rates unchanged, trade diversion effects will be substantial, experts said earlier.

The proposed deal, which calls for a withdrawal of duties, is expected to boost Bangladesh's exports by 190.15 per cent and more if transaction costs are also reduced through improved connectivity, according to the study.

India's exports to Bangladesh are expected to increase by 188 per cent. The Ceta will increase Bangladesh's GDP by 1.72 per cent and India's by 0.03 per cent, the study found.

Currently, India is Bangladesh's second biggest trading partner after China.

In fiscal 2021-22, Bangladesh's exports to India hit \$2 billion for the first time, while imports through the official channel stood at about \$10 billion.

However, if imports through unofficial channels is factored in, the figure would stand at about \$14 billion.

On average, imports from India are subjected to tariffs of about 20 per cent, fetching the state coffer about \$2 billion.

It has been estimated that an FTA or agreements like the Ceta with India alone could result in trade diversion worth \$700 million.

The signing of a Ceta was first announced in September 2018 by the then commerce ministers Tofail Ahmed and Suresh Prabhu of Bangladesh and India respectively at a dinner at a hotel in Dhaka.

Taiwan export orders plunge

AFP, Taipei

November export orders from Taiwan saw their sharpest contraction since the height of the financial crisis, in a portent for the health of the global economy.

Taiwan is a global supplier of electronics, in particular state-of-the-art semiconductors, and the drop off in orders adds to evidence that demand for technology products is weakening across the globe.

Orders from overseas dropped 23 percent in November, according to data released by the Economics

Ministry on Tuesday, the biggest fall since March 2009 when the world was being battered by the financial crisis.

The plunge was much worse than the near 13 percent drop economists surveyed by Bloomberg News had forecast.

Global sentiment has been hit by inflation and central bank interest rate hikes as well as concerns over the health of China's economy.

The "baseline" forecast from Oxford Economics "now anticipates a global recession starting in Q4 2022 and comprising three straight

quarters of negative per capita world GDP growth", said a note from the advisory firm.

South Korea and China also reported forecast-beating falls in exports last month.

Global recession concerns are also being heightened by China's abrupt decision to cancel its strict zero-Covid policy.

Nearly three years of strict lockdowns and a strategy of stamping out any infections had taken a toll on the world's second largest economy and deepened global supply chain issues.