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PHOTO: STAR

Poor disbursement of stimulus fund for retrenched workers

Only Tk 9 crore paid out in two years under Tk 1,500-crore scheme

MD ASADU ZAMAN

More than two and a half years ago, the government took a Tk 1,500 crore safety net programme for the workers who lost their jobs owing to the devastating impact of Covid-19.

It targeted to disburse Tk 3,000 a month among 10 lakh retrenched workers in the export-oriented garment, leather and footwear sectors for a three-month period till the financial year of 2021-22.

The scheme promised to provide some respite to the laid-off, disabled and insolvent workers since the pandemic-induced economic crisis has left them without regular income streams or with reduced earnings. But in reality, the initiative did not turn out as viable.

As of October 2022, the labour and employment ministry was able to disburse only Tk 9 crore among 9,784 workers, saying it is not getting expected number of "legal beneficiaries" having proper documents.

However, rights bodies and experts termed the scheme as a "failure", saying one of the reasons the scheme did not succeed was workers' associations were not included in implementing the initiative.

Any worker, including lactating mothers, who were employed in the garment and leather sectors up till February 2020 was eligible to receive money from the fund, which was formed on the basis of financial support from the European Union and the German government.

"The scheme should have been implemented quickly but it has not been possible because of a lack of a proper database of workers," said Syed Sultan Uddin Ahmmed, a former executive director of the Bangladesh Institute of Labour Studies.

He saw negligence on the part of both factory owners and the government's implementing agency.

"The factory owners don't want to acknowledge the issue of sacking workers since it will hurt their goodwill and may prevent them from accessing various support of the government. So, factory owners did not provide the information properly."

A majority of the workers who were rendered jobless were employed at small and informal garment factories, which have been kept largely out of the scheme.

Ahmed, a specialist on workers' activities at the International Labour Organisation's South Asia region, points out that India has formulated a central database during the pandemic and such a directory is needed for any kind of natural calamities.

Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said the disbursement did not reach its target as it was difficult to find the real retrenched workers.

"We tried our best but could not disburse the fund among enough workers. Only 110 to 120 factories were able to provide the beneficiary list. But the number of the workers who lost jobs

might be much higher."

He said the BKMEA was asked to provide the beneficiary list of the factories that had less than 500 workers. Other "complex conditions" were also there.

A major condition was to find out the "sacked workers", he said.

"Usually, we don't fire them. Even if some of them were fired, they might be recruited by other factories," he said.

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Hatem said the authorities could have disbursed the fund using a list of workers who received reduced payments throughout the pandemic or as per recommendations of factory owners.

The entrepreneur described the per person allocation of Tk 3,000 as a very low amount.

Salauddin Swapan, general secretary of the Bangladesh Garments Workers Unity Council, said the government should include the platforms working to protect the rights of workers in order to prepare a proper beneficiary list.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said it did not send any list of beneficiaries to the authorities.

"Truly, there is no such unemployment in our factories. We searched for such names but did not find any."

He said at the onset of the pandemic, some of the workers left factories as production was shut for nearly two months after the government enforced a countrywide lockdown to tackle the spread of the deadly virus.

"But they have been reemployed."

Md Abu Ashrif Mamud, acting director for planning, development and statistics at the labour department, said it could not disburse the fund due to a lack of a list of proper beneficiaries.

"If the number of jobless persons was 100, we were able to disburse the fund among 10 persons, who had legal ID cards."

The fund is disbursed directly to the mobile financial service accounts of workers.

"Everything is happening through a digital process and this is definitely a fair system. In the last two and half years, we have found discrepancies between the workers' NID cards and the ID card provided by their employers," said Mamud.

Possibly, he explained, the workers found the job using false information about their age or other information but the factories did not verify them. But when the factories tried to upload their information on the system to help workers claim the benefit under the scheme, they failed.

The government has added jute and frozen food sectors to the list of beneficiary sectors, he said. "This is an ongoing project and hopefully, we will be able to disburse more in the coming days."

Cybersecurity: The changing role of the board

SHAMEEM AHSAN

In an era of digital revolution, cybercrime has quickly evolved into today's fastest-growing form of criminal activity.

This will cost firms \$5.2 trillion globally in the next five years, meaning cyber security has become an obvious necessity, according to Accenture.

Yet, too often it is neglected by business leaders, more so in Bangladesh.

Here, the role of the board, as a body of senior executives and other key stakeholders, is becoming increasingly important.

The board must establish a "culture of cyber security" across the organisation to impede efforts of the company's adversaries and guarantee that the business will grow quickly in the future.

A robust cyber resilience strategy must be developed with input from all stakeholders in mind: executives who will implement it, IT professionals who know how technology works, legal teams that understand intellectual property issues, and marketing departments whose brands may be impacted by data breaches.

In Bangladesh, we can take cues from the rules on "Cyber Security Risk Management, Strategy, Governance, and Incident Disclosure by Public Companies" proposed by the US Securities and Exchange Commission on March 9, 2022.

The new regulations address questions like: Does the board consist of a cyber expert? What are their qualifications? How does the board monitor cyber risks? Does the business consider cyber risks when developing strategies, planning its finances and allocating capital?

The following are a few ways to create a strong ecosystem to enable cyber security decisions at the board level:

First, implement a cyber security framework and hold the management responsible for putting it into action and keeping track of it.

Holistic enterprise-level security is also needed, and the range of tools to prevent and detect attacks must be supplanted with policies and procedures to ensure that all employees understand their role in maintaining security.

It is also important for organisations to consider the security of third parties as industrial systems are becoming more digital as part of Industry 4.0.

Also, allocating adequate cyber security resources must continue to be a high priority.

Cybersecurity should no longer be seen as a luxury but rather an essential investment, especially for financial institutions.

A robust reporting mechanism must also be in place to assess the effectiveness of cyber security tools.

It is not a decision that can be made "once and done"; rather, it should be discussed regularly. The latest threat detection technologies, activities and authentication work with a lot of data and can be expensive for an on-premises setup, so the current shift towards cloud services is crucial.

Gartner predicts that demand for cloud-delivered security services will outpace demand for the entire security market. Alongside cyber protection, the boards must give emphasis to cyber resilience. Resiliency is more than just protection; it includes a strategy for recovery and ongoing operations.

Being resilient involves doing everything you can to prevent and identify a cyber incident as well as ensuring your ability to continue operating when an issue does occur. A board that invests only in protection is not managing the risk associated with getting up and running again in the event of a cyber incident.

The board may find it intimidating to manage cyber security. But a well-considered oversight strategy, thorough reporting, and a solid working relationship with the chief information security officer can help the board and management work together more effectively on this.

Make no mistake, cyber security is the responsibility of the entire board.

The writer is the managing director of eGeneration, general partner of Pegasus Tech Ventures and former president of BASIS.



Premier Cement posts Tk 112cr loss

STAR BUSINESS REPORT

Premier Cement Mills PLC suffered a loss of Tk 112.83 crore in the financial year that ended on June 30, 2022.

This was contrary to the Tk 65.17 crore profit the cement manufacturer made in the previous financial year of 2020-21.

Thus, the company reported consolidated negative earnings per share of Tk 10.70 for the last financial year. The EPS was a positive Tk 6.18 in FY21.

The consolidated net asset value per share fell to Tk 67.13 from Tk 79.83 while the consolidated net operating cash flow per share slipped to Tk 5.26 from Tk 6.31 in FY21.

The board of directors of Premier Cement Mills has recommended a 10 per cent cash dividend for the year that ended on June 30.

The cement company also published its financial reports for the first half of the current financial year.

It showed that Premier Cement made a profit of Tk 73.81 lakh in the second quarter of 2022-23, down from Tk 1.16 crore it made in the identical October-December period a year earlier.

Thus, the consolidated EPS fell to Tk 0.07 in October-December of FY23 from Tk 0.11 in the same period of FY22.

The EPS decreased due to an increase in raw material prices, resulting in increased cost of production, said the cement producer in a filing on the Dhaka Stock Exchange.

But it suffered a Tk 25.84 crore loss in the first half of FY23, owing to a loss it incurred in the first quarter.

Shares of Premier Cement were unchanged at Tk 44.50 on the DSE yesterday.



A farmer applies fertiliser in his paddy field at Dehergati village of Barishal's Babuganj upazila. The photo was taken recently.

PHOTO: TITU DAS

Aus growers to get Tk 57cr incentive

STAR BUSINESS REPORT

The government will provide an incentive of Tk 57.25 crore to farmers for Aus paddy cultivation, according to a press release from the agriculture ministry issued yesterday.

Under this incentive, 10 lakh small and marginal farmers across the country will get free seeds and fertilisers to cultivate Aus paddy, it said.

This incentive package includes five kilogrammes of seed, 10 kilogrammes of diammonium phosphate (DAP) and 10 kilogrammes of Muriate of Potash (MOP).

With the support, farmers would be able to cultivate one bigha of land.

The ministry also said incentives are being provided from its regular budget for agricultural rehabilitation assistance and the seeds and seedlings sector to increase the production of Aus paddy.

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