

First-ever career fair on travel, hospitality

STAR BUSINESS DESK

The Bangladesh Monitor, a travel trade publication of the country, will organise its first ever job and career fair in Dhaka.

The two-day fair sponsored by TechnoNext, a software technology company and a subsidiary of US-Bangla Group, will be held at Pan Pacific Sonargaon Dhaka on March 19-20, said a press release.

Kazi Wahidul Alam, editor of The Bangladesh Monitor, and Zahid Hossain Chowdhury, chief technology officer of TechnoNext Ltd, inked the sponsorship deal at the former's office on Sunday.

"Those seeking to pursue a career in the aviation, hospitality and travel industry will find excellent opportunities at the fair," said Alam.

Md Mahbub Ali, state minister for civil aviation and tourism, is expected to inaugurate the fair.

India's oil deals with Russia dent decades-old dollar dominance

REUTERS, New Delhi/London

US-led international sanctions on Russia have begun to erode the dollar's decades-old dominance of international oil trade as most deals with India - Russia's top outlet for seaborne crude - have been settled in other currencies.

The dollar's pre-eminence has periodically been called into question and yet it has continued because of the overwhelming advantages of using the most widely accepted currency for business.

India's oil trade, in response to the turmoil of sanctions and the Ukraine war, provides the strongest evidence so far of a shift into other currencies that could prove lasting.

The country is the world's number three importer of oil and Russia became its leading supplier after Europe shunned Moscow's supplies following its invasion of Ukraine begun in February last year.

After a coalition opposed to the war imposed an oil price cap on Russia on December 5, Indian customers have paid for most Russian oil in non-dollar currencies, including the United Arab Emirates dirham and more recently the Russian rouble, multiple oil trading and banking sources said.

The transactions in the last three months total the equivalent of several hundred million dollars, the sources added, in a shift that has not previously been reported.



A container is being unloaded from a ship at Chattogram port. The photo was taken in January this year.

PHOTO: RAJIB RAIHAN

Container movement thru Ctg port on the decline

DWAIPAYAN BARUA, Chattogram

Container movement through Chattogram port began a downward trend in the second half of 2022 that has stretched into the first two months of the current calendar year, according to shipping agents.

As such, container movement through the premier seaport of Bangladesh hit an eight-month low in February, they said.

And amid the continuous fall in import-laden containers, international shipping line Hapag Lloyd recently decided to discontinue operations of its lone feeder vessel on the Chattogram-Colombo route.

Last June, a total of 262,477 twenty-foot equivalent units (TWUs) of containers, including empty ones, were transported to and from the port while the figure dropped to 230,902 TEUs the following month.

Container movement has fallen gradually each month since then with only two indications of recovery coming in August and November.

With this backdrop, shipping agents say

container movement has declined by more than 27 per cent in the last eight months ending with February, when only 168,074 TEUs of containers were transported.

On a year-on-year basis, container movement dropped 28.74 per cent from 235,861 TEUs in February 2022.

Various shipping agents say that while both imports and exports fell sharply during this period, the decline in imports is far more significant.

In July last year a total of 118,667 TEUs of import containers, including loaded and empty ones, arrived at the port while the figure stood at only 87,966 TEUs this February.

Meanwhile, a total of 112,235 TEUs, both loaded and unloaded, were shipped from the port in July last year while the volume came down to 80,108 TEUs in February.

Abdullah Jahir, chief executive officer of Saif Maritime, said global economic activities have slowed amid the ongoing Russia-Ukraine war.

Bangladesh is no exception as the country saw a marked decline in export orders.

"Also, imports have fallen significantly

due to the acute US dollar crisis, which is evident in the shipping trade as well," he added.

Hapag Lloyd started operating its feeder vessel, Hansa Rendsburg, on the Chattogram-Colombo route four months back and made a total of 10 voyages between the two ports.

An official of the shipping line's local office said they were getting adequate imports from Colombo at first, but the volume eventually dropped.

In the last several voyages, the 1,740 TEUs-capacity vessel was getting just 500 to 700 TEUs of import containers, he said.

In bid to minimise losses, the shipping line had started bringing a significant number of empty containers on each voyage.

However, this leads to a rise in the stock of empty containers, he added.

The official of Hapag Lloyd then said they discontinued operations on the route considering the meagre quantity of import containers against high operating costs, bunker costs and other expenses involved.

Economic Association for all-out efforts to cut inequality

STAR BUSINESS REPORT

The Bangladesh Economic Association (BEA) has urged the budget planners to employ all possible ways to reduce the inequality related to wealth, income, health, and education.

"The coronavirus pandemic has turned Bangladesh into a country with a high level of income inequality. And the Russia-Ukraine war has deepened the inequality," said Prof Md Aynul Islam, general secretary of the BEA.

He placed the proposals during a meeting with the National Board of Revenue (NBR) at the latter's headquarters in the capital's Agargaon on Tuesday.

The association said poverty has increased multi dimensionally and this would widen further. At the same time, the labour market has been squeezed.

"Households are finding it difficult to maintain family expenses owing to higher inflation. They don't have any money. Because of the tough situation, many have gone for distressed sales."

"As a result, people's life has become more uncertain than any time in the past. So, if time steps are not taken, there might be further uncertainty in the coming days," said the BEA.

"There is no alternative to creating decent jobs on a large scale to overcome the situation," said Prof Islam.

The BEA recommended imposing a wealth tax, raising the tax rate for the super-rich, levying wealth tax on large investments in the share and bond markets, and imposing additional taxes on excess profits.

Russia considers challenging US nominee to head World Bank

REUTERS, Washington

Russia is consulting with its allies about challenging the US nominee to head the World Bank, Moscow's top representative at the bank said on Tuesday, a move that could complicate what was expected to be a smooth succession process.

Russia remains a voting member of the World Bank, although the bank halted all programs in Russia and Belarus last March, citing what it called "hostilities against the people of Ukraine" following Russia's invasion.

Roman Marshavin, the World Bank executive director who represents Russia and Syria, told Reuters the "listing of potential candidates and consultations are still ongoing," but gave no details. He said the decision would be made in Moscow.

Russia's plans were first reported by Russia's state-owned TASS news agency.

Cut duties on essentials

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the one introduced in 2021-22.

The CPD argued that reducing the highest tax rate (from 30 per cent to 25 per cent) was against the cause of promoting tax justice.

"The highest tax rate should be reinstated at 30 per cent for top earners in the 2023-24 budget."

The tax-free income threshold for personal income should be raised to Tk 3.50 lakh considering the added pressure of rising commodity prices, particularly those of food items, said the CPD.

Alternatively, the second slab for personal income tax - a 5 per cent tax for an additional Tk 1 lakh - should be increased to Tk 3 lakh to provide a cushion to limited-income earners.

In the current budget, the rate of investment tax rebate has been fixed at 15 per cent on the eligible amount. This means that higher taxpayers, or top earners, get higher tax rebate benefits whereas those with an annual income of below Tk 15 lakh will not get any additional tax benefits.

"The withdrawal of this provision needs to be considered in the 2023-24 budget," said the think-tank.

The CPD urged the NBR to be restrained from all ad-hoc provisions of tax incentives and be careful in the next fiscal year as more demand for incentives will be lined up in view of the current economic situation.

"A proper cost-benefit analysis must be conducted before coming up with new provisions and there should also be a medium-term plan and timeline on phasing out the various tax exemptions."

"The NBR should also consider providing an analysis of revenue forgone owing to the various tax exemptions in the next budget. This will perhaps draw some much-needed political attention to the issue."

In Bangladesh, the cigarette industry's pricing encourages the purchase of relatively cheaper cigarettes. The complicated tiered tobacco tax framework supports differential pricing.

"So, the tobacco tax structure needs to be streamlined," said

the CPD, adding that cigarette affordability should be reduced as a result of tax-induced price increases.

The FY2023 budget added a new provision in the Income Tax Ordinance 1984 with a view to mainstreaming money earned and assets acquired abroad into the economy.

According to the provision, no authority, including the income tax authority, can raise any question as to the source of any asset located abroad if a taxpayer pays tax on said asset. This opportunity will be in force for the full FY2023 period.

"Such an initiative is ethically unacceptable and will discourage honest taxpayers and has traditionally been unable to generate the intended revenue. The CPD strongly urges for discontinuation of this provision," said the think-tank.

It said other provisions that allow the legalising of undisclosed incomes and assets should be discontinued from the next fiscal year as well.

Consumer

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"The market situation is not favourable for the electronic industry as electronic home appliances are not essential items like medicines and foods."

Electronic items retailers are facing a sales slump globally.

For example, US electronics retailer Best Buy has forecast a 13 per cent slump in current-quarter comparable sales, while retailer Walmart has slashed its profit forecast, saying soaring gas and food prices dented demand for discretionary items.

Both Singer's Rahman and Transcom Digital's Ranjan don't see any significant improvement to the market scenario until the war comes to an end and the economic uncertainty disappears.

Manzurul Karim said: "Our assessment showed that the market will remain dull in 2023. For this reason, we have taken steps and reduced the import of products to survive during the crisis period."

Fast-track projects

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DHAKA METRO RAIL

Implementation of the project, known officially as the Dhaka Mass Rapid Transit Development Project Line 6, is going on in full swing.

Prime Minister Sheikh Hasina on December 28 last year inaugurated the country's first-ever metro rail and it was opened to the public the following day.

crore.

MOHESKHALI-MATARBARI INTEGRATED INFRASTRUCTURE DEVELOPMENT

The Tk 51,854 crore project has progressed 72 per cent physically till last January.

The allotment for the project was Tk 6,554 crore in the current year while spending reached one-third, or Tk 1,926 crore, of the amount in the

the current year while 54 per cent, or Tk 3,181 crore, was already spent. So, its revised allocation rose slightly to Tk 5,909 crore.

If the spending continues at a better pace, the allotment would be higher as the government has a target to open rail movement on the bridge, according to a ministry official.

SINGLE LINE DUAL GAUGE RAILWAY TRACK

down to Tk 1,020 crore for the current year.

MAITREE SUPER THERMAL POWER PLANT

Around 91 per cent of the physical work of the project at Rampal has been completed till January with a total of Tk 13,226 crore, or 83 per cent of the project fund, being spent so far.

The estimated cost of the project is Tk 16,000 crore.

