



Country needs a roadmap to become aviation hub PM says

STAR BUSINESS REPORT

Prime Minister Sheikh Hasina yesterday said Bangladesh should formulate a roadmap considering its geo-strategic advantage to make the country an aviation hub.

Bangladesh aspires to become an aviation hub, she said in a video statement aired at the inaugural session of the first-ever Bangladesh Aviation Summit organised by the civil aviation and tourism ministry in collaboration with the UK and France at a city hotel.

The premier said Father of the Nation Bangabandhu Sheikh Mujibur Rahman undertook measures to turn the country into an aviation hub to connect the East and



Sheikh Hasina

the West capitalising on Bangladesh's geographical location just after achieving the membership of the International Civil Aviation Organization in 1973.

"We have undertaken several measures to support the development of an aviation hub. During the last one decade, we implemented a host of projects to upgrade our airports, airport security and ground handling," she said.

"The government is going to introduce an e-visa system which will also facilitate and expedite the flow of passengers visiting Bangladesh for business or tourism," she said.

A promising aviation industry requires skilled manpower, she said, adding, "Our youth must have the opportunities to be trained to become pilots, aeronautical engineers, mechanics, crew members and much more."

She said, "The aviation partnership proposed by

READ MORE ON B3

AT A GLANCE



Only top firms used to provide health insurance in the past



Interest in group health insurance has increased since 2015



Individual health insurance purchase not growing at expected level



10% policyholders have health coverage

WHAT BOOSTED HEALTH INS



Companies offer group health insurance to attract young talent



Awareness about health coverage received a boost after Covid outbreak

BANGLADESH HAS

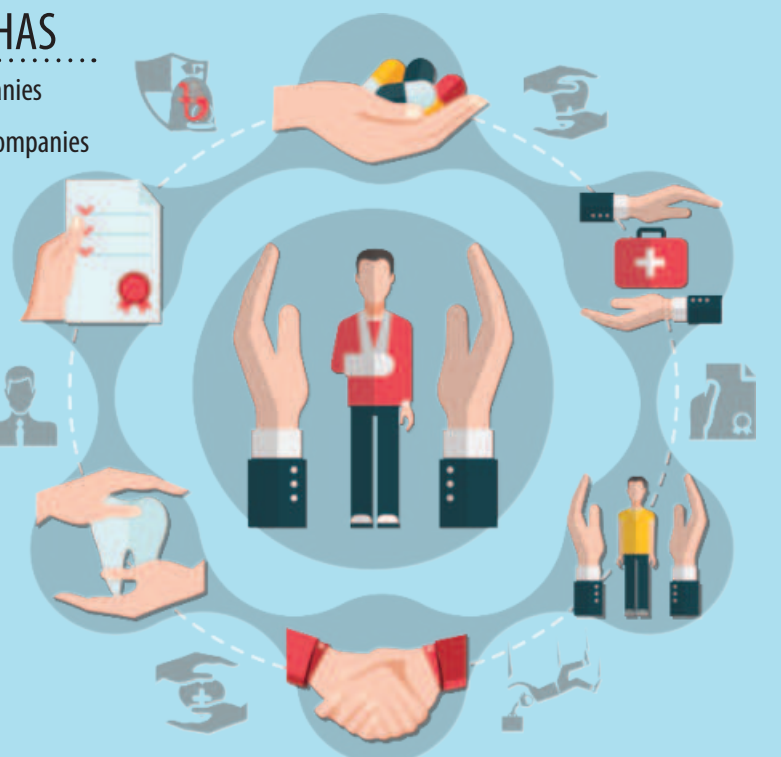
35 life insurance companies

46 non-life insurance companies



We provide group health insurance because other than being a legal requirement, it is an essential benefit that helps attract and retain young talent and ensure peace of mind among the workforce.

AHM Hasinul Quddus Rusho
Chief corporate affairs officer
Daraz Bangladesh



INS PENETRATION
0.4% in 2021

CONTRIBUTION TO GDP
0.4%

Health insurance getting popular among local firms

SUKANTA HALDER

Many companies in Bangladesh now offer group health insurance benefits to their employees in a bid to attract young talents, survive in the competition and comply with regulations, according to industry people.

Health insurance is a must nowadays as Covid-19 has taught that anyone could require urgent medical attention without prior notice, draining them of all savings in the blink of an eye.

"We provide group health insurance because other than being a legal requirement, it is an essential benefit that helps attract and retain young talent and ensure peace of mind among the workforce," said AHM Hasinul Quddus Rusho, chief corporate affairs officer of Daraz Bangladesh.

Having begun operations in the country in September 2014, Daraz brought its employees under a group insurance scheme in April 2022.

Group health insurance is a type of health plan that offers coverage to a group of individuals who belong to a business, organisation or association that avails the scheme.

Those covered by such plans usually receive insurance at a

reduced cost as the insurer's risk is spread across a group of policyholders, according to Investopedia.

Edison Real Estate Limited began its journey at the end of 2015. It started offering group health insurance in October last year.

Rezwan Chowdhury, assistant general manager in

company," said Sadia Haque, co-founder and chief executive officer of ShareTrip.

According to Guardian Life Insurance Limited, only 50 companies used to avail group health insurance plans from Guardian Life Insurance about five years ago. Today, more than 400 firms are subscribing to the same benefit.



the company's human resource department, says it is offering the benefit as a part of the employee wellbeing initiative.

ShareTrip, the country's leading online travel aggregator, started operations in 2019. It has been offering insurance facilities to its more than 180 employees since the middle of 2022.

"We want our top talents to be stress-free as it eventually fosters loyalty and long-term commitments towards the

company," said Sheikh Rakibul Karim, CEO of Guardian Life Insurance, said only top multinationals and select local companies used to provide group health insurance benefits but the scenario has changed over the past few years.

"Firms are increasingly understanding the importance of group health coverage because of Covid-19."

Companies place a lot of importance on compliance these days and they need to pull

and retain talented employees by offering better benefits in order to survive competition, said Kawser Hossain, head of the health insurance department of Pragati Life Insurance Limited, one of the top group insurance providers in Bangladesh.

The company settled health insurance claims of Tk 45.76 crore in 2018 while the pay-outs increased to Tk 57 crore in 2022.

"Your savings are safe if you avail health insurance as it would decrease outpatient bills and, in some cases, even reduce your income tax burden," Hossain said.

Although group health insurance is becoming popular, the demand for the such facility is not growing at the same rate at the individual level.

Around 90 lakh people have opened life insurance policies against the country's population of around 16 crore. Just 10 per cent of these policyholders have health coverage, industry people say.

Syed Mahmudul Muddassir, deputy vice president for brands and communication at Green Delta Insurance Company Ltd, said many people in Bangladesh slip below the poverty line each year due to healthcare expenditures.

READ MORE ON B3

Bangladesh, Bhutan sign transit deal

STAR BUSINESS REPORT

Bangladesh yesterday signed a transit agreement with Bhutan allowing the landlocked South Asian nation to transport its imported and export-oriented goods by using ports, mainly the Mongla seaport.

Under the "Agreement on the Movement of Traffic-in-Transit and Protocol", Bhutan would also be able to use Bangladesh's land, waterways, railways and airways to move goods to and from third countries.

Similarly, Bangladesh will be allowed to use Bhutanese land to export goods to other countries such as China, according to the commerce ministry of Bangladesh.

Tipu Munshi, commerce minister of Bangladesh, and Karma Dorji, industries, commerce and employment minister of Bhutan,

Bangladesh will be allowed to use Bhutanese land to export goods to other countries such as China, according to the commerce ministry of Bangladesh

signed the agreement in Thimphu.

The development comes years after discussions on the transit facility between the two nations.

Under the pact, Bhutan will pay fees and charges to Bangladesh for using the ports.

Mostafa Abid Khan, a trade policy analyst, said goods transporters in Bangladesh will benefit from the deal as Bhutanese businesses might use Bangladeshi trucks and other modes of transport to carry goods.

"The utilisation of Mongla port will increase too," said the former member of the Bangladesh Trade and Tariff Commission.

Under the traffic-in-transit deal, a country is allowed to use a country to export and import products to and from other nations.

The transit deal was finalised at a secretary-level meeting in Dhaka in September. Bangladesh's cabinet approved the draft of the agreement on March 13.

READ MORE ON B3

STOCKS	
DSEX ▼	CASPI ▼
0.26%	0.17%
6,206.63	18,349.71

COMMODITIES	
Gold ▼	Oil ▼
\$1,941.64 (per ounce)	\$69.48 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.24%	▲ 1.93%	▲ 1.48%	▲ 0.31%
58,214.59	27,466.61	3,220.98	3,205.75

Businesses demand ending red tape

STAR BUSINESS REPORT

Businesses yesterday demanded that the government bring an end to red tape and simplify rules for businesses to reduce production costs and be more competitive.

In the next budget the government needs to ensure adequate supply of energy to the industries at an affordable price for production to run smoothly, they said.

Subsidies for different sectors need to be retained as some, especially, the cottage, micro, small and medium enterprise one, need those to grow.

If the government thinks the subsidies need to be withdrawn, it should take into consideration the fact that this will affect revenue collection, said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

He was speaking at a pre-budget discussion jointly organised by the Dhaka Chamber of Commerce and Industry (DCCI) and daily Samakal at Bangabandhu International Conference Centre in Dhaka.

Sameer Sattar, president of the DCCI, moderated the discussion.

Jashim Uddin said there were

three challenges for the economy – the severe impacts of the pandemic and Russia-Ukraine war and challenges of Bangladesh making the United Nations status graduation from a least developed to a developing country in 2026.

The government should withdraw all kinds of tax and VAT on manmade fibre import as the country needs to tap into the \$750 billion-worth global non-cotton market, said Mohammad Ali Khokon, president of Bangladesh Textile Mills Association

The recent collapse of some big banks in the US may also have an impact on the local economy, he said, urging the government to be cautious.

It is expected that the government will address the red tape as it is needed to make it easy to do business, Jashim Uddin also said.

AK Azad, a former president of the FBCCI, echoed him.

From July 2019 till date, the price

of gas has been increased by 214 per cent but pressure in the supply lines is sometimes still drops, making it hard to run industries, he said.

He cited an example of an industrialist, albeit withholding the name, who has invested Tk 25,000 crore and employs over 1 lakh employees.

If a lack of gas halts production for even two hours, it will be difficult for the industrialist to pay his monthly loan instalment of nearly Tk 250 crore alongside workers' wages, he said.

Azad demanded that the government withdraw duty and taxes on recycled fabrics, saying international clothing retailers and brands have been asking for 25 per cent of garments be made from recycled yarn by 2025.

The government should withdraw all kinds of tax and VAT on manmade fibre import as the country needs to tap into the \$750 billion-worth global non-cotton market, said Mohammad Ali Khokon, president of Bangladesh Textile Mills Association (BTMA).

Increasing use of manmade fibres and recycled yarn will reduce cotton imports by 15 per cent, he said.

READ MORE ON B3

Meghna Bank steps into MFS market

STAR BUSINESS REPORT

Meghna Bank yesterday joined the race for dominance over the highly competitive market for mobile financial services (MFS) in Bangladesh by introducing "MeghnaPay", which aims to provide smart and convenient banking facilities for people across the country.

With bKash, Nagad and Rocket leading the pack, there are currently 13 MFS providers operating in Bangladesh. Different banks own a majority stake in 12 of these companies while Nagad is poised to get its license through a non-banking financial institution.

Zunaid Ahmed Palak, the state minister for ICT, launched the service through a ceremony held at The Westin Dhaka.

Customer acquisition in the local MFS industry is high mainly due to severe competition between

READ MORE ON B3

StanChart, MSC join hands for digital payment

STAR BUSINESS DESK

Standard Chartered Bangladesh recently signed an agreement with MSC Mediterranean Shipping Company Bangladesh Limited (MSC) enabling MSC to process local payments with ease.

The bank's tailor-made end-to-end solution not only upgrades MSC's payments and collections interface but also addresses the bank's broader objective to introduce and implement cash management facilities that focus on technology innovation, process consolidation, and faster turnaround times as a catalyst for better client experiences.

The bank's effort to design a solution of this kind is a first for the nation's shipping industry – setting the standard for digital transformation and future-fitness. An event was organised to inaugurate the newly designed digital solution, said a press release.

"By re-engineering end-to-end cash management processes and adopting best-in-class practices at each step, Standard Chartered is able to offer comprehensive solutions for all our clients. We are proud to partner with MSC and look forward to growing our relationship," said Luthful Arefin Khan, head of transaction banking of Standard Chartered Bangladesh.

"The solution will improve our payment and collection processes and reconciliation time," said ATM Anisul Millat, chief financial officer of MSC.

Shamim Iqbal, head of client coverage, Chattogram of the bank, and Rashed Karim, general manager (finance and accounts) of MSC, along with others from both organisations were present.



Workers on Bandh Road in Barishal city chop up wood used in firing brick kilns and for cooking at hotels and households. Working from 8:00am to 5:00pm earns them around Tk 600 every day. The photo was taken around a week ago.

PHOTO: TITU DAS

All indices of bourses fall amid persisting uncertainty

STAR BUSINESS REPORT

All indices of the Dhaka and Chittagong stock exchanges fell yesterday as uncertainty at home and abroad shows no sign of abating. The DSEX, the benchmark index of the Dhaka Stock Exchange, lost 16 points, or 0.26 per cent, to 6,206.

The DS30, the blue-chip index, decreased 0.23 per cent to 2,218 while the DSES, the shariah-compliant index, went down 0.24 per cent to 1,352.

Turnover, a key indicator of the market, edged down 6 per cent to Tk 328 crore. Of the securities, 17 advanced, 82 declined and 213 did not show any price movement.

The market started the day with sales pressure and it continued till the end without any sign of reversal. The investors were busy liquidating their holdings in the IT, services, life insurance, and jute sectors, pushing the DSEX down, said International Leasing Securities Ltd in its daily market analysis.

Of the sectors, IT was down 1.4 per cent, life insurance slipped 1.2 per cent, services and real estate and jute declined 1.1 per cent.

The investors were busy liquidating their holdings in the IT, services, life insurance, and jute sectors, pushing the DSEX down. Investors' activities were mainly focused on the IT sector, capturing 14.3 per cent of the day's total turnover

Investors' activities were mainly focused on the IT sector, capturing 14.3 per cent of the day's total turnover. The food and allied sector accounted for 13.1 per cent of the turnover and the travel and leisure sector made up 11.8 per cent of the turnover.

Legacy Footwear made the highest gain with an increase of 8 per cent. Rangpur Dairy & Food Products, Emerald

Oil Industries, Al-Haj Textile Mills, and Monno Agro & General Machinery were among the top gainers.

Bengal Windsor Thermoplastics was the biggest loser, shedding 7.4 per cent.

Imam Button Industries, Rupali Life Insurance Company, Dhaka Insurance, and Union Capital were also among the significant losers.

Eastern Housing was the most-traded stock with its issues worth Tk 19 crore transacting.

Genex Infosys, Sea Pearl Beach Resort & Spa, Rangpur Dairy & Food Products, and Bangladesh Shipping Corporation registered significant turnover as well.

The Caspi, the all-share price index of the Chittagong Stock Exchange, dropped 32 points, or 0.17 per cent, to close at 18,349. Four other indexes were in the red as well.

Of the securities, 18 rose, 43 retreated and 63 did not see any price swing. Turnover in the bourse of the port city plummeted more than 35 per cent to Tk 7.97 crore.

New leadership of China chamber



Gazi Golam Murtoza Al Mamun Mridha

STAR BUSINESS REPORT

Gazi Golam Murtoza, deputy managing director of Gazi Group, has been re-elected as the president of Bangladesh China Chamber of Commerce and Industry for another two-year term.

Al Mamun Mridha, managing director of Mridha Business, has been elected as the secretary general of the chamber, said a press release.

Md Shahjahan Mridha Benu, chairman of Agro Business Ltd, was elected as senior vice-president and Shah Md Sultan Uddin Iqbal, managing director of Lumbini Ltd, ATM Azizul Akil David, managing director of Aridol Tech Serve Ltd, were re-elected as senior vice-presidents of the chamber.

Financial tensions may hit eurozone

ECB chief warns

AFP, Frankfurt, Germany

Recent financial turbulence could add to "downside risks" in the eurozone, European Central Bank chief Christine Lagarde warned Wednesday, while insisting policymakers remained focused on taming sky-high inflation.

The collapse of three regional US lenders and the enforced UBS buyout of Swiss rival Credit Suisse plunged global markets into turmoil and triggered fears of a snowballing banking sector crisis.

Lagarde said the latest ECB forecasts – which lowered inflation projections and raised the growth outlook for this year – did not take into account the recent upheaval.

"Those tensions have added new downside risks and have made the risk assessment blurrier," she said in a speech in Frankfurt.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAR 22, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	3.85 ↑
Coarse rice (kg)	Tk 46-Tk 50	-4 ↓	3.23 ↑
Loose flour (kg)	Tk 55-Tk 58	-2.59 ↓	50.67 ↑
Lentil (kg)	Tk 95-Tk 100	0	0
Soybean (litre)	Tk 168-Tk 172	0	0
Potato (kg)	Tk 16-Tk 20	-14.29 ↓	-14.29 ↓
Onion (kg)	Tk 35-Tk 40	15.38 ↑	-11.76 ↓
Egg (4 pcs)	Tk 45-Tk 47	-5.15 ↓	24.32 ↑

SOURCE: TCB



Adil Chowdhury, president and managing director of Bank Asia, cuts a cake at Bank Asia Tower in Karwan Bazar, Dhaka on Tuesday marking the inauguration of a joint promotional campaign with Western Union for clients withdrawing remittance.

PHOTO: BANK ASIA

Bank Asia-Western Union launches joint campaign for remittance clients

STAR BUSINESS DESK

Bank Asia Limited and Western Union launched a joint promotional campaign for remittance clients.

Adil Chowdhury, president and managing director of Bank Asia, and Shihab Hasan, regional operations manager (South Asia) of Western Union, inaugurated the campaign at Bank Asia Tower in Karwan Bazar, Dhaka on Tuesday, said a press release. Under this campaign, clients of the bank will receive a gift every time they withdraw remittance through Western Union. The offer will be valid from March 24 to April 22 this year.

Among others, Shafiuzzaman and ANM Mahfuz, additional managing directors of the bank, SM Iqbal Hossain and Alamgir Hossain, deputy managing directors, and Golam Gaffar Imtiaz Chowdhury, head of foreign remittance department, were present.



Mohammad Shamsul Islam, managing director of the National Housing Finance and Investments Ltd, inaugurates a sales centre under its Gulshan branch at City Axis Jahanara, Suit-5B (5th floor, Plot- 68, Road-3, Sector-14) on Gausul Azam Avenue in Uttara, Dhaka yesterday. Md Sarwar Kamal, company secretary, Mahbubur Rashid Al-Amin, head of business, and Md Mahbubur Rahman, head of the Gulshan branch, were present.

PHOTO: NATIONAL HOUSING FINANCE AND INVESTMENTS



Shamima Nargis, chairman of Bangladesh Development Bank Ltd (BDBL), presided over the annual general meeting of BDBL Securities at Karwan Bazar on Tuesday. The meeting approved 5 per cent cash dividend for the year 2022. Md Habibur Rahman Gazi, managing director of the bank, Md Shafiqul Islam, chief executive officer of BDBL Securities, and other officials were present.

PHOTO: BDBL SECURITIES

Balanced use of fertiliser

FROM PAGE B4

So, farmers should be interested in the balanced use of fertilisers in crop cultivation, Akhtar said.

The government is implementing a project titled "Nutrient Management for Diversified Cropping in Bangladesh" on research and management of the moderate use of fertilisers.

Richard W Bell, a professor at Australia's Murdoch University, and also the leader of the project, presented the keynote paper where he illustrated how farmers can benefit from the balanced use of fertilisers.

"If farmers ensure the balanced use of fertilisers, the production of paddy will be increased by more than 75 lakh tonnes per year. The total annual profit will be Tk 20,504 crore," he said.

BARC Executive Chairman Shaikh Mohammad Bokhtiar, Bangladesh Agricultural University Vice-Chancellor Prof Lutful Hasan, Agricultural Research Foundation Executive Director Jiban Krishna Biswas, and Directorate of Agricultural Extension Director General Badal Chandra Biswas were also present at the event.



ABM Mokammel Hoque Chowdhury, managing director of Union Bank, virtually inaugurates Madam Bibir Hat sub-branch of the bank in Chattogram from the bank's head office in Dhaka yesterday. Md Nazrul Islam and Shafiuddin Ahmed, deputy managing directors of the bank, were present.

PHOTO: UNION BANK



ABM Zahurul Huda, executive director of Bangladesh Bank (Chattogram office), attended a rally after inaugurating a "School Banking Conference 2023" organised by Eastern Bank Ltd (EBL) as a lead bank at Navy Convention Centre in Chattogram on Tuesday. Around 400 students from 53 schools of the district attended the conference.

PHOTO: EASTERN BANK

Fintech Hub launched

FROM PAGE B4

The hub will set up a network of experts, investors, and policymakers so that young fintech founders can seek support and guidance and pilot and roll out their initiatives.



Tarik Morshed, managing director of Bengal Commercial Bank, inaugurates the Kashinathpur branch of the bank at Sathia in Pabna on Monday. Md Humayun Kabir, company secretary of the bank, and Md Saiful Islam, senior vice-president, were present.

PHOTO: BENGAL COMMERCIAL BANK

Impose income tax on tech giants: ICAB

STAR BUSINESS REPORT

The Institute of Chartered Accountants of Bangladesh (ICAB) yesterday proposed imposing a "digital service tax" or an income tax on global technology companies offering digital services in Bangladesh.

Bangladesh currently imposes value added tax (VAT) on digital advertisement, including those put on social networking sites Facebook and YouTube.

The proposal was placed at a pre-budget meeting organised by the National Board of Revenue (NBR) at its headquarters in the capital's Agargaon and afterwards at a press conference on the ICAB premises in the capital.

The NBR has taken a number of initiatives to digitalise some processes such as return submissions but the processes are not comprehensive, said ICAB Member Snehasish Barua.

"We recommend a comprehensive, integrated, end to end digitalisation process so that hassles faced by taxpayers is minimised," he said.

Many governments try to avoid incurring high expenditures in tax collection and the Bangladesh government has to do the same while increasing tax revenue, said the ICAB.

In order to reduce cost of production and harassment faced by taxpayers, advance tax should be waived on raw materials or equipment used by companies registered for value added tax or VAT as manufacturers or service providers, said the ICAB.

It recommended amending The Customs Act, 1969 to facilitate export diversification.

"We can determine the duty correctly by following the correct procedures of the tariff act and following the currency exchange rate," said Md Moniruzzaman, president of the ICAB.



As construction of the first terminal of Payra Port nears completion, larger vessels are expected to arrive as early as the first week of April. While the largest ship to berth at Chattogram port had a draft of 9.50 metres, vessels with a draft of 10.5 metres will be able to sail into Payra port once the project ends.

PHOTO: SOHRAB HOSSAIN

Payra port to see larger vessels from April

Construction of first terminal will be complete by May

SOHRAB HOSSAIN, Patuakhali

Payra port, the third seaport in Bangladesh, expects to see the arrival of larger ships from the first week of April, according to a statement from the shipping ministry issued yesterday.

The vessels will initially berth at a jetty of the Payra Thermal Power Plant, which is situated next to the port. Here, users will be able to load or unload cargo for transport all over the country.

But from May, ships will be able to berth at the port itself after the construction of its first terminal is complete, the shipping ministry said after a meeting regarding the project's implementation progress under the Annual Development Programme for fiscal 2022-23.

The meeting was chaired by

Khalid Mahmud Chowdhury, the state minister for shipping.

Md Mustafa Kamal, secretary of the shipping ministry, and Rear Admiral Mohammad Sohail, chairman of the Payra Port Authority (PPA), along with the heads of different organisations were present.

Contacted, Azizur Rahman, deputy director (traffic) of the PPA, said the largest vessel to dock at Chattogram port so far had a draft of 9.50 metres.

But from next month, vessels with a draft of 10.5 metres and 225 metres in length will be able to arrive at Payra port, he added.

Rahman went on to say that seven ships are expected to arrive at the port in the first week of April.

Besides, works on building the first terminal at Charipara of the Ravanabad channel is ongoing.

Once constructed, it will have the capacity to accommodate three mother vessels of up to 200 metres in length at the same time.

In addition, two more terminals are under construction at the port, he said.

Port officials say capital dredging of the channel of Payra port will be complete on March 26 while 1,000 acres of land has been filled with the collected sand.

Marking buoy lamps are also being installed at the inner and outer bars. Some 15 ships can be accommodated at the inner bar, where loading and unloading activities will be conducted.

They also said work on a 6.35 kilometre six-lane road to the terminal for transporting goods is also ongoing. Apart from this, the construction of a 1.12 kilometre four-lane bridge over

Andharmanik river has started.

The total cost of this project, including construction of the first terminal, six-lane road and four-lane bridge has been estimated at Tk 4,516 crore.

Captain SM Sarifur Rahman, harbour master of the PPA, said mainly ships carrying coal and stone are coming from Indonesia and the UAE.

Officials say about 1,400 domestic and foreign ships have been unloaded (ship-to-ship) at Payra port since it started operations in August 2016.

Of these, 296 foreign cargo ships were unloaded at the outer anchorage, generating about Tk 800 crore in revenue for the government.

Prime Minister Sheikh Hasina laid the foundation stone of Payra port on November 19, 2013.

BSTI to run countrywide drives during Ramadan

STAR BUSINESS REPORT

Bangladesh Standards and Testing Institution (BSTI) will carry out special drives across the country during the holy month of Ramadan for the Muslims to monitor whether businesses are cheating in weight or selling substandard and adulterated foods.

The BSTI will carry out its surveillance activities with additional mobile courts apart from the existing ones to ensure safe foods for the consumers, Industries Secretary Zakia Sultana said at a press briefing at her office in the ministry in Dhaka yesterday.

"The mobile courts led by executive magistrates will act in the capital throughout the month of Ramadan, including holidays in cooperation with the law enforcement agencies, including police and Rapid Action Battalion."

It will also work to prevent sales of adulterated Iftar and Sehri foods and products by hotels and restaurants, she said.

Apart from the capital city, she said, the mobile courts will conduct drives in Narayanganj, Munshiganj, Manikganj, Tangail, Narsingdi, Gazipur, Kishoreganj and other districts.

The directives were also given to the divisional and district BSTI offices to conduct mobile court drives at upazila levels with the help of the local administration, she added.

To ensure safe food during Ramadan, the BSTI has recently collected some 826 food items from the market. The institution found that 760 of the items have maintained standard while 14 were substandard.

Fed mulls more rate hikes

AFP, Washington, United States

US banks will be paying especially close attention to the Federal Reserve's interest rate decision on Wednesday after two weeks of market turmoil over the collapse of three regional lenders.

The central bank is walking a tightrope between continuing to raise rates to combat high inflation or stepping on the brake to prevent further upheaval in the commercial banking sector.

The Fed may have gained some wiggle room for another rate hike, however, as stock markets and banking shares have rallied this week after global financial authorities took measures to prevent contagion.

The majority of futures traders predict the Fed will increase its benchmark lending rate by a relatively modest 25 basis points to a range of 4.75-5.00 per cent, according to CME Group.

That would be in line with the size of the US central bank's previous rate hike in February, and mark the ninth increase since it began tightening monetary conditions last year.

Despite these efforts, price rises remained stuck well above the Fed's long-term inflation target of two per cent.

Businesses demand

FROM PAGE B1

Asif Ashraf, a director of the Bangladesh Garment Manufacturers and Exporters Association, demanded that the government provide an incentive on the use of manmade fibres to strengthen the sector.

Moreover, the government also needs to sign free trade agreements and prepare for availing the Generalised System of Preferences (GSP) Plus status of the European Union to enjoy the trade benefits after the IDC graduation in 2026, he said.

Ahsan Khan Chowdhury, chairman of Pran-RFL Group, demanded that the government introduce bonded warehouse facility for some sectors that bear potential so that they could grow like the garment industry.

Moreover, he demanded that the government simplify the process for paying advance income tax for businesses and for granting bonded warehouse facilities for businesses in the northern districts.

Three factors need to be addressed in the next budget - macroeconomic stability, investment facilities and food security, said Selim Raihan, executive director of the South Asian Network on Economic Modeling (SANEM).

Reforms in taxation is also important, he said.

Currently there is no liquidity crisis in the banking sector and the banks in the US are collapsing because they lost the confidence of their customers, said Mashrur Arefin, managing director of City Bank.

Over Tk 1 lakh crore has gone out of the local banking sector because of the recent volatility in the exchange rate between the US dollar and taka, he added.

Shafiqul Islam Mohiuddin, a lawmaker and former FBCCI president, questioned a government decision to not allow new utility services for industries established outside of industrial zones.

It will take at least five years for the Mirsarai economic zone to be prepared for the establishment of factories and it is not logical for interested investors to sit out that long, he said.

The government is formulating a budget to control the inflationary pressure on the economy, said State Minister for Planning Shamsul Alam.

Businesses running small-scale operations are not interested in paying taxes and such a mentality needs to change, said Salman F Rahman, adviser to the prime minister on private industries and investment.

Mainuddin Monem, managing director of Abdul Monem Limited, also spoke.

Bangladesh, Bhutan sign

FROM PAGE B1

Bangladesh signed its first preferential trade agreement (PTA) with Bhutan in 2021 as a goodwill gesture as the landlocked country was the first nation to recognise Bangladesh's independence.

Under the PTA, 100 types of Bangladeshi goods are enjoying preferential duty benefits during exports to Bhutan. Some 34 Bhutanese goods are being given the same treatment during their entry to Bangladesh.

In 2018-19, Bangladesh exported goods worth \$7.56 million and imported goods worth \$42.09 million, according to data from the

commerce ministry.

The goods from Bangladesh that would qualify for the duty benefit include garment items, fruit juices, particle boards, potatoes, cement, biscuits, cosmetics, sugar, jute or coconut fibre carpets, footwear, corrugated iron sheets, iron rods, cables, and dried fish.

Some of the major goods of Bhutan eligible for the benefit are milk, natural honey, cement clinker, soap, mineral water, portland cement, ferrosilicon, wheat bran, boulder stone, dolomite, gypsum, calcium carbonate, apples, pears, cabbage, cauliflowers, orange, potato seed, dried chilli and cardamom.

Health insurance getting popular

FROM PAGE B1

Ala Ahmad, CEO of MetLife Bangladesh, the only foreign insurance company in the country, said they are seeing renewed interest in taking insurance policies for healthcare.

"Corporates can improve employee wellbeing and foster a more productive workplace by providing health insurance in their employee benefits package."

"The financial support that comes with insurance gives employees the confidence to overcome life's difficulties and raises their loyalty for their employers."

Habibur Rahman, a private sector employee, said he had not thought twice before taking his wife and son to hospitals for treatments after they fell sick last year.

"This is because I knew that a major portion of the treatment costs would be covered by the insurance facility of my office."

Emran Hossain, also a private sector employee, says he was admitted

to a hospital in the capital recently. "After the admission, I just informed my office about the situation. The rest was taken care of by the insurance company."

He was hospitalised for several days and the bills totalled Tk 86,000. But Hossain had to pay Tk 36,000 from his own pocket.

"Health insurance coverage is very important. Had there been no such support, I would have struggled to pay the bills," he said.

ABM Haroon, managing director of Samorita Hospital Ltd, said interest in group health insurance has increased since 2015.

"However, insurers are quite frugal in settling claims. As a result, many customers suffer a lot."

In Bangladesh, there are 35 life insurance and 46 non-life insurance companies.

But insurance penetration is dimly low in the country at about 0.4 per cent. As a result, patients have to dip into their savings to pay for three-fourths of medical expenses.

Meghna Bank

FROM PAGE B1

bKash and Nagad that led to a discount war between the two companies, making it very difficult for others to penetrate the market.

And despite having a good amount of cash to burn, Upay and Tap are struggling to solidify their positions in the MFS market, according to industry people.

Other than basic services such as fund transfer, add money and mobile recharge, Meghna Bank will focus on introducing innovating banking facilities under the MeghnaPay umbrella, the lender said in a statement.

"We launched an innovative MFS - MeghnaPay - using our banking

experience and expertise," said HN Ashequr Rahman, chairman of Meghna Bank.

"MeghnaPay is an alternative digital banking service delivery channel, through which various types of financial services will be available," added Rahman, who is also a lawmaker.

He then said the main task will be to identify the cash "transaction points" and encourage the use of MeghnaPay at those points.

Sohail R K Hussain, CEO of Meghna Bank, said they are very keen to invest in new technologies to provide banking services that lead positive changes in their customers lives.



Ujjwal Kumar Das, additional director of Bangladesh Bank, handed over a cheque for Tk 3 lakh to Naima Akter, proprietor of M/S Rahman Store, under a refinancing scheme of the central bank at a programme organised by Al-Arafah Islami Bank Ltd (AIBL) in Rangamati recently. Mahmudur Rahman, deputy managing director of AIBL, Mohammad Azam, senior executive vice-president, Md Manjur Hasan, executive vice-president, and Asadul Hoque, assistant vice-president, were present.

PHOTO: AL-ARAFAH ISLAMI BANK

Country needs a roadmap

FROM PAGE B1

the UK and France, through Airbus, to support us in our journey is very crucial."

Sheikh Hasina said, "The transformation of our economy helped boost the travel opportunities for our people and open up new routes and markets for our airlines."

When Bangladesh turns into an upper middle-income country by 2031 and a developed country by 2041, the aviation market will have further expanded, she said.

The premier said as the economy of Bangladesh has grown, so has the

importance of air cargo.

"The air cargo market of Bangladesh is rapidly growing at 8 per cent per year - three times the world average," she said.

"This underlines the strong demand for a dedicated national cargo operation in our country. With all of this in mind, there are areas where aviation actors need to do more," she said.

PM's Private Industry and Investment Affairs Adviser Salman F Rahman, State Minister for Civil Aviation and Tourism M Mahub Ali and British lawmaker Rushanara Ali, among others, spoke at the summit.

BBS to launch GIS app to collect climate change data

STAR BUSINESS REPORT

The Bangladesh Bureau of Statistics (BBS) is going to launch a web application that would be used to gather data and information on the environment, climate change and natural disasters and generate statistical information.

Using the platform, the BBS would collect data and information from various agencies, integrate them into the web platform and churn them out as statistical.

"This is an open-source platform and a great medium to publish socio-economic, demographic and environment-related data," said Rafiqul Islam, deputy director of the BBS.

Islam said there is no such GIS (geographical information system) database in Bangladesh.

The web platform is expected to assist policy-makers in project planning and decision-making. This will also empower government officials, academia, researchers and potential knowledge clients to securely host, manage, share, visualise and analyse geospatial data, according to a presentation.

The BBS has taken the initiative under its Strengthening Environment, Climate Change and Disaster Statistics project.

Reckitt Benckiser, Unique Hotel take PLC suffix

STAR BUSINESS REPORT

The Dhaka Stock Exchange Limited (DSE) has approved the proposals that sought to change the name of Reckitt Benckiser (Bangladesh) Limited and Unique Hotel & Resorts Limited.

Accordingly, the name of Reckitt Benckiser (Bangladesh) Limited will be Reckitt Benckiser (Bangladesh) PLC. Similarly, Unique Hotel & Resorts Limited will be known as Unique Hotel & Resorts PLC.

The changes will come into effect on March 23, according to two separate posts on the DSE yesterday.

In Bangladesh, the companies are switching to the PLC (Public Limited Company) suffix in order to comply with the amended Company Act 1994. The amendment was made in 2020.

A PLC is a public company and is the equivalent of a US publicly traded company that carries the Inc. or corporation designation.



According to aviation experts, Biman now boasts one of the youngest fleets in Asia with 21 modern aircraft. The national flag carrier owns 18 of the 21 planes while the remaining five are operated on lease. PHOTO: COLLECTED

Bangladesh plans to buy aircraft from Airbus

Says state minister for civil aviation

RASHIDUL HASAN

Bangladesh plans to purchase new commercial aircraft from Airbus, a Netherlands-based multinational aerospace company, in order to bolster the fleet of Biman Bangladesh Airlines and thereby tap into the growing aviation industry.

"We definitely have plans to buy aircraft from Airbus to increase the size of Biman's fleet and we are working on it," said MM Mahub Ali, the state minister for civil aviation.

However, he did not elaborate on how many planes would be bought or when.

Ali was speaking to reporters after the first-ever Bangladesh Aviation Summit, organised by the Ministry of Civil Aviation and Tourism in collaboration with its France and UK counterparts at a city hotel in Dhaka yesterday.

He went on to say that while Airbus previously submitted proposals for selling aircraft to Biman, the matter was brought up again during the summit.

Emerging from the inaugural session, Shafiul Azim, managing director and CEO of Biman, said discussions are being held with Airbus to this end.

"If it helps meet our requirements, then why not [buy aircraft from Airbus]?" he added. According to aviation experts, Biman now boasts one of the youngest fleets in Asia with 21 modern aircraft comprised of four Boeing 777-300 ER, four Boeing 787-8, two Boeing 787-9, six Boeing 737-800, and five De Havilland Canada DHC-8 Q400.

Biman owns 18 of the 21 planes while the remaining five are operated on lease.

To bolster its fleet after becoming a public limited company in 2007, Biman went on a shopping spree the following year, spending around Tk 19,020 crore on new planes.

In 2008, Biman had inked a deal with

Boeing for purchasing 10 brand new planes, including the four 787-8 aircraft. Later, two 787-9 were also purchased from the American multinational aerospace company.

All 12 of the aircraft were delivered by 2019.

Since 2000, the number of air passengers has increased at an annual rate of 9.1 per cent on average, as per data from the Civil Aviation Authority of Bangladesh.

Some 1.3 million people in the country opted to travel by air that year while the number jumped to about 6 million in 2020.

As such, the aviation market has almost doubled with passenger and cargo transportation growing by about 10 per cent annually over the past 10 years, according to the aviation ministry.

With this backdrop, aviation in Bangladesh is expected to almost triple over the next 15 years.

Currently, the number of air passengers in the country stands at eight million while it is expected to reach 16 million by 2035.

In a written speech at the programme, Ali said that along with the country's socioeconomic development, its civil aviation sector has undergone massive changes in the last 14 years.

And to ensure that passengers are provided with services of international standard while also sustaining the current growth trend of the aviation industry, the present government is implementing various development works along with formulating timely laws and policies.

Work is also underway to ensure the timely expansion of aviation infrastructure across the country, increase passenger services,

improve technical and public skills and ensure safe and smooth air navigation.

Besides that, fleet modernisation of Biman Bangladesh Airlines is ongoing.

"In this era of globalisation, it is not possible to achieve the desired goal of development alone in a high-tech industry like aviation as this requires the exchange of technology, research and services," Ali said.

"The UK and France, whose cooperation we received earlier, are interested to support our aviation industry. So, I hope to see them in the future to help develop our aviation," he added.

In his speech, Salman F Rahman, the prime minister's adviser on private industry and investment, said the proposed partnership and collaboration with Airbus will undoubtedly accelerate growth in the local aviation sector. This includes cooperation in areas such as trading, infrastructure development, maintenance, repair and overall service.

He also said Airbus emphasised that it is not only interested in selling aircraft to Bangladesh as the company is keener on transferring technologies and providing training.

Rushanara Ali, trade envoy of the prime minister of the UK to Bangladesh, also spoke at the programme.

Among others, Marie Masdupuy, ambassador of France to Bangladesh, Robert Chatterton Dickson, the British high commissioner to Bangladesh, Mokammel Hossain, secretary of the aviation ministry, Remi Maillard, president and managing director of Airbus India and South Asia, were present.



Development spending lowest in 12 years

REJAUL KARIM BYRON and DWAIPAYAN BARUA

Development spending in Bangladesh stood at 32.10 per cent in the first eight months of the current fiscal year, the slowest pace of implementation during the rule of the Awami League, official figures showed.

In taka terms, the amount spent from the budget under the annual development programme (ADP) was lower in July-February as well than the amount expended in the identical period a year earlier.

The government managed to spend Tk 82,170 crore from its ADP budget in July-February of 2022-23, which was Tk 84,765 crore in the same period in 2021-22, according to data from the Implementation Monitoring and Evaluation Division (IMED).

As of February, the ministries and divisions managed to spend 32.10 per cent of the total ADP allocation of Tk 256,003 crore set aside to carry out development activities throughout the current fiscal year.

It was 35.80 per cent in the same period of FY22 and the lowest since 2010-11 when it stood at 37 per cent.

Between July and February, implementing entities spent Tk 46,261 crore from the government's portion of the ADP, down 6.72 per cent year on year.

The government managed to spend Tk 82,170 crore from its ADP budget in July-February of 2022-23, which was Tk 84,765 crore in the same period in 2021-22

The use of government funds declined as Bangladesh took various austerity measures in project implementation owing to the economic crisis, higher inflation and the US dollar shortage caused by the fallout of the Covid-19 pandemic and the Russia-Ukraine war.

For the past three years, it has put the implementation of low-priority projects on hold to free up funds for the more productive sectors.

Zahid Hussain, a former lead economist of the World Bank's Dhaka office, said the lower spending of the government fund was in line with the need to stabilise the macroeconomy.

There has been no restriction when it comes to spending from project assistance. As a result, the use of project assistance saw a 6 per cent year-on-year increase to Tk 33,190 crore during the same period. It was Tk 31,285 crore in the previous fiscal year.

"But there should have been more emphasis on accelerating the implementation of the projects backed by foreign aid," said Hossain.

Spending by the state-owned enterprises came down to Tk 2,719 crore in the eight months to February, against Tk 3,886 crore in FY22, IMED data showed.

Though there has been no directive on restricting expenses in the health and education sectors, development expenditure in the segments has remained the lowest.

Among the fifteen highest recipients of ADP, the health services division was the worst-performing division in July-February. Its spending stood at Tk 2,366 crore, accounting for only 15 per cent of the total allocation of Tk 15,779 crore.

Other low performers include the shipping ministry, the secondary and higher education division, and the primary and mass education ministry.

The power division was the top performer as it spent 47.78 per cent of the budget.

The bridges division came second with expenditure standing at 47.19 per cent, followed by the housing and public works ministry and the Prime Minister's Office, whose spending was 38.83 per cent and 38.03 per cent respectively.

Balanced use of fertiliser can save Tk 20,000cr a year

Experts say

STAR BUSINESS REPORT

Balanced use of fertilisers could increase crop production by 8 per cent to 14 per cent and save Tk 20,000 crore annually in Bangladesh, according to researchers.

The researchers shared the information at a programme titled "Fertiliser Policy Dialogue" at the Bangladesh Agricultural Research Council (BARC) at Farmgate in Dhaka on Tuesday, according to a press release.

They said in the past, the government gave subsidies of about Tk 8,000 crore for fertiliser every year and now the amount has been increased to more than Tk 30,000 crore owing to the price hike in the international market.

Speaking at the dialogue, the panellists also urged the farmers and other stakeholders to use fertilisers moderately and cautiously.

Agriculture Secretary Wahida Akhtar said that the government has decided to increase the use of diammonium phosphate (DAP) fertiliser and reduce the use of fertiliser.

"But it is seen that the use of urea is increasing day by day. The use of DAP is also increasing. This leads to wastage of fertilisers and increases the cost of importing fertilisers."

She said if one kilogramme of DAP is applied, the requirement to use fertiliser will go down by 400 grammes. "In this case, there is no need to use triple superphosphate (TSP) fertiliser."

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In the past, the government used to give subsidies of about Tk 8,000 crore for fertiliser every year but now the amount has been increased to more than Tk 30,000 crore owing to price hike in the international market, experts said.

PHOTO: STAR/FILE

Fintech Hub launched to nurture young entrepreneurs

STAR BUSINESS REPORT

Fintech Hub Bangladesh, a non-commercial initiative, has been launched to help young fintech entrepreneurs and professionals under the age of 30 years.

More than 30 fintech experts, researchers and entrepreneurs were present at the launching ceremony in Dhaka on Tuesday.

Monzurul Hoque, a professor at Saint Xavier University in Chicago, presented the objective and roadmap of the Fintech Hub.

A six-member steering committee of the Fintech Hub was also introduced. The committee includes a few veteran fintech founders, senior bankers and technology experts.

The hub has been set up with the objective of

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