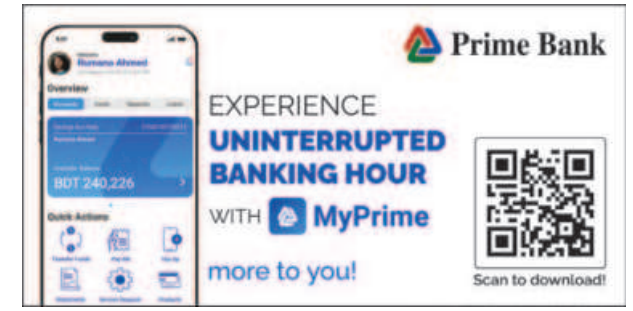


Star BUSINESS



Financial account deficit widens

Hints at a continuation of stress in forex regime

AKM ZAMIR UDDIN

The deficit in Bangladesh's financial account widened substantially in the first eight months of the ongoing fiscal year, in an indication that the current stress in the foreign exchange regime will continue in the coming months.

Between July and February of 2022-23, the financial account of the balance of payments (BoP) registered a deficit of \$1.53 billion in contrast to a surplus of \$11.9 billion a year ago, data from the Bangladesh Bank showed.

Historically the financial account of Bangladesh has experienced a surplus almost every year.

For example, it was \$944 million in FY16, \$4.25 billion in FY17, \$9.01 billion in FY18, \$5.13 billion in FY19, \$7.54 billion in FY20, \$14.07 billion in FY21, and \$13.67 billion in FY22, according to the World Bank data.

Economists say although the deficits in both trade and the current account narrowed substantially in the first

A financial account is a component of a country's BoP that covers claims or liabilities to non-residents concerning financial assets. Its components include foreign direct investment, medium and long-term loans, trade credit, net aid flows, portfolio investment and reserve assets

seven months of FY23, the foreign exchange reserves will continue to face stress in the days ahead owing to the large deficit in the financial account.

The reserves stood at \$31.20 billion on April 3, down 29 per cent year-on-year.

A financial account is a component of a country's BoP that covers claims or liabilities to non-residents concerning financial assets. Its components include foreign direct investment, medium and long-term loans, trade credit, net aid flows, portfolio investment and reserve assets.

"The large deficit in the financial account means the country is facing a shortage of US dollars," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

"Policy makers have failed to manage the macroeconomy efficiently. So, the deficit in the financial account widened alarmingly."

According to Mansur, the central bank has given the emphasis on reducing import payments to tackle the shortage of the US dollar and pulled off some successes to this end.

Thanks to the fall in imports, the country's trade deficit declined 38 per cent year-on-year to \$13.8 billion in July-February.

A pickup in remittance also lent a helping hand.

Last month, non-resident Bangladeshis sent home \$2.02 billion, an increase of 8.6 per cent from a year earlier. This took the receipts to \$16.03 billion so far in FY23, up 4.8 per cent year-on-year.

The deficit in the current account stood at \$4.38 billion between July and February, down 66 per cent from a year ago.

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People go through partially burnt saris in front of the capital's Bangabazar shopping complex yesterday for recycling portions in the manufacture of bags, curtains, table runners and placemats and even clothing for children. A massive fire ripped through the market on Tuesday morning, burning down nearly 3,000 shops full of clothes and ruining the livelihood of several thousand traders just weeks before Eid. The photo was taken yesterday.

PHOTO: RASHED SHUMON



Rokia Afzal Rahman

(1941-2023)

- Chairman of RR Group & Arlinks Group of Companies
- Chairman of Mediaworld Ltd and MIDAS Financing Ltd
- Vice President of International Chamber of Commerce - ICC Bangladesh
- Director of MIDAS
- Director of Mediastar Ltd
- Independent Director of Bangladesh Lamps Ltd

THE JOURNEY THRU THE BUSINESS WORLD

- First woman bank manager in Bangladesh
- Bought Imaan Cold Storage Ltd
- Founder president of Bangladesh Federation of Women Entrepreneurs
- Founder president of Women Entrepreneur
- standing as guarantor
- Former president of Bangladesh Employers Federation
- She was the first woman president of Metropolitan Chamber of Commerce and Industry



"Rokia Afzal Rahman was a pioneering women entrepreneur. She was a source of inspiration and motivation for many."

Md Jashim Uddin
President of FBCCI



"There is no one other than she (Rokia) who has contribution to the development of women entrepreneurs in Bangladesh."

ASM Mashi-Ur-Rahman
Managing director of MIDAS



"Rokia Afzal Rahman was a visionary business leader. Her foresight was unparalleled."

Md Saiful Islam
President of MCCI



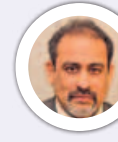
"She was a pioneer in women's entrepreneurship and she showed us the way."

Monowara Hakim Ali
President of Chittagong Women Chamber



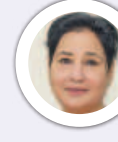
"Humility is her other name. I write 'is' just because Rokia Apa will continue to live amongst all of us beyond today, just because of her compassion."

Rubana Huq
VC of Asian University for Women



"She was courageous and instilled courage into others. The country has lost a golden daughter."

Abul Kasem Khan
Former DCCI president



"Rokia Apa was a role model for me. She was a source of confidence."

Parveen Mahmud
Former president of ICAB



"She cared for us like a mother or elder sister."

Fazlul Hoque
Former BKMEA president

Other engagements

- Became adviser to the caretaker government in 2001
- Served as a board member of Bangladesh Bank
- Served on the board of Brac
- Former advisory board member of Asian University for Women, Ctg

An inspiration like none other

REFAYET ULLAH MIRDHA

It is said that a successful South Asian entrepreneur is able to run business anywhere in the world as they have the skills to overcome multifaceted barriers in almost every step of the entrepreneurial journey.

For a female entrepreneur, the journey is even more difficult here.

But Rokia Afzal Rahman, one of the first renowned women entrepreneurs in Bangladesh, overcame all entrepreneurial and insurmountable barriers to emerge as a successful businessperson.

Becoming the first woman bank manager of the country and serving in the role for seven years, Rahman went on to explore almost the entire world of finance and business over many years.

Rahman started her own agribusiness in 1980 and diversified her business in many other sectors. For instance, she ventured into media, insurance, real estate and the power sector.

She not only played a pioneering role in paving the way for women entrepreneurs in businesses but was also a source of inspiration and motivation for many businesswomen.

Rahman played a mentorship role for hundreds of women entrepreneurs with financial support and suggestions.

In 1994, the Women Entrepreneurs Association (WEA) of Bangladesh was formed with 150 members and Rokia Afzal Rahman as founder president.

In 1996, Rahman formed the Women in Small Enterprises (WISE) to further promote women in forming small enterprises and industries.

The WEA and the WISE worked to bring about a change in the lives of women and bring empowerment through entrepreneurship development.

Rahman was also the founding president of the Bangladesh Federation of Women Entrepreneurs (BFWE), which was launched in 2006.

The business community expressed sincere condolences on her passing.

Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), said Rokia Afzal Rahman was a pioneer and a source of inspiration and motivation for many.

"Her death is an irreparable damage for the country," he added. Rokia Afzal Rahman was a

visionary business leader with true humane qualities, said Md Saiful Islam, president of the Metropolitan Chamber of Commerce and Industry (MCCI), one of the leading business chambers of the country.

In contrast, many people are now materialistic, he said.

Her foresightedness was unparalleled, Islam told The Daily Star over the phone while recalling memories with Rokia Afzal Rahman as a business leader. Rahman was also the president of the MCCI for two terms in 2013 and 2014.

"She embodied values and respect for people, which is rare nowadays," Islam also said.

Rahman played a very vital role in portraying the country's progress before the world during the celebration of the MCCI's 110th anniversary, when she was the MCCI president. The chief guest of the celebrations was former Indian president APJ Abdul Kalam.

"Courageous with motherly affection, Rokia apa was a role model for me," said Parveen Mahmud, past chairperson of the Micro Industries Development Assistance and Services (MIDAS). Rahman was a director of the MIDAS.

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A torchbearer, a mentor

Say women entrepreneurs

STAR BUSINESS REPORT

Women entrepreneurs yesterday fondly remembered the contribution of Rokia Afzal Rahman to entrepreneurship and the overall business sector, calling her a torchbearer and a mentor for countless businesswomen in Bangladesh.

Their heart-felt reactions came as the noted entrepreneur and business leader breathed her last at the Mount Elizabeth Novena Hospital in Singapore yesterday.

"We are really very sad about her demise. She was a pioneering woman entrepreneur in Bangladesh and she showed us the way," said Monowara Hakim Ali, president of the Chittagong Women Chamber of Commerce and Industry.

Rokia Rahman was the president of the Bangladesh Federation of Women Entrepreneurs (BFWE). In fact, she was the founding president of the platform.

She was also the founding president of the Women Entrepreneurs Association, which was formed in 1994, and headed the Metropolitan Chamber of Commerce and Industry, the oldest trade body in Bangladesh, for two terms in 2013 and 2014.

She was also the vice-president of the International Chamber of Commerce Bangladesh, the local chapter of the largest business organisation in the world.

Monowara, also a former first vice-president of the Federation of Bangladesh Chambers of Commerce and Industry, said Rokia Rahman loved women entrepreneurs very much and always suggested they work for people.

"She will continue living among us. She believed that the nation will advance thanks to the advancement of women."

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Bangabazar fire also affects its suppliers

Many traders who sold products on credit are uncertain about payments

SUKANTA HALDER

The fire at Bangabazar on Tuesday morning not only affected shop owners at the apparel shopping complex in Dhaka's Gulistan, but also other players in the supply chain.

For example, many traders accepted deferred payments for supplying goods to retail outlets at the market, much of which was razed by the inferno that began at around 6:00am, leaving little chance to recover their dues.

Shariful Islam Sohel, who owns a clothing store at a wholesale hub in the capital's Sadarghat, said they mainly supply shirts to different retailers across the country.

At present, Sohel is owed a total of around Tk 2 crore by 15 shops in Bangabazar for the clothes purchased targeting upcoming Eid-ul-Fitr celebrations.

"I called one of these businessmen yesterday and found him deeply sobbing for his losses. How can I ask for my money back in such a situation?" he asked.

The wholesaler then said he usually sells his goods on deferred payments, meaning that the buyers would pay their due after reselling the items at their own stores.

"The business has been running like this

for about 10 years but never before have I been in such financial danger," he added.

Mohammad Masudur Rahman, the owner of a fabrics store in Islampur, the largest wholesale market for textiles, said he is owed around Tk 40 lakh by 12 traders whose shops were gutted by the fire.

The massive fire at Bangabazar burned down at least 2,931 shops that were packed with clothes, ruining the livelihoods of thousands of traders just weeks before Eid-ul-Fitr

Deferred payments are only accepted if the seller trusts the buyers. However, neither party can tell if disaster may strike, he added.

Rahman then said that roughly 40 per cent of the goods sold to shop owners are paid in cash while the remainder are on deferred payment.

The massive fire that tore through Bangabazar burned down at least 2,931 shops that were packed with clothes, ruining the livelihoods of thousands of traders just weeks before Eid-ul-Fitr.

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