

Lowest transit fee set at Tk 589 per tonne for Indian goods

STAR BUSINESS REPORT

Bangladesh will charge at least Tk 589 for the transportation of a tonne of Indian goods to the north-eastern states from the mainland of India through Mongla and Chattogram ports as Dhaka offers regular transit facility to the neighbouring country.

Apart from the transit fee, there would be a charge for using the roads of each kilometre and it would be Tk 1.85 per tonne, according to a gazette of the National Board of Revenue (NBR) issued on Monday.

The document processing fee would be Tk 30, the security charge has been fixed at Tk 100, the administrative fee would be Tk 100, and the transhipment fee has been set at Tk 20 for each tonne in each shipment.

The escort charge for each container, truck, trailer, or covered van would be Tk 85 per kilometre. A certain amount of fees for the electric lock and seal will also be paid, it said.

A 15 per cent value-added tax on the fees will be applied, the NBR added.

Sixteen routes were given the approval for the transit of Indian goods using Mongla and Chattogram ports.

The latest order from the NBR comes after four trials

READ MORE ON B3

AT A GLANCE

- Govt sets \$80b export target by 2024
- Garment's contribution to export still 84.5%
- Govt identifies 14 industries as most priority sectors
- 18 identified as promising sectors
- Commerce ministry to write to finance to allow bonded facility to 10 more sectors



Most priority sectors include...

High-value-added denim, man-made fibre, garment accessories, pharma, plastic goods, footwear, leather goods, jute and diversified jute goods, agri-products and processed agro-products, light engineering, software, IT and IT-enabled services and freelancing

PROMISES MADE IN EXPORT POLICY

- Exporters to receive loans at reduced interest rates
- Support to market goods, explore new markets and attract FDI
- Rebates in income tax
- Bonded warehouse facilities

Export diversification still in slow lane

REFAYET ULLAH MIRDHA

Bangladesh's plans aimed at diversifying export baskets are yet to bring about the expected results as the priority sectors are not enjoying most of the benefits promised in the Export Policy for 2021-24, according to entrepreneurs.

This means the garment sector continues its domination in the national export basket: apparel shipment accounted for 84.50 per cent of the country's overseas sales in the July-March period of the ongoing financial year.

When the government unveiled the new Export Policy, it identified 14 sectors as the most priority ones considering their immense potential.



The sectors included high-value-added denim items, man-made fibres, garment accessories, pharmaceuticals, plastic goods, footwear (leather and non-leather), leather goods, jute and diversified jute goods, agri-products and processed agro-products, fruits and cut flowers, and light engineering products (auto-parts, bicycles, motorcycles and batteries).

In the services sector, software, informational technology and IT-enabled services, and freelancing have been recognised as the most priority sectors.

Eighteen sectors have been named as special emerging sectors, including electric and

electric goods; ceramic products; value-added frozen foods; printing and packaging; cut and polished diamond and pieces of jewelry; paper and paper products; rubber and rubber products; woollen goods; handicrafts; and lungis and handloom products.

Tourism and architecture engineering and consultancy services have been named as special emerging sectors as well.

When the policy was made public, the government promised a number of financial and other supports for the sectors to facilitate their growth, with a view to enabling them to contribute to more job creation and industrialisation, thus accelerating economic development.

READ MORE ON B3

NBFIs can't get more than one director from a single firm

MD ASADUZ ZAMAN

A single company can't have more than one representative director in the board of a non-bank financial institution (NIFI), said the Bangladesh Bank yesterday.

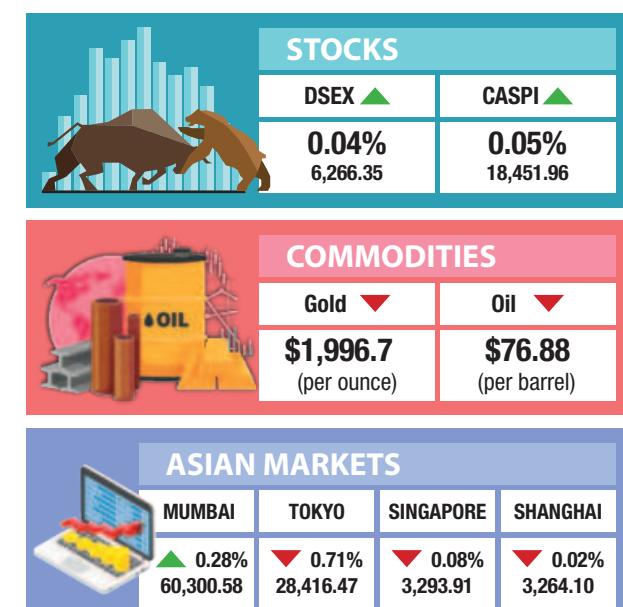
Similarly, a company that already has a nominated director at a NIFI will not be permitted to appoint another director from its associated company, according to a circular.

In addition, if an individual has a stake in an NIFI, another person can't be appointed as his or her representative to the board.

The move comes as some individuals and entities that have directorship at non-banks are installing their representatives as directors to several NBFIs in order to control them, said a central banker yesterday.

This practice has put an adverse impact on the corporate governance of the NIFI sector, he said.

READ MORE ON B3



Bangladesh climbed 20 notches to 101st in 2023 from 121st in 2018 in the customs category, according to the World Bank's Logistics Performance Index 2023, meaning the country has improved its efficiency in customs management and clearance of goods in ports.

PHOTO: STAR/FILE

Bangladesh up 12 notches in WB logistics index

STAR BUSINESS REPORT

Bangladesh's ranking in the World Bank's Logistics Performance Index (LPI) 2023 has gone up by 12 places, a development that has given an indication that the country's skills in trade and business have improved.

According to the report, Bangladesh's rank in the index of 139 countries has risen to 88 from 100 in 2018.

Bangladesh managed a score of 2.6 on a 5-point scale, helping the country secure third place among five South Asian nations assessed by the World Bank.

India secured the 38th position on the index while Sri Lanka was 72nd and Bhutan 100th. Afghanistan stood 139th, the last to come after all countries.

Singapore, Finland and Denmark secured the top three positions in the index.

The World Bank's Global Trade and Regional Integration Team in the Trade, Investment, and Competition Group prepared the report, titled "Connecting to Compete 2023: Trade Logistics in an

Uncertain Global Economy".

The seventh edition of the report was released on April 21.

The report presents the latest view on trade logistics performance across 139 countries. Logistics is understood as a network of services that support the physical movement of goods, trade across borders, and commerce within borders.

It comprises transportation, warehousing, brokerage, express delivery, terminal operations, and related data and information management.

The six components of the LPI, unchanged since its launch in 2007, are assessed at the country level on a 5-point scale.

The 2023 LPI survey was conducted from September 6 to November 5 in 2022. It contains 4,090 country assessments by 652 logistics professionals in 115 countries in all World Bank regions.

The multilateral lender prepared the index considering six components. Of them, Bangladesh improved its performance in four categories --

Banks told to hold hybrid meetings to cut costs

STAR BUSINESS REPORT

Bangladesh Bank yesterday urged banks to hold hybrid meetings, connecting attendees either online or in person according to convenience, to cut operating costs.

The move will also help ensure efficient use of power and fuel, the central bank said in a circular.

Bangladesh Bank came up with the move as a part of the government's austerity measures to cut down costs in different development projects and government spending.

The country is still struggling to meet its energy demand amid the ongoing Russia-Ukraine war while its foreign currency reserve has been depleting.

READ MORE ON B3

the
human
energy
company^{chevron}

We produce energy that drives Bangladesh's economic growth

Chevron, the leading American investor in Bangladesh, is proud to fuel the nation's energy security. Currently producing more than half of natural gas and over 80% of the condensate in Bangladesh, we are committed to unlocking the energy potential of the future.

Learn more at <https://bangladesh.chevron.com>

