



BUSINESS



Govt sets \$72b export target for FY24

STAR BUSINESS REPORT

The government yesterday set a target to export goods and services worth \$72 billion in the current fiscal year (FY), seeking a 11.59 per cent year-on-year growth.

Commerce Minister Tipu Munshi announced the export target for FY 2022-23 through a press conference at his secretariat office in Dhaka.

Of the targeted amount, \$62 billion has been fixed for merchandise shipments, up from the \$55.55 billion earned last fiscal year, when the segment registered a 6.67 per cent year-on-year growth.

However, the target for merchandise shipments was set at \$58 billion in FY 2022-23.

The services export target for FY 2023-24 has been set at \$10 billion, an increase of 11.11 per cent from \$9 billion in the previous FY.

The target for garments, the main export item, has



A grain silo is seen under construction in Narayanganj. The government took up a project to build eight grain silos across Bangladesh some 10 years back, but physical progress has reached just 50 per cent so far.

PHOTO: SAURAV HOSSAIN SIAM

Food storage project halfway though a decade has gone by

Cost rises 86%, shows IMED report

MD ASADUZ ZAMAN and ABRAR HOSSAIN

A government project aiming to enhance food security in Bangladesh has made less than 50 per cent progress even though nearly 10 years have passed since the Tk 3,569 crore initiative began in January 2014.

Under the project, styled "Modern Food Storage Facilities Project", the government planned to establish eight silos across as many districts with two meant for storing wheat while the others would hold rice.

In addition, it was decided that 5 lakh rural households across 63 upazilas would be given small silos for storing food grains that could be sold or consumed during times of scarcity.

Besides, monitoring of the country's overall food stock, including transportation and market supervision, was to be digitalised in a bid to reduce inefficiencies.

However, the silos remain unbuilt while the digitalisation process is similarly untouched due to negligence by the implementing agencies, according to the Implementation

Monitoring and Evaluation Division (IMED).

As a result, the project cost has been revised upwards by 86 per cent from Tk 1,920 crore while another two years is being sought for its implementation.

"Although almost 23 months

As per the contract, the software was to be developed in 12 months while another two years of maintenance would be provided by the companies.

However, the IMED study showed that the contracted companies were not able to

"In this case, there is negligence on part of the software developers," it added.

The IMED also mentioned that the required hardware was delivered long before, which is not desirable.

The main objective of the "Food Stock and Market Monitoring System" was to digitally connect the Directorate General of Food with all other relevant departments in order to ensure transparency and reliability in food grain procurement.

But just 25 per cent progress has been made so far, the IMED report shows.

Acknowledging the delay, Project Director Md Rezaul Karim Sheikh said they are still unable to complete the software development despite repeatedly warning the implementing firms for missing the deadline.

Sheikh said it usually takes just three months to get an SAP licence but unfortunately, the software developers got it one and half years after their application in June.

Monzurul Karim Khan, executive director of Beximco Computers, said they are now

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have passed since signing the contract, the software firms have yet to deliver the food stock and market monitoring system," the IMED said in an in-depth report published recently.

Beximco Computers Ltd in collaboration with Tech Mahindra Ltd of India and Tech Valley Networks Ltd of Bangladesh was contracted in June 2021 to develop the software at a cost of Tk 261 crore.

develop the software in keeping with the action plan.

"There is uncertainty about whether it will be implemented at all as the developers faced delays in getting the required Systems, Applications and Products (SAP) licence," the IMED said.

Besides, the implementing agencies did not inform the project director's office about such delays even though the contract period had expired.

The export target for garments has been raised to \$52 billion against \$46.99 billion earned last fiscal year

been increased by just \$5 billion to \$52 billion from the \$46.99 billion registered in FY 2022-23.

Of the total garment export target, \$28.3 billion has been fixed for knitwear and \$23.7 billion for woven items.

Achieving the target may not be possible if gas and power is not supplied adequately, said Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association.

"But if gas and power is supplied properly, it is possible to achieve more than the target," he added.

Hatem alleged that the process for securing incentives against export receipts is tied up in corruption due to being riddled with bureaucratic tangles.

He also complained that lengthy procedures required by the customs department and

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DSE to charge Tk 1,500 a year for trade thru app

STAR BUSINESS REPORT

The Dhaka Stock Exchange (DSE) has decided to impose a yearly service charge of Tk 1,500 for using its mobile application, DSE-Mobile, for trading of shares.

To use the app, the brokerage houses have to take connection from the DSE and the clients have to register under the houses.

At the end of 2022-23 fiscal year, there were 46,622 registered users of DSE-Mobile, a mobile application that provides real time securities trading

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STOCKS		
DSEX ▲	CASPI ▲	
0.13%	0.07%	
6,336.78	18,718.24	

COMMODITIES		
Gold ▲	Oil ▲	
\$1,934.33	\$74.87	
(per ounce)	(per barrel)	

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.34%	▼ 0.81%	▲ 0.36%	▼ 0.78%
65,393.90	31,943.93	3,175.36	3,196.13

Danish firms propose \$1.3b investment in wind energy

STAR BUSINESS REPORT

Two Danish companies – Copenhagen Infrastructure Partners (CIP) and Copenhagen Offshore Partners (COP) – have submitted a \$1.3 billion investment proposal to the government of Bangladesh to produce 500 megawatts of offshore wind energy.

With the investments, CIP and COP, the global leaders in renewable energy, proposed to develop a commercial, utility-scale offshore wind project off the coast of the Bay of Bengal, COP said in a press release.

As Denmark is the pioneer and global leader in wind energy, this initial investment proposal and continued collaboration could be a key driver of Bangladesh's progression into a green nation, it said.

Two Danish companies have also proposed that the Summit Group of Bangladesh join its consortium

The proposal has been placed in accordance with the Mujib Climate Prosperity Plan.

CIP and COP have also proposed



Summit Group, an infrastructure operator and developer in South Asia and an independent power producer in Bangladesh, to join its consortium.

The offshore wind project, in particular, presents a unique opportunity for the country to maximise the utilisation of its coastal resources, supporting the development of the Blue Economy.

The proposal comes at a time when Bangladesh remains heavily reliant on fossil fuel imports to meet its growing energy demand.

As a highly climate-vulnerable nation, Bangladesh's annual gross domestic product could fall by as much as 9 per cent by the middle of the century due to climate change, according to the World Bank.

Bangladesh, therefore, needs to adapt rapidly to climate change, while simultaneously accessing cleaner, more efficient technologies that support decades of development and growth, the press release said.

"The country needs to shift away from unstable fossil fuel imports and

limit emissions as the country aims to achieve high-income status and eliminate absolute poverty by 2041."

With the Institute for Energy Economics and Financial Analysis projecting an annual need of \$1.7 billion in funding for the green transition, perhaps this multibillion-dollar proposal from CIP and COP could also kick start a new wave of investment, driving Bangladesh towards a truly climate prosperous future.

In June, Bangladesh and Denmark approved a "Joint Action Plan" for the next five years under the "2022 Sustainable and Green Framework Engagement".

During a recent Dhaka visit by Dan Jørgensen, the Danish minister for development cooperation and global climate policy, agreed to a partnership in green and clean technologies and investment for sustainable development.

While both sides have recognised the importance of improving the ease of doing business in Bangladesh for more Danish investment, Denmark further expressed its interest in supporting renewable energy, maritime, and blue economy sectors, among others.

Once implemented, the offshore wind project will be the first of its kind in Bangladesh – and possibly South Asia, COP said.

Financial irregularities cost Sadharan Bima Tk 210cr

CAG audit finds

REJAUL KARIM BYRON and SUKANTA HALDER

A manager of Sadharan Bima Corporation (SBC) embezzled Tk 26.15 crore over a decade by keeping premiums in a bank account set up using fake documents of a board meeting of the state-run insurer, according to an audit report.

The audit of the Comptroller and Auditor General of Bangladesh (CAG) found that Abul Kashem opened the account with the Chawk Bazar branch of Exim Bank Ltd in the capital's Imanganj when he was the manager of the New Market branch of SBC in 2009-10.

In order to do so, he forged the decision of the 492nd meeting of the insurance company, used the name and designation of deputy general manager TM Jahid, and made Rafiqul Islam, who was not an employee of SBC at all, to impersonate as a deputy general manager.

The current account named "Sadharan Bima Corporation BR9" was operated jointly by Kashem and Islam.

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BSEC chief got payments from bank account used for alleged fraud

OCCRP report says

STAR BUSINESS REPORT

Shibli Rubayat-Ul-Islam, chairman of the Bangladesh Securities and Exchange Commission (BSEC), allegedly received payments from a bank account linked to a multi-million-dollar fraud, according to a report of the Organized Crime and Corruption Reporting Project (OCCRP).

The OCCRP is an investigative reporting platform for a worldwide network of independent media centres and journalists.

At the heart of the accusations was a convicted scammer, Javed Matin, whom Islam had met at university and had been friends with for two decades, the report said.

It said throughout much of 2020, Matin helped launder the proceeds of a scheme that defrauded a Hong Kong-based supply chain and sourcing company, Ming Global Limited, out of more than \$13 million.

Under the pretence of an investment, these funds were sent to two accounts held by a US company, Monarch Holdings Inc, which then wired over \$800,000 to Islam's personal account and to the accounts of a Bangladeshi company he appeared to be behind.

Out of this amount, Islam received about \$278,000 into his personal account between late June and late July, 2020, bank records show. About \$564,000 more was sent from Monarch's accounts to an account held by a company called Xin Bangla Fabrics.

OCCRP was unable to obtain Xin Bangla's current ownership information, because of difficulties with the company registry. But Islam was listed in public

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AIBL holds business performance meeting

STAR BUSINESS DESK

Al-Arafah Islami Bank Ltd (AIBL) organised a “business performance meeting” for managers of the corporate branches at the bank’s head office in Dhaka on Tuesday.

Salim Rahman, chairman of the bank, attended the meeting, which was presided over by Farman R Chowdhury, managing director and CEO.

Among others, Shabbir Ahmed, Md Shafiqur Rahman, Syed Masodul Bari, Md Mahmudur Rahman, Mohammed Nadim, Abed Ahmed Khan, Md Abdullah Al Mamun and Md Fazlur Rahman Chowdhury, deputy managing directors, were present.



Salim Rahman, chairman of Al-Arafah Islami Bank, attends the bank’s “Business Performance Meeting” for managers of the corporate branches at its head office in Dhaka on Tuesday.

PHOTO: AL-ARAFAH ISLAMI BANK

Dhaka Bank reelects vice-chairman

STAR BUSINESS DESK



Dhaka Bank Ltd has recently reelected its vice-chairman.

The official, Aman Ullah Sarker, is associated with Rahmat Group, which is into manufacturing textiles, spinning, weaving and plastic accessories, said a press release.

He is the managing director of Rahmat Spinning Mills Ltd and chairman of Logos Apparels Ltd, Belkuchi Spinning Mills Ltd and Rahmat Sweaters (BD) Ltd. He is also a partner of Shahi Products.

Sarker obtained bachelor’s and master’s degrees in Islamic studies from the University of Dhaka.

Gold near 3-week high

REUTERS

Gold prices were firmer near three-week highs on Wednesday as investors held their breath ahead of the much anticipated US inflation data that could drive the Federal Reserve’s upcoming interest rate decisions.

Spot gold gained 0.1 per cent to \$1,934.07 per ounce by 1023 GMT, while US gold futures added 0.1 per cent to \$1,939.40.

Prices touched their highest since June 20 earlier in the session as the dollar index slid to its weakest level in two months, making bullion cheaper for overseas buyers.

The US currency’s overall weakness suggests investors are anticipating a weaker inflation report, said Fawad Razaqzada, market analyst at City Index.

The CPI data is due at 1230 GMT. Economists polled by Reuters expect the June core inflation rate to have dropped to 5 per cent from 5.3 per cent, still significantly above the Fed’s 2 per cent target.

Such a scenario “would be likely to drive further dollar weakness and lower yields, with gold prices set to benefit,” said ActivTrades senior analyst Ricardo Evangelista.



Ibrahim Khalil, head of business of Tasty Treat, receives an A+ grading sticker from Md Abdul Kayowm Sarker, chairman of Bangladesh Food Safety Authority, at a grade-awarding programme held at Shahbagh in Dhaka recently.

PHOTO: PRAN-RFL GROUP

Tasty Treat earns A+ grade from BFSA

STAR BUSINESS DESK

Tasty Treat, a fastfood retail brand of Pran-RFL Group, has achieved A+ grading from the Bangladesh Food Safety Authority (BFSA).

Officials of BFSA made a visit to Tasty Treat’s factories in Narsingdi, Rajshahi and Sylhet and gave the mark, said a press release.

Md Abdul Kayowm Sarker, chairman of BFSA, handed over an A+ grading sticker to Ibrahim Khalil, head of business at Tasty Treat, through a programme held at Shahbagh in Dhaka recently.

“The grading from BFSA will help

Tasty treat gain customer’s acceptability more,” said Khalil.

The grading was issued considering various things, including food storage environment, administrative matters, personal hygiene, cleanliness, food storage and stocking. According to the grading of BFSA, A+ means excellent while A means good, B means average and C means grade pending.

Currently, Tasty Treat, which has 326 outlets across the country, including Dhaka, is popular for birthday cakes, fastfood, pastry, dessert items, savoury items, cookies and biscuits and sweets items.



Md Habibur Rahman, managing director of Standard Bank, presides over the bank’s half-yearly “Business Review Meeting-2023” for heads of branches in Dhaka at its head office in Dhaka on Tuesday.

PHOTO: STANDARD BANK

Standard Bank organises business review meeting

STAR BUSINESS DESK

Standard Bank Ltd organised a half-yearly “Business Review Meeting-2023” for head of branches in Dhaka at the Learning Centre of the bank’s head office in Dhaka on Tuesday.

Md Habibur Rahman, managing director and CEO of the bank, presided over the meeting, said a press release.

The meeting discussed overall

business and set business strategies for achieving the business target of the year 2023 and gave directions to address the ongoing global challenges.

Among others, Md Touhidul Alam Khan, additional managing director, Mohammad Rafiqul Islam, deputy managing director and COO, Md Mohon Miah, head of business development and SBL Shariah Secretariat, and Md Ali Reza, chief financial officer, were present.



Sheikh Rakibul Karim, chief executive officer of Guardian Life Insurance, and Masihul Chowdhury, managing director of Community Bank Bangladesh, sign an agreement on group insurance for the bank’s employees and their family members in Dhaka recently.

PHOTO: GUARDIAN LIFE INSURANCE

Guardian Life, Community Bank ink group ins deal

STAR BUSINESS DESK

Guardian Life Insurance Ltd and Community Bank Bangladesh Ltd have signed an agreement on group insurance.

Sheikh Rakibul Karim, chief executive officer of the insurer, and Masihul Chowdhury, managing director and CEO of the bank, inked the deal in Dhaka recently, said a press release.

Under this agreement, all the employees of the bank and their family members will enjoy group insurance benefits within the protection of the life insurer.

Mahmudur Rahman Khan, senior executive vice-president and head of retail business at the insurer, and Ahmed Istiaque Mahmud, executive vice-president and head of bancassurance, were present.

Govt sets \$72b

FROM PAGE B1

harassment by different offices of the National Board of Revenue (NBR) are other major challenges for garment exporters.

For example, a garment exporter recently faced a lot of trouble in releasing clothing tags of Walmart at the Chattogram port, Hatem said.

Besides, businesses face harassment in paying value added tax, he added.

Commerce Minister Tipu Munshi said although the government aims to export \$100 billion worth of various merchandise, garment exporters say the apparel sector alone aims to earn that amount by 2030.

And while garments are considered the main export item, product diversification has been slow for many years now.

“If the gas and power supply continue adequately, achieving the target is not so hard,” he said, while terming the target as an ambitious one.

During a meeting before the press conference, the minister said businesses previously complained about gas and power shortages.

He also said Bangladesh has an opportunity as work orders for garments have been shifting away from China.

Moreover, garment exporters demanded incentives on manufacturing of manmade fibres as the demand for such clothing items was rising worldwide, he said.

Munshi said some factors were considered for fixing the target like the country’s graduation from the least developed category, decline in global demand due to high inflation and uncertainty in the Russia-Ukraine war.

Moreover, assumptions on the global economy and trade returning to positive growth in 2024 and demand recovering in Europe and North America during the fourth quarter of 2023 were considered as well, he said.

Also, factors like accommodating changes to the global supply chain in the private sector and garment industry continues to play the most important role, he said.

Additionally, diversification was also considered in fixing the target for the year, he added.

Tapan Kanti Ghosh, senior commerce secretary, also spoke.

Financial irregularities

FROM PAGE B1

Accordingly, Tk 27.78 crore was deposited in the account from 2010 to 2020 and these were the premiums paid by the Bangladesh Power Development Board, the Bangladesh Council of Scientific and Industrial Research, and the Bangladesh University of Engineering and Technology against marine insurance.

Tk 26.15 crore was withdrawn on various occasions from the account while the rest of the amount was kept there, according to the audit report.

Although the account was opened using the decision of the 492nd meeting of the board, the auditors did not find any evidence in favour of the account.

And the fraudulent activities and fund embezzlement became clear during the corporation’s initial probe on October 7, 2020, and following assessment of account statements of the bank, it said.

SBC told the auditors that it came to know about the opening bank account and forging of signatures by one Rafiqul Islam and the fund embezzlement by Kashem on October 6 following a letter of an insurance official. A probe team led by a DGM was formed immediately.

Kashem was temporarily suspended following a decision of the 620th board meeting of the corporation as the allegation regarding the irregularities was found to be true in the preliminary investigation.

The Anti-Corruption Commission (ACC) has filed a case against him. At one point, he was sent to jail. Later, Kashem came out of the jail on bail, said an official of SBC.

Kashem or his lawyer could not be contacted.

Mohammad Sirajul Hoque, a deputy director of the ACC, said the charge sheet of the case has been given and the trial now continues.

The fund embezzlement was one of the 13 counts of financial irregularities, involving Tk 209.94 crore, the office of the CAG found while carrying out audits into the insurer in 2018 and 2019.

SBC, the only state-owned non-life insurance and reinsurance export

credit guarantee service provider in Bangladesh, runs its operation through eight zonal offices and 77 branches.

OTHER IRREGULARITIES

The corporation suffered a financial loss of Tk 5.50 crore for awarding two increments to the officers holding diploma degree in violation of the directives of the National Pay Scale 2015, the audit report said.

The CAG office recommended recovering the money from the officials concerned.

It lost Tk 8.86 crore as it provided subsidies on lunch to the officials who were not eligible.

In another incidence, the corporation witnessed a financial loss of Tk 9.60 crore in 2018 and 2019 due to the non-collection of arrears in the form of floor rents at the head office as well as the zonal office in Chittagong.

Similarly, the insurer faced a financial loss of Tk 115.69 crore in 2019 as the head office did not recover dues from foreign reinsurers.

In its response, SBC said steps have been taken to recover the dues, according to the audit report.

In 2018 and 2019, the state insurer suffered a loss of Tk 8.31 crore due to the violation of contract terms and settling of fire reinsurance claims without surveyor reports.

It lost Tk 12.26 crore in the same two years as it settled claims against fire reinsurances breaching terms of the contract.

Similarly, the head office and the Dhaka zone saw a financial loss of Tk 8.60 crore due to the non-collection of advances paid to various sectors.

Tk 12.38 crore was lost for providing incentive bonuses to its officials without the approval of the Financial Institutions Division, the report said.

It recommended realising the money from the concerned officers or employees.

Shahimul Islam Babul, deputy general manager at the audit and compliance department at SBC, declined to comment on the audit report since audit objections and settlements are a regular process.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
নির্বাহী প্রকৌশলীর কার্যালয়, সওজ
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স্মারক নং-৩৫.০১.৫২০০.৪৪০.৪১.০০৩.২২- ৬৬১
তারিখঃ- ১০/০৭/২০২৩

“সীমিত দরপত্র পদ্ধতিতে ঠিকাদার তালিকাভুক্তি/ লাইসেন্স নবায়ন বিজ্ঞপ্তি”

এতদ্বারা সংশ্লিষ্ট সকলের অবগতির জন্য জানানো যাচ্ছে যে, সড়ক বিভাগ, লালমনিরহাট কর্তৃক পাবলিক প্রকিউরমেন্ট বিধিমালা-২০০৮ এর আলোকে সড়ক ও জনপথ অধিদপ্তরের পরিচালন (রাজস্ব) বাজেটের আওতায় সীমিত দরপত্র পদ্ধতি প্রয়োগের মাধ্যমে প্রতিক্ষেত্রে ৫০.০ (পঞ্চাশ) লক্ষ টাকা পর্যন্ত প্রাক্কলিত মূল্যের অভ্যন্তরীণ কার্য (NCT-Works) সম্পাদনের লক্ষ্যে ২০২৩-২০২৪ অর্থ বছরের জন্য ঠিকাদার তালিকাভুক্তি/লাইসেন্স নবায়ন করা হবে। সিপিটিইউ কর্তৃক নির্ধারিত আবেদন ফরম অত্র দপ্তর হতে আগামী ১১/০৭/২০২৩খ্রিঃ হতে ৩১/০৮/২০২৩খ্রিঃ পর্যন্ত অফিস চলাকালীন সময়ে সরবরাহ করা হবে। ১,০০০.০০ (এক হাজার) টাকার অফেরত যোগ্য পে-অর্ডার/ব্যাংক ড্রাফট/চালান নির্বাহী প্রকৌশলী, সড়ক বিভাগ, লালমনিরহাট এর অনুকূলে জমা প্রদান করে অথবা মানি রিসিটের মাধ্যমে ১,০০০.০০ (এক হাজার) টাকা পরিশোধ করে আগ্রহী ব্যক্তি/ প্রতিষ্ঠান নির্ধারিত আবেদনপত্র (ডকুমেন্ট) সংগ্রহ করতে পারবেন। নির্ধারিত আবেদনপত্র (ডকুমেন্ট) সঠিক ভাবে পূরণ পূর্বক প্রয়োজনীয় কাগজপত্র সহ আগামী ৩১ আগষ্ট ২০২৩খ্রিঃ তারিখ বিকাল ৫.০০ ঘটিকার মধ্যে অত্র দপ্তরে জমা প্রদান করতে হবে। সীমিত দরপত্র পদ্ধতি প্রয়োগের ক্ষেত্রে পাবলিক প্রকিউরমেন্ট বিধিমালা-২০০৮ এর বিধি ৬৩ অনুসরণ যোগ্য এবং এ তালিকা ভুক্তি করণ দরপত্র আহবান/ কাজ প্রদানের নিশ্চয়তা বিধান করে না।

উল্লেখ্য যে, ইতোপূর্বে অত্র দপ্তরের তালিকা ভুক্ত ঠিকাদারগণ ২০২৩-২০২৪ অর্থ বছরে লাইসেন্স নবায়ন ফি বাবদ টাকা- ২,০০০/- (টাকা দুই হাজার মাত্র) + ১৫% ভ্যাট (৩০০.০০ টাকা) আগামী ৩১/০৮/২০২৩ খ্রিঃ তারিখের মধ্যে অত্র দপ্তরে জমা পূর্বক বিনা জরিমানা লাইসেন্স নবায়ন করার জন্য অনুরোধ করা হলো।

৩১/০৭/২০২৩
(খালিদ সাইফুল্লাহ সরদার)
পরিচিতি নং- ৬০২২৮৭
নির্বাহী প্রকৌশলী (চঃদাঃ), সওজ
সড়ক বিভাগ, লালমনিরহাট।

GD-1102

Global public debt reaches record \$92tr

UN report shows

REUTERS, London

Global public debt surged to a record \$92 trillion in 2022 as governments borrowed to counter crises, such as the Covid-19 pandemic, with the burden being felt acutely by developing countries, a United Nations report said.

Domestic and external debt worldwide has increased more than five times in the last two decades, outstripping the rate of economic growth, with gross domestic product only tripling since 2002, according to the Wednesday report, released in the run up to a G20 finance ministers and central bank governors' meeting July 14-18.

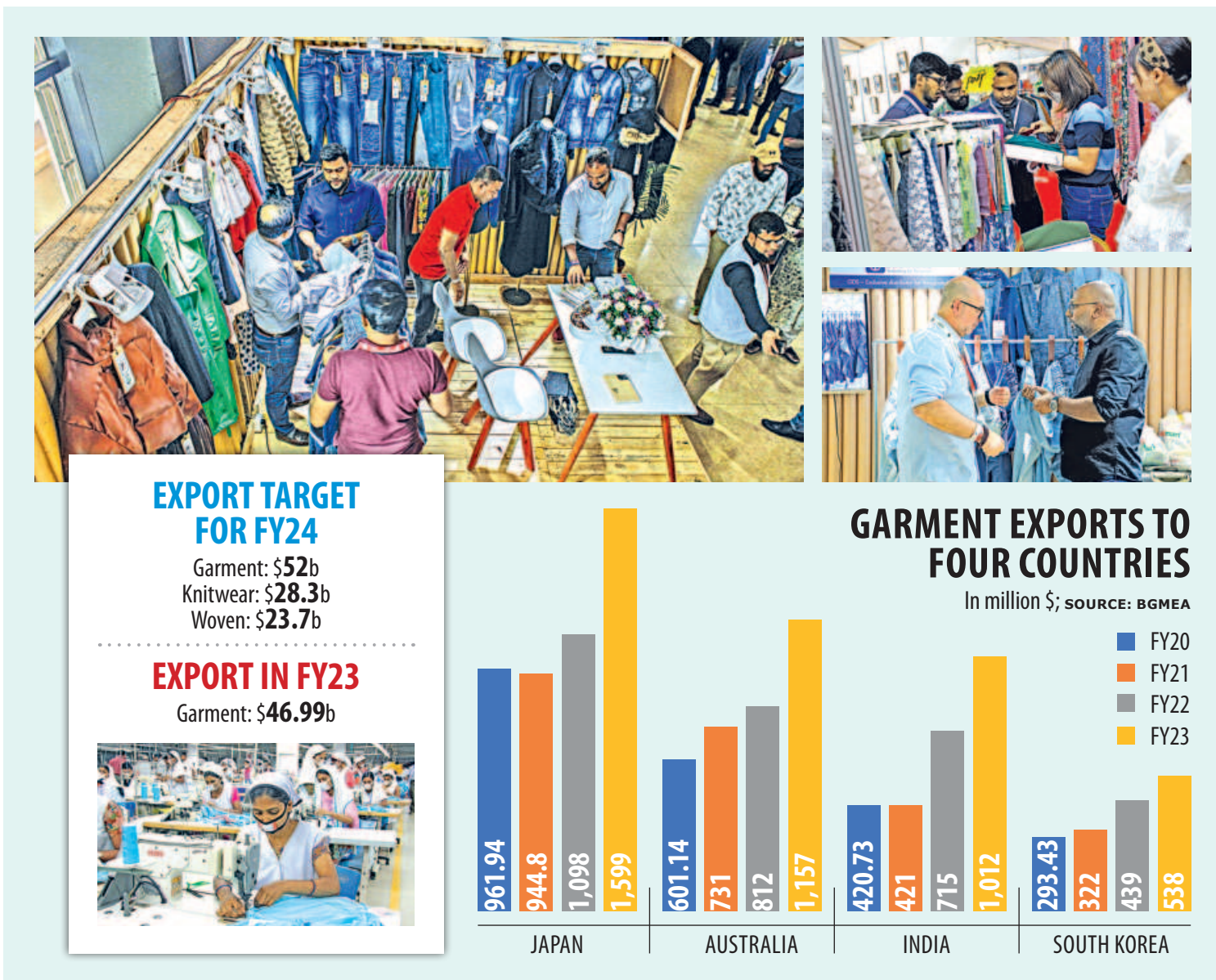
Developing countries owe almost 30 per cent of the global public debt, of which 70 per cent is represented by China, India and Brazil. Fifty-nine developing countries face a debt-to-GDP ratio above 60 per cent - a threshold indicating high levels of debt.

"Debt has been translating into a substantial burden for developing countries due to limited access to financing, rising borrowing costs, currency devaluations and sluggish growth," the UN report added.

Furthermore, the international financial architecture made access to financing for developing countries both inadequate and expensive, the UN said, pointing to net interest debt payments exceeding 10 per cent of revenues for 50 emerging economies worldwide.

"In Africa, the amount spent on interest payments is higher than spending on either education or health," the report found with 3.3 billion people living in countries that spend more on debt interest payments than on health or education.

"Countries are facing the impossible choice of servicing their debt or serving their people."



RMG export to India crosses \$1b

Massive increase in other non-traditional markets too

STAR BUSINESS REPORT

Bangladesh's garment export to India crossed the \$1 billion mark for the first time last fiscal year riding on duty free entry and rising demand from a growing middle class.

The shipments soared 42 per cent year-on-year to \$1,012 million in the July-June period of fiscal year 2022-23, according to data compiled by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

"It is a promising market and exports to this market are expected to grow," said Md Fazlul Hoque, managing director of Plummy Fashions Ltd, one of the leading knitwear exporters. The green factory also exports to India.

"India is a big market with a growing middle class. And demand from the middle class is rising," he said.

Apparel exports to the neighbouring country was just around \$10 million 14 years ago. The earnings crossed the \$100 million mark in fiscal year 2014-15.

And in the last three years till the end of

fiscal year 2022-23, the exports grew nearly two and half times from \$421 million in fiscal year 2020-21 thanks to the duty-free benefit for Bangladesh's products under South Asian Free Trade Area.

There might have been confusion in the past among buyers regarding Bangladesh's products, said Hoque, also a former president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA).

"This has been sorted out for the quality for our products," he said.

There is scope for further growth in export in India, said Mohiuddin Rubel, a director of the BGMEA.

Not only India, garment exports to Australia also crossed the \$1 billion-mark last fiscal year which ended in June.

Entrepreneurs sent \$1,157 million worth of knitwear and woven garments to Australia in fiscal year 2022-23, registering a 42 per cent year-on-year growth.

"It is another big market. We also have scope to increase export there," he said.

Japan has also emerged as another promising market. Shipments to Japan, the

second largest economy in Asia after China, surged 46 per cent year-on-year to \$1,599 million in fiscal year 2022-23, according to the BGMEA.

"It is a fast fashion market and people in Japan have the purchasing capacity," said Rubel, also additional managing director of Denim Expert Ltd.

Overall, he said, garment export to non-traditional markets grew 31 per cent year-on-year to \$8.37 billion in fiscal year 2022-23.

This led to an increase in the share of garment export to non-traditional markets by around three percentage points to 18 per cent of the total receipts of roughly \$47 billion in fiscal year 2022-23.

In contrast, the share of export earnings from traditional markets, which is mainly comprised by the European Union, US and UK, declined as exports growth to the EU slowed while to the US fell.

Rubel said high inflation, overstocking of apparel by buyers and effects of the war in Ukraine were the reasons behind the slowdown in export of garments to traditional markets.

Dollar hits 2-month low

REUTERS, London

Bets on a screeching slowdown in US inflation data later saw traders shove the dollar to a 2-month low on Wednesday and push stocks up and bond market borrowing costs down for a third day running.

Economists polled by Reuters expect to see June US consumer price inflation slow to 3.1 per cent from 4 per cent in May, which might be enough to convince the Federal Reserve to end its aggressive rate hikes - if not this month, at least soon.

Europe's main stock markets had opened 0.7 per cent higher, led once again by the high-flying tech sector, and MSCI's main 47 country world index was up a full 20 per cent from rate hike-induced lows hit in October.

The dollar's low meant it notched its longest losing stretch since March. The yen clambered back above 140 and sterling hit a 15-month high as the Bank of England said the UK was coping with higher interest rates.

"Risk assets, as usual, seem to take the best out of whatever is happening," said James Athey, an investment director and fund manager Abdn in London.

For the CPI data, the core reading which strips out volatile elements such as energy prices, will matter the most for markets, he added.



"If it doesn't give the impression of the immediate cessation of these price pressures we could see a reversal of some of these more recent market moves," Athey said, such as the rebound in the yen and drop in short-term US bond yields.

That core rate is expected to have dropped for a third month to 5 per cent from 5.3 per cent, according to the Reuters poll, though that is more than double the Fed's 2 per cent target.

Markets are pricing in a 92 per cent chance of a 25-basis-point Fed hike later this month, the CME FedWatch tool showed, but remain doubtful of further hikes after that.

Wednesday's moves saw euro zone bond yields inch lower, with Germany's 10 year yield dipping to 2.62 per cent, having hit a four-month high of 2.679 per cent on Monday. US Treasury yields were a touch lower as well, with the 10-year Treasury yield now at 3.95 per cent.

Saxo Markets strategists said traders were likely to continue to keep the odds for September and November rate hikes low if the core inflation rate decelerates as anticipated.

Investor attention will also be on the Bank of Canada, with analysts expecting a second consecutive quarter-point rate hike at its upcoming meeting.

BSEC chief

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documents as Xin Bangla's contact person, including in a 2007 Swiss embassy newsletter about a Bangladeshi-Swiss business forum. He is also listed as the company's managing director in an online registry of Bangladesh companies.

Current ownership details were unavailable, said the OCCRP.

Ming Global filed a lawsuit against Monarch in the US in 2020 but later shelved it, which, the company's director told that the OCCRP, was because none of the defendants - or the money that was allegedly stolen - are in the country.

The company also filed a suit to recover funds in Bangladesh from Islam, who has filed a counter-suit against them. The country's Anti-Corruption Commission has taken no apparent action since it received the complaint against Islam nearly two years ago, the OCCRP report said.

Prof Islam told The Daily Star yesterday that he received \$277,924 into his bank account as advance rent, security deposit and advance construction costs under a lawful lease agreement for commercial space in an industrial building in Dhaka.

"I received the money through legal channels. If I had any bad intention then why would I bring the money into the country and that too even using the legal channel?" he asked.

He said when Ming Global claimed that its fund was sent to him, he realised that it was a complex issue.

"So, I have surrendered the money to the court. The court will decide who will get the fund," he said.

The fund had been labeled in the Bank of America transfer as "family support", the OCCRP report said.

Though the site was supposed to be used for a garment factory starting on January 1, 2021, with the lease lasting five years, a reporter who visited the site in January 2023 found that the floors were empty, it said.

Food storage project

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executive director of Beximco Computers, said they are now developing the software at full speed after getting the required licence.

It should be mentioned that the IMED prepared its report before Beximco Computers was granted its SAP licence.

Regarding reasons for the delay, Khan said receiving the licence through Tech Mahindra took longer than anticipated as they were conducting due diligence, including an internal audit, for securing approval at the time.

"The software has many components, of which two applications have been delivered and are already live," he added.

Khan also blamed the ongoing US dollar shortage for delays in software development.

"The IMED report was prepared according to the progress up till April, but our major developments occurred in the last few months," he said, adding that the work will be complete in a few months if there are no external challenges.

Likewise, the plan for building eight grain silos with a combined storage capacity of 5.35 lakh tonnes remains relatively stagnant as well.

The silos were to be built in strategic locations of Dhaka, Narayanganj, Chattogram, Mymensingh, Tangail,

Khulna, Barishal and Brahmanbaria.

Later, the food department cancelled Dhaka's silo, citing issues in selecting the location.

The project was scheduled for completion by June 2020, but overall progress has reached just 50 per cent as of April this year.

And as the food department failed to meet this deadline, the project was revised twice and the cost rose by about 86 per cent.

"There was a loophole in the feasibility study and mistakes in its design," the IMED said.

According to the report, it became known that it is not possible to build the Dhaka silo on the banks of Buriganga river only after roughly Tk 2 crore was already spent.

Asked about delays in construction, Project Director Sheikh said they repeatedly served notices to the contractors, threatening to scrap their contracts if they do not cooperate.

Regarding some of their successes, Sheikh said they have already distributed small-scale "household silos" to five lakh families in 19 flood-prone districts of the country.

Considering the lengthy delays in implementation, the Planning Commission has proposed increasing the project duration until December 2025, subject to approval from the World Bank.

when most of the stocks are stuck on the floor price, because of which investors are getting fewer capital gains from their investments.

At the end of July last year, the Bangladesh Securities and Exchange Commission (BSEC) set the floor price of every stock to halt the free fall of the market indices amid global economic uncertainties.

A number of brokerage houses have been demanding to get the connection so that their clients can do trading on their own through mobile phones, said M Shaifur Rahman Mazumdar, managing director (acting) of the DSE.

DSE to charge Tk 1,500

FROM PAGE B1

provides real time securities trading opportunities for investors.

The investors—who have been using the app free of charge since the launch of the app in 2016—have traded shares worth Tk 21,949 crore in 2022-23 fiscal year, according to DSE data.

The premier bourse yesterday sent letters to share the information about the new service charge with all the holders of trading right entitlement certificate (TREC), which is a must to run a brokerage house for share trading.

The decision came at a time

Government of the People's Republic of Bangladesh					
Office of the Executive Engineer Education Engineering Department Barguna					
E-mail: ee_barg@eedmoe.gov.bd					
e-Tender Notice					
e-Tender Notice No. EED/BARGUNA/09/Project Code: (1250301-120001601-3258108) e-Tender/2023-24 Date: 12.07.2023					
Name of Project: Repair/Renovation of Govt. Educational Institutions (SHED).					
e-Tender is invited through the National e-GP Portal for the following procurement of works.					
S.L	Name of the tender	Tender ID	Type method	Last date & time of selling documents	Last date & time of submission documents
1.	Repair and Renovation work of Boundary Wall at District Education Office under Sadar Upazilla Barguna District.	840414	NCT, LTM	02-Aug-2023 16:00	03-Aug-2023 12:00
2.	Repair and Renovation work of (Administrative, Science, Library Building) at Barguna Government Mohila College under Sadar Upazilla Barguna District.	840410	NCT, LTM	02-Aug-2023 16:00	03-Aug-2023 12:00
3.	Repair and Renovation work of (Administrative Building) at Barguna Government College under Sadar Upazilla Barguna District	840407	NCT, LTM	02-Aug-2023 16:00	03-Aug-2023 12:00
4.	Repair and Renovation work of Boundary Wall at Barguna Government College under Sadar Upazilla Barguna District.	840400	NCT, LTM	02-Aug-2023 16:00	03-Aug-2023 12:00
5.	Repair and Renovation work of Boys Hostel at Barguna Government College under Sadar Upazilla Barguna District.	840397	NCT, LTM	02-Aug-2023 16:00	03-Aug-2023 12:00
6.	Repair and Renovation work of Academic Building-2 at Barguna Government Girls High School under Sadar Upazilla Barguna District.	840387	NCT, LTM	02-Aug-2023 16:00	03-Aug-2023 12:00
7.	Repair and Renovation work of Barguna Zilla School Mosque at Barguna Zilla School under Sadar Upazilla Barguna District	837408	NCT, LTM	02-Aug-2023 16:00	03-Aug-2023 12:00
8.	Set up Submersible Pump at Barguna Zilla School under Sadar Upazilla Barguna District	837393	NCT, LTM	02-Aug-2023 16:00	03-Aug-2023 12:00
This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System Portal (http://www.eprocure.gov.bd) is required. The fees for downloading the e-Tender document of following packages from the National e-GP System Portal have to be deposited online through any registered bank branches. Further information and guideline are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).					
Md. Badrul Alam Executive Engineer (C.C) Education Engineering Department Barguna					
GD-1104					



Md Masud Akand, a resident of the Dapdapia area of Jhalakathi, is seen giving children a ride on his horse for a fee of about Tk 10 to Tk 50 per person, earning him between Tk 500 to Tk 1,000 daily. The picture was taken recently.

PHOTO: TITU DAS

Stocks end slightly higher

STAR BUSINESS DESK

The indices of Dhaka Stock Exchange (DSE) rose slightly yesterday.

The DSEX, the benchmark index of the top bourse in Bangladesh, edged up 8 point, or 0.13 per cent, to close at 6,336.

The DS30, the blue-chip index, increased 0.10 per cent to 2,194 while the DSES, the Shariah-compliant index, went up 0.09 per cent to 1,374.

Turnover, a key indicator of the market, grew 32 per cent to Tk 855 crore.

Of the securities, 92 advanced, 91 declined and 187 did not show any price movement.

Western Marine Shipyard made the highest gain with an increase of 9.9 per cent.

Rupali Bank, Janata Insurance Company, Orion Infusion, and Apex Foods were among the top gainers.

Olympic Accessories was the highest loser, shedding 8.3 per cent.

Yeakin Polymer, Fu-Wang Ceramic Industries, Progressive Life Insurance, and Aramit Cement were also on the list of significant losers.

Fu Wang Food was the most-traded stock on the day with its issues worth Tk 70 crore changing hands.

Delta Life Insurance Company, Lubrrf (Bangladesh), ADN Telecom, and Sea Pearl Beach Resort & Spa also registered significant turnover as well.

Caspi, the all-share price index of the Chittagong Stock Exchange, added 14 points, or 0.07 per cent, to close at 18,718.

Of the issues, 58 rose, 70 retreated and 82 did not see any price swing.

Turnover of the port city bourse gained 16 per cent to Tk 14.41 crore.

Pragati's car sales plunge 75% for govt austerity measures

JAGARAN CHAKMA

The sale of vehicles of state-run automobile assembler Pragati Industries Limited has declined 75 per cent year-on-year in fiscal year 2022-23 owing to a halt in such purchases by the government.

Pragati sold only 177 vehicles in the year whereas 711 were sold in the preceding year.

According to a finance ministry circular of July 3, 2022, the government has ordered all government, semi-government and autonomous institutions to stop purchasing vehicles.

It is a part of austerity measures undertaken in the wake of global economic downturns following the pandemic and Russia-Ukraine war.

According to the circular, no more than 50 per cent of government allocations for such entities can be spent on entertainment, computers and related expenses.

"The government is the major buyer of cars assembled by Pragati. The sales reduced drastically as the government entities stopped purchasing cars," said Md Abul Kalam Azad, managing director (acting).

"Against this backdrop, profits declined to around Tk 4.5 crore in the last fiscal year from Tk 34.80 crore in preceding fiscal year," he said, adding, "We made a profit although our sales declined significantly."

Pragati assembles Pajero sport and double cabin pickup of Japanese Mitsubishi brand and buses of Indian Tata.

Private organisations and individual customers can also purchase vehicles from Pragati, said Azad.

Pragati provides brand new cars and their prices are lower than ones imported whole, he claimed.

The company also cannot raise prices all of a sudden without government approval although production costs have

Corporation (BSEC).

Pragati, the only public car assembling company in Bangladesh, started its initial journey by assembling buses and trucks of England's Bedford Company.

Amidst a crisis in the transport sector of the then war-torn Bangladesh, the company made an important contribution to the development of the road transport system by importing superior buses and Bedford trucks from England on an urgent basis.

Later, facilities for working with completely knocked down (CKD) units were set up and various brands of cars marketed from India, China, Korea and Japan.

Azad said they have a plan to assemble Mitsubishi sedans of 1.2 litre to 1.6 litre capacity for regular customers.

Pragati's target customers were only high government officials but the decision to assemble sedans was taken considering that the growing economy and affluent section of society, he said.

"We will expand necessary setups for assembling sedans with technical help of MMC, Japan. We reached consensus with the MMC regarding establishment of a CKD setup in May this year," he said.

"To implement this with approval of Prime Minister Sheikh Hasina, we sent our detailed plan to the MMC last week," he said.

He believes customers would get brand new "Made in Bangladesh" sedans in the near future at reasonable prices.

The government is the major buyer of cars assembled by Pragati. The sales fell drastically as the government entities stopped purchasing cars.

Md Abul Kalam Azad
Managing director (acting) of Pragati Industries

been increasing in tune with hikes in the price of the dollar, he said.

The story of the company dates back to 1966, when Gandhara Industries Ltd was established in Barabkunda of Chattogram with technical support from General Motors of the UK as a private company for the production of cars.

After Bangladesh won independence, the company was nationalised in 1972, named Pragati Industries Limited and placed under the control of the Bangladesh Steel and Engineering

Time to revise investment plan

JASIM UDDIN RASEL

There is a certain limit for investments in particular areas to avail tax rebate benefits by individual taxpayers as per the Income Tax Act 2023. Tax rebate is important for taxpayers to reduce tax liabilities significantly and save money for financial security in the future.

As per Income Tax Act 2023, the areas of investments are a few to get the tax credit facility, and if any taxpayers want to enjoy these benefits, they will have to invest in the areas mentioned in the law.

Sometimes, it is noticed that someone has invested but not in the sectors mentioned in the tax law or the investment is not in the appropriate manner. Due to these reasons, they fail to claim the full tax credit benefits.

Except for the deposit pension scheme (DPS) and life insurance, there was no cap to invest in government securities and mutual funds in the past. Now a limit has been fixed.

Let's discuss the investment opportunities where the full tax rebate benefit could be availed.

DPS

DPS is the most popular and easy way to save money.

And you can increase your savings in the DPS to get a good

refund at maturity.

Now you can maintain your DPS up to Tk 120,000 yearly instead of Tk 60,000.

Government securities

Savings certificates and treasury bonds are the most secured. They give comparatively higher returns to investors. You can invest up to Tk 500,000 in government securities.

If your investment goes past the ceiling, you will not be able to claim tax rebates for the exceeded amount. So, make an investment plan considering the highest return benefits.

Life insurance

You can take an insurance policy for you, your spouse and your children, and there are no changes per new tax law.

Government securities are the number one investment area and initially, invest up to the limit. And then go for DPS with a reputable scheduled bank or financial institution.

Only you have to keep in mind that your annual insurance premium does not exceed 10 per cent of the life insurance policy value. This was also maintained in the Ordinance, which was replaced by the tax law.

Mutual funds

In a mutual fund, you can invest up to Tk 500,000.

There was no bar for investments in mutual funds in the past. Now you will have to follow this limit if you want to get the tax rebate on your full investments.

Shares of listed companies

There is no limit to investments in the shares of the listed companies in the capital market.

Considering the five investment areas, your first two deciding factors will be a high return to grow your money fast and investment security to get the full amount at maturity. In that case, government securities are the number one investment area and initially, invest up to the limit. And then go for DPS with a reputable scheduled bank or financial institution.

When your investment cap of Tk 620,000 is reached, go for life insurance again with a reputable company. And finally, if you want to take the risk, go for mutual funds or shares of companies listed in the capital market.

Jasim Uddin Rasel is author of Smart Money Hacks

China's export slide to steepen Imports down, poll shows

REUTERS, Beijing

China's export slump is expected to have accelerated in June, as sluggish overseas economies struggling with inflation and rising interest rates buy up fewer goods from Chinese factories.

Outbound shipments from the world's second-largest economy were projected to have fallen 9.5 per cent year-on-year, following a drop of 7.5 per cent in May, according to the median forecast of 30 economists in the poll finalised on Wednesday.

That would be the worst decline since January, when China's supply chains were grappling with a wave of Covid-19 infections unleashed by the end of harsh pandemic-related restrictions.

Chinese factory activity has been shrinking in recent months and policymakers are now reckoning with the prospect of prolonged slower growth in the world's second-largest economy around just 3 per cent annually, according to economists' forecasts. That is less than half the rates typical throughout recent decades and creates the feel of an economy in recession.

One-third of respondents to the trade poll forecast that exports in June dropped by a double-digit percentage, as in January. Societe Generale was the most bearish, anticipating a drop of 15.7 per cent.

Imports in June are expected to have shrunk by 4.0 per cent, after a fall of 4.5 per cent in May, reflecting persistently weak domestic demand. China's trade data will be released on Thursday. Chinese consumer prices teetered on the edge of deflation in June while producer prices fell at their fastest pace in more than seven years, bolstering the case for further policy stimulus.

Yellen raised China's hopes for tariff cuts but US politics may crush them

REUTERS, Washington

US Treasury Secretary Janet Yellen's trip to China has raised hopes in Beijing that Trump-era tariffs on Chinese imports may be eased as she tries to smooth relations between the two nations, but strong anti-China sentiment in the US may make that impossible.

Trade and political analysts in Washington say that even though cutting some of the "Section 301" tariffs would help US companies and consumers, as well as Chinese exporters, doing so would expose Biden to a buzz-saw of Republican criticism at a dangerous time.

"The political calculus is pretty clear," said Harry Broadman, a former White House, World Bank and US trade official who is now a managing director with Berkeley Research Group. "That would be red meat for the opposition."

Looking soft on China could cost Biden the 2024 presidential election, he said, adding that anti-China sentiment in the US is four years, fueled by former President Donald Trump's China policies.

Yellen discussed trade irritants and other policy differences with China's

top economic officials and Premier Li Qiang for a marathon 10 hours over two days last week – meetings that she said put US-China ties "on surer footing."

US tariffs and high technology export controls to Beijing's new anti-espionage law that threatens the activities of US companies in China were among the

topics, the US Treasury said. Yellen said nothing publicly to indicate that the US was poised to ease tariffs, but commentators in China were hopeful, amid a US Trade Representative review.

In a statement on Monday, China's Finance Ministry called for the US to cancel punitive tariffs, roll back export

curbs and end import bans from Xinjiang province.

"Yellen has a say in the next phase of the US's four-year tariff review," said Hong Hao, chief executive of Grow Investment Group in Hong Kong. "While US might continue its technological curbs on China, a reduction or exemption of non-core tariffs against China is possible."

China's state-run Global Times, normally a harsh US critic, called Yellen a "professional and pragmatic" official who could influence the Biden administration to take such steps to improve the economic relationship.

Yellen last year advocated eliminating some duties on "non-strategic" goods as a way to ease some specific costs amid high inflation.

But US political pressure to raise China tariffs is growing, said Chad Bown, a trade economist with the Peterson Institute of International Economics who has researched them extensively.

"There is no political appetite to reduce tariffs on China – Secretary Yellen will do well in this political climate if they manage to stay where they are," Bown said.



US Treasury Secretary Janet Yellen attends a press conference at the Beijing American Center of the US embassy in Beijing on July 9.

PHOTO: AFP