

## Joint efforts to set up 300MW solar power plant

### STAR BUSINESS REPORT

Two local garment exporters, a private Saudi Arabian company and state-run Bangladesh Power Development Board (BPDB) are planning to jointly set up a solar power plant with a generation capacity of 300 megawatts (MW).

Currently the country's biggest solar power plant generates 200MW of electricity. Built by Beximco Power Ltd in Sundarganj upazila of Gaibandha with an investment of \$300 million, it was inaugurated on August 2.

The upcoming plant is expected to be constructed on 900 acres of land in Rampal of Bagerhat, some 220 kilometres southwest of capital Dhaka, at a cost of \$430 million.

Of the entities, Viyellatex Group and Comfit Composite Knit Ltd will

**The upcoming plant is expected to be constructed in Rampal of Bagerhat at a cost of \$430 million**

each own a 15 percent share and ACWA Power of Saudi Arabia 45 percent. The BPDB will own 25 percent providing just the land.

Viyellatex Group terms itself an end-to-end apparel solution provider, having an annual turnover of \$400 million.

Offering similar services, Comfit Composite Knit Ltd is a concern of Youth Group and its sister concerns are Petromax Refinery Ltd, Shahjibazar Power Company Limited, Midland Power Company Limited and Midland East Power Ltd, according to the group's website.

ACWA Power describes itself as a developer, investor and operator of power generation and desalinated water plants with 75 assets in operation, construction or advanced development across 12 countries. Its portfolio, with an investment value of \$79.4 billion, can generate 50.1 GW of power and produce 7.6 million m3 / day of desalinated water.

Electricity generation is expected to begin by the end of 2025, KM Rezaul

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## Tougher actions to fuel essentials' prices further

### Tipu Munshi says

#### STAR BUSINESS REPORT

The government wants to bring down the prices of essentials through talks with the business community since filing cases and sending traders to jail might send the prices higher further, said Commerce Minister Tipu Munshi yesterday.

Sending businessmen who are involved in artificially pushing up commodity prices to jail will increase the suffering of consumers as well, he said, adding that the government wants businessmen to make a logical profit at the same time.

The minister was speaking to a group of reporters after a meeting with the US-Bangladesh Business Council (USBBC) at the InterContinental Hotel in Dhaka.

He refuted claims that he had said in parliament that there was a syndicate in the market that controls the prices of essential commodities and he would break it.

"What I said is that sometimes some businessmen want to make a higher profit."

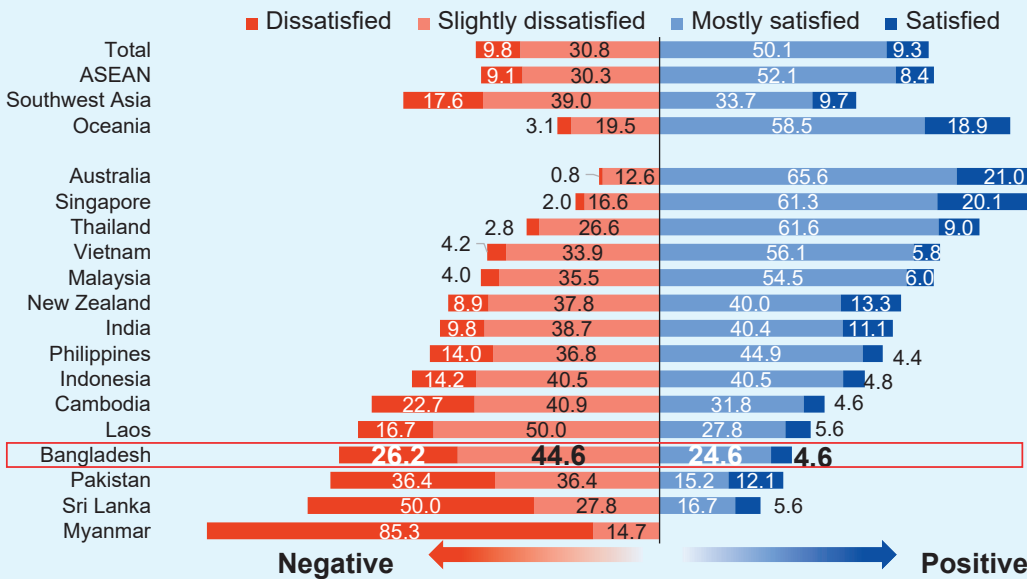
There is no major syndicate in the market as a large number of people are involved in the supply chain, the minister said, citing that thousands of people are involved in egg production.

His comments came a day after Prime Minister Sheikh Hasina told a press conference that she would ask the commerce minister about his statement on the syndicate in the essential commodity market.

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## EVALUATIONS TOWARD GENERAL BUSINESS ENVIRONMENT

SOURCE: JETRO



### SUMMARY OF THE SURVEY

» Business sentiment for Japanese companies in Bangladesh is rather high in Asia and Oceania region.

» For competitive labour cost, Bangladesh has the second highest ratio of

export volume in the total sales in the region.

» From comparative perspective (especially with Asean countries), it would be necessary for business environment in Bangladesh to be

improved by addressing the issues for Japanese companies in Bangladesh.

» As utilisation rate of GSP facility for Japanese companies in Bangladesh is high, trade agreement like EPA would be

expected.

» By realising the competitive investment climate through EPA, Bangladesh would be the next investment destination for Japanese companies

## CHALLENGES FOR BUSINESS OPERATIONS

(In 2022; respondents in %)



Complicated customs clearance procedures: **73.2**



Volatility in foreign exchange rate: **72.6**



Difficulties in local procurement of raw materials and parts: **67.4**



Shortage of electricity and power cut: **65.2**



Increased cost in procurement of raw materials and parts: **63**

# 71% Japanese firms dissatisfied with business climate in Bangladesh

Finds Jetro study

#### STAR BUSINESS REPORT

Although Japanese companies operating in Bangladesh are upbeat about the growth potential in the country, 71 percent of them are dissatisfied with the general business environment, a new survey showed.

Of them, 26.2 percent were highly dissatisfied and 44.6 percent slightly dissatisfied, according to the survey of the Japan External Trade Organisation (Jetro).

The survey report on the business conditions of Japanese companies operating in Asia and Oceania was unveiled at an event at the Gulshan office of the Metropolitan Chamber of Commerce and Industry (MCCI) yesterday.

Overall, the responses from nearly 4,400 companies in the countries in Asia and Oceania were considered. Some 214 Japanese firms in Bangladesh also took part in the study, which was carried out from August 22 to September 21 last year.

The survey finds that three-fourths of Japanese companies

with a presence in Bangladesh termed complicated customs clearance procedures as the biggest challenge for business operations.

"From the comparative perspective especially with Asean countries, it would be necessary

procurement of raw materials and parts as other major challenges.

Sixty-five percent of respondents called the shortage of electricity, or power cuts, as another major challenge.

Despite the challenges, Japanese companies say



for the business environment in Bangladesh to be improved by addressing the issues facing Japanese companies, especially in custom clearance procedures," said Yuji Ando, country representative of the Jetro, while presenting the findings of the survey.

Some 72.6 percent of companies termed volatility in the exchange rate and 64 percent described difficulties in local

Bangladesh has growth potential. "The business sentiment among the Japanese companies is rather high in Asia and Oceania."

Bangladesh also performed well when it comes to the ease of recruiting human resources such as general workers and staff and hiring engineers and specialists, the survey said.

In terms of labour cost, Bangladesh is the most

competitive among the countries in Asia and Oceania, it said.

Speaking about the risk factors confronting the business climate, Japanese firms cited the lack of efficiency in administrative procedures in issuing permits and licences, problems in the legal system related to preferential treatment or foreign capital, lack of an efficient tax system, and the delay in obtaining visas and work permits.

Still, nearly 72 percent of Japanese companies want to expand their business in one or two years, said the survey. With this, Bangladesh takes the second spot among the countries in Asia and Oceania.

Nihad Kabir, a former president of the MCCI, said there are too many regulatory requirements in the country for doing business. "They are time-consuming and costly."

She said the cost of doing business has reduced but it is still high in terms of international standards.

According to the business leader, businesses want three things, including predictability

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## Licences of seven money changers suspended

### STAR BUSINESS REPORT

Bangladesh Bank has suspended licences of seven money changers and served show-cause notices on 10 over their alleged involvement in trading the US dollar in the kerb market at prices higher than that prescribed.

The seven are York Money Exchange Ltd, Zaman Money Changing House, Jeni Money Exchange, Standard Money Exchange Ltd, Mercy Money Exchange Co Ltd, JB Money Exchange, and Bengal Money Exchange.

Bangladesh Bank issued the suspension notices yesterday.

According to Md Mezbaul Haque, spokesperson of Bangladesh Bank, the seven firms were involved in trading foreign currency at a rate higher than that prescribed in guidelines issued by the Money Changers Association of Bangladesh.

They even provided false data to the BB's

**BB took the action for their alleged involvement in trading the US dollar in the kerb market at prices higher than prescribed**

online money changer monitoring system and did not regularly provide reports on their foreign currency trade, which is a violation of the licence conditions, he said.

A BB watchdog team had started to conduct inspections at money exchange houses on information that some were trading the greenback at rates higher than that prescribed, he said.

As per rules, exchange houses can purchase each dollar at Tk 1 higher than the official rate and the same is applicable for sales, said Haque.

Currently the official rate is Tk 109.50 per dollar while the BB found the exchange houses selling each dollar for Tk 116 to Tk 117, he noted.

The inspections will continue to prevent manipulation of the dollar price rate in the kerb market, he added.

The 10 from whom explanations were sought are New Prime Money Changer Limited, Uttara Money Changer, Misa Money Exchange Limited, Jamuna Money Exchange Limited, Pioneer Money Exchange, Buriganga Money Exchange Pvt Ltd, Skaf Money Changer, Hazrat Khwaja Baba Currency Exchange Mudra Binimoy Kendra Ltd, Glory Money Exchange Limited, and Matrik Money Changer.

| STOCKS            |                    |
|-------------------|--------------------|
| DSEX ▲            | CASPI ▲            |
| 0.03%<br>6,293.13 | 0.04%<br>18,614.90 |

| COMMODITIES               |                         |
|---------------------------|-------------------------|
| Gold ▲                    | Oil ▲                   |
| \$1,938.23<br>(per ounce) | \$81.68<br>(per barrel) |

| ASIAN MARKETS        |                      |                     |                     |
|----------------------|----------------------|---------------------|---------------------|
| MUMBAI               | TOKYO                | SINGAPORE           | SHANGHAI            |
| ▲ 0.01%<br>65,087.25 | ▲ 0.33%<br>32,333.46 | ▼ 0.09%<br>3,220.22 | ▲ 0.04%<br>3,137.14 |

## US companies want to invest more in power

### State minister says

#### STAR BUSINESS REPORT

A US business delegation has expressed interest in investing more in the power and energy sector of Bangladesh, said Nasrul Hamid, state minister for power, energy and mineral resources, yesterday.

He was addressing a press briefing on holding a meeting with members of a visiting US-Bangladesh Business Council at Bangladesh Secretariat in Dhaka.

Hamid earlier said Bangladesh required an investment of \$170 billion in the power and energy sector by 2041 for meeting its target of producing 40,000 megawatts of electricity along with ensuring infrastructure development.

Representatives from Excelerate Energy, Blackstone, ExxonMobil, Chevron, Corvea, HSBC

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**Akbar Ali roams the streets of Sylhet city offering to sharpen knives and similar tools for as little as Tk 20. Technological advancements have nearly turned this service obsolete, prompting many to take up other means of making a living. In spite of putting in the effort, he had managed to earn just Tk 150 by the time the clock had struck 5:00pm on Monday, when this photo was taken at Chowhatta area. With a wife and four children to feed, the 50-year-old continues to defy the odds clinging on to his profession for the past 25 years.**

PHOTO: SHEIKH NASIR