

Star BUSINESS

Scrap-based garment export used to bring around Tk 300-400 crore a year, but it has fallen to Tk 100 crore now



Story on B4

Infrastructure for tourism not built in planned way

Jatiya Sangsad speaker says

STAR BUSINESS REPORT

Infrastructure facilities for the tourism sector in Bangladesh have grown on the basis of demand but not in a planned way, said Jatiya Sangsad Speaker Shirin Sharmin Chaudhury yesterday.

"We have to determine the existing demands and build up the tourism sector in a planned way in different places like Dhaka, Chattogram, Sylhet and other areas," she said.

The speaker made the comments at the inaugural ceremony of a four-day tourism fair titled "Bangladesh Festival 2023" at the Bangabandhu International Conference Centre.

The Bangladesh Tourism Board (BTB) organised the event on the occasion of World Tourism Day.

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AT A GLANCE

- There are over **300** amusement parks in Bangladesh
- Number of direct employment **6** lakh
- About Tk **12,000**cr invested in the sector in the last two decades
- Annual turnover of the sector is Tk **5,000**cr now
- Number of tourists in BAAPA member amusement parks is **6**cr annually
- They see **50,000** foreign tourists per year

SOURCE: BAAPA

Amusement parks turn over Tk 5,000cr annually

Entrepreneurs invested Tk 12,000cr in two decades

SUKANTA HALDER

Investment in Bangladesh's amusement and theme park segment is on the rise as investors are pumping money into the fast-expanding industry to serve visitors, according to industry people.

About Tk 12,000 crore has been invested in the sector in the last two decades and about 6 lakh people have been employed directly, according to the Bangladesh Association of Amusement Parks and Attractions (BAAPA).

"Business-people have not been able to utilise even 20 percent of the sector's potential yet," said Anup Kumar Sarkar, chief marketing officer of Concord Group of Companies, which operates Fantasy Kingdom and Foy's Lake through Concord Entertainment Co Ltd.

"There is huge potential to do good business in this segment and this potential should be exploited."

He made the comments at a seminar titled "Role of amusement parks in tourism development" at the Bangabandhu International Conference Center in Dhaka yesterday.

The discussion was organised as part of a four-day tourism fair styled "Bangladesh Festival", which began yesterday.

Bangladesh got its first park in 1979 when the government set up Shishu Park in the capital's Shahbag. Shishumela Park in Shyamoli opened six years later.

Set up in 1990, Wonderland amusement park in Gulshan was the country's first private sector park, which was demolished two decades later for being built on a piece of government

land.

Currently, there are more than 300 amusement and theme parks in Bangladesh. Of them, over 100 parks are members of the BAAPA. The annual turnover of the sector is Tk 5,000 crore, according to the trade body.

The number of people who visit the parks owned by the members of the association stands at 6 crore annually, which include about 50,000 foreign tourists.

If new facilities are put in place and service

"Businesspeople have not been able to utilise even 20 percent of the sector's potential yet," said Anup Kumar Sarkar, chief marketing officer of Concord Group of Companies

quality improved, the number of visitors will surge, industry people say.

"You will have to keep pace with changing times. Otherwise, it will be difficult to provide services as per expectations of visitors," said Anup Kumar Sarkar, while speaking at the seminar.

He says security and road communication are the main concerns for any park and tourist spots.

Sarkar requested the Bangladesh Tourism Board to discuss with authorities so that tourist

police can support amusement parks and road communication systems are improved.

He urged the government to provide land to develop amusement parks across the country as people's per capita income has risen and they are eager to spend for entertainment purposes.

Shoab Zaman, corporate manager of Morjal Wonder Land Park in Narsingdi, said since amusement parks are a priority service industry as per National Industrial Policy 2022, all facilities should be ensured.

He said the establishment of amusement parks often requires significant infrastructure development, including road network and accommodation in surrounding areas.

"Police should be deployed at the amusement parks to ensure the safety of visitors. A strong foundation is needed for further development of the sector. Everyone needs to cooperate."

Zaman suggested introducing tourist buses at reasonable fares, developing the skills of industry people, and encouraging new graduates to build their career in the growing industry.

Mahabubul Hassan, manager of Anwar City Magic Island in Keraniganj, said when they started the venture, it was located over 100 acres of land. Now, the park area has been expanded to 300 acres.

"Soon several new features will be added."

Jabed Ahmed, a senior consultant at the United Nations Development Programme Bangladesh, said amusement parks should be promoted in both local and international markets.

Canada wants labour law reforms

STAR BUSINESS REPORT

Canada wants Bangladesh to reform labour laws in line with recommendations from the International Labour Organisation (ILO) to secure the Canadian General Preferential Tariff (GPT) Plus scheme and enjoy the zero-duty benefit after graduation from least developed country (LDC) status in 2026.

Bangladesh will enjoy zero-duty benefit on export of goods to Canada up to 2029, the Canadian government recently announced following a similar extension from the European Union (EU).

But if Bangladesh wants to enjoy zero-duty benefit to Canadian markets under its GPT Plus scheme beyond 2029, Bangladesh will have to meet certain criteria, including labour law reforms.

Moreover, in a meeting at the Canadian High Commission in Dhaka

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Nearly 11,000 Bangladeshi firms members of Dubai chamber

STAR BUSINESS REPORT

The number of new Bangladeshi companies joining the Dubai Chamber of Commerce has surged 47 percent year-on-year to 1,044 in the first half of this year, said the chamber.

With the latest addition, the total number of Bangladeshi firms registered as members of the Dubai chamber rose to 10,975, the chamber said earlier this month.

The United Arab Emirates (UAE) chamber unveiled the list of nationalities behind new member companies amidst widespread allegations in Bangladesh of illegal fund transfers abroad.

The transfers are allegedly being made mainly through trade misinvoicing and hundi, an informal mechanism of money transfer to redirect remittances sent by Bangladeshis abroad.

And the name of Dubai as a lucrative hub for business comes up quite frequently among the local business community.

Officially, Bangladeshi companies are not allowed to transfer funds without approval from Bangladesh Bank and a very small number of local businesses have so far received approval from the central bank to invest abroad.

Until January this year, the central bank has allowed 17 companies to invest abroad and gave the go-ahead for roughly \$40.15 million to be

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BB asks 15 banks to improve financial health

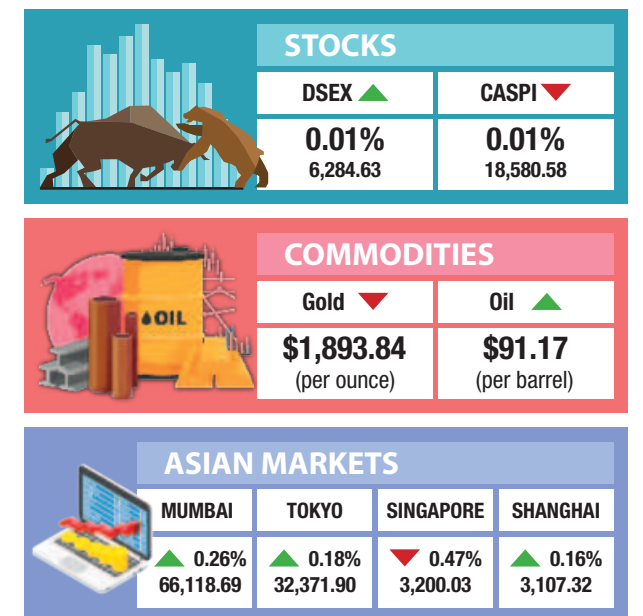
STAR BUSINESS REPORT

Bangladesh Bank yesterday passed directives on 15 banks through its observers and coordinators to improve their financial health.

The central bank directives came up at a meeting with the observers and coordinators, presided over by Bangladesh Bank Governor Abdur Rouf Talukder, at the Bangladesh Bank's Motijheel headquarters.

Currently eight banks have observers -- Sonali Bank, Agrani Bank, Rupali Bank, Janata Bank, Bangladesh Krishi Bank, ICB Islamic Bank, Islami Bank Bangladesh and First Security Islami Bank.

READ MORE ON B3



Japanese, Chinese firms to build 370MW solar power plants

STAR BUSINESS REPORT

Two Japanese companies and one Chinese firm have received approval from Bangladesh to invest in three solar-based power plants.

The cabinet committee on purchase gave its nod to the project proposals yesterday. The plants will be built in Dinajpur, Bandarban and Feni.

The plants will have a combined capacity to produce 370 megawatts of electricity. The government will purchase power for 20 years.

A 200MW plant will be set up at the Barapukuria coal mine area in Dinajpur with an estimated investment of Tk 7,168 crore. A consortium of Parker Bangladesh and Japan's Sumitomo Corporation will build it. The price of per kilowatt-hour electricity would be Tk 11.06.

A joint venture, which includes China's Fujian Yongfu Power Engineering Company Ltd, will construct a 70MW plant in Lama upazila of Bandarban at a cost of Tk 2,486 crore. Each unit of electricity will be priced at Tk 10.96.

Marubeni Corporation, a Japanese trading and investment business conglomerate, is investing in a 100MW plant in Sonagazi of Feni. The plant will be constructed at an expenditure of Tk 3,580 crore and power will cost Tk 11.05 per unit.

Currently, Bangladesh's power generation capacity stands at 23,871MW. Of the amount, 1,194 MW comes from renewable energy sources.

READ MORE ON B2



PHOTO: STAR/FILE

Currently, Bangladesh's power generation capacity stands at 23,871MW. Of the amount, 1,194 MW comes from renewable energy sources.

Forex reserves drop by \$300m

STAR BUSINESS REPORT

Bangladesh's foreign currency reserve has fallen by nearly \$300 million in the span of a week, central bank data showed.

The reserve stood at \$21.15 billion on Tuesday, down from \$21.45 billion on September 20.

The reserve has been calculated on the basis of the formula of the International Monetary Fund (IMF).

The country's forex reserve has been declining sharply since the beginning of the Russia-Ukraine war as the conflict sent the prices of commodities such as oil and gas higher, hurting import-dependent nations such as Bangladesh.

Earlier, the temporary improvement in current account deficits and a shift in remittances

READ MORE ON B3

Prime Bank inks deal with Moshal Mental Health

STAR BUSINESS DESK

Prime Bank's Neera, an initiative for women clients of the bank, has recently signed an agreement with Moshal Mental Health, a mental health organisation in Bangladesh.

Nazeem A Choudhury, deputy managing director of the bank, and Maria Mumu, founder and president of the mental health organisation, inked the deal at the bank's head office in Dhaka, said a press release.

Under the agreement, Neera's customers will enjoy a 15 percent discount on all sessions with Moshal.

Shaila Abedin, head of affluent segment and women banking of the bank, Armin Akhter, treasurer of the mental health organisation, and other high officials of respective organisations were present.



Nazeem A Choudhury, deputy managing director of Prime Bank, and Maria Mumu, founder and president of Moshal Mental Health, exchange signed documents of an agreement at the bank's head office in Dhaka recently.

PHOTO: PRIME BANK

Zahirul becomes Popular Life Ins chairman

STAR BUSINESS DESK

Mohammad Zahirul Islam Chowdhury has been elected as chairman of Popular Life Insurance Company Ltd at the 260th board meeting of the company recently.



Zahirul was a director and member of the audit committee, claim committee, real estate committee and investment committee of the life insurer, said a press release.

He is the managing director of PHP Spinning Mills, PHP Ispat Ltd and PHP Cotton Spinning Mills Ltd.

He is a director of PHP Corporation, PHP Cold Rolling Mills, PHP Latex & Rubber Products, PHP Overseas, PHP Continuous Galvanising Mills, PHP Ship Breaking & Recycling Industries, PHP Fisheries, PHP Stock & Securities, PHP Petro Refinery, Pelican Properties, PHP Power Generation Plant.



Md Enayet Ullah, executive vice-president and head of audit unit of Mercantile Bank, poses for photographs with participants of a conference on "Prevention of Money Laundering and Combating Financing of Terrorism" for agent outlets' owners of Noakhali, Lakshimpur and Chandpur regions at Noa Convention Centre in Noakhali's Majidee recently.

PHOTO: MERCANTILE BANK

Mercantile Bank holds confce for agent outlets

STAR BUSINESS DESK

Mercantile Bank PLC recently organised a conference on "Prevention of Money Laundering and Combating Financing of Terrorism" for agent outlets' owners in Noakhali, Lakshimpur and Chandpur regions.

Md Enayet Ullah, executive vice-president and head of audit unit of the bank, inaugurated the conference at Noa Convention Centre in Noakhali's Majidee, said a press release.

He talked about operational activities of agent outlets abiding by the banking rules and regulations along with the guidelines of Bangladesh Bank.

Md Moshaddeque Hossain, senior vice-president and DCAMLCO of the bank, Farid Uddin Ahmed Bhuiyan, senior vice-president and head of Cumilla-Noakhali zonal office, and Darpan Kanti Roy, head of agent banking and mobile banking division, were present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (SEP 27, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 72	0	-8.97 ↓
Coarse rice (kg)	Tk 48-Tk 50	0	0
Loose flour (kg)	Tk 42-Tk 45	-11.22 ↓	-17.14 ↓
Lentil (kg)	Tk 105-Tk 110	16.22 ↑	13.16 ↑
Soybean (litre)	Tk 155-Tk 160	0	-8.7 ↓
Potato (kg)	Tk 42-Tk 45	2.35 ↑	64.15 ↑
Onion (kg)	Tk 80-Tk 85	3.13 ↑	98.8 ↑
Egg (4 pcs)	Tk 48-Tk 50	-2 ↓	1.03 ↑

SOURCE: TCB

Toyota plans third India plant

REUTERS, New Delhi

Toyota Motor plans to build a third car plant in India, expanding production capacity in the country for the first time in over a decade as its partnership with Suzuki Motor boosts domestic volumes, two sources said.

The world's biggest car maker wants the plant to start with capacity of 80,000-120,000 vehicles a year, which could grow to around 200,000 over time, said one of the people who has direct knowledge of the plans.

The plant's proposed initial capacity would expand Toyota's existing manufacturing capacity in India by as much as 30 percent from 400,000 units currently.

Toyota has also begun development of a new sport utility vehicle (SUV)

for the Indian market that would be launched in early 2026 and be an anchor product for the new factory, said the person and a third source briefed on the company's plans.

The sources declined to be identified as the automaker has not disclosed the expansion plans.

A representative for Toyota's India unit declined to comment.

Toyota's India sales have soared due to a global partnership with Suzuki under which the two Japanese car makers take some vehicles originally developed by their partner, then tweak and sell under their own brands to fill out their product line-up.

Cars originally from Maruti Suzuki's stable such as the Glanza hatchback and Urban Cruiser Hyryder SUV now account for 40

percent of Toyota's India sales.

About two-thirds of Toyota's current production capacity is used by Maruti Suzuki to build vehicles for both car makers as part of their partnership.

Toyota, known for its Fortuner SUV and Camry hybrid in India, told Reuters earlier in September it expects record domestic sales in 2023.

The Japanese car maker is now aiming to have production capacity of 500,000 vehicles per year before the end of the decade, including the car models it will supply to Suzuki, said two of the sources.

Toyota's expansion in India, the world's third-largest car market, comes at a time when it is seeing slowing growth in markets like Europe and North America and competition in Southeast Asia from Chinese players.



Colonel Mohammad Nazmul Haque, deputy region commander for south-west region of the Border Guard Bangladesh, cuts a ribbon to inaugurate the Chuadanga branch of Shimanto Bank. Among others, Rafiqul Islam, managing director and CEO of the bank, was present.

PHOTO: SHIMANTO BANK

UNIVERSITY OF DHAKA: Applications in prescribed form, obtainable from the office of the Registrar, are invited from Bangladeshi nationals for filling up 01 (one) permanent vacant post of Assistant Professor in the Department of International Relations. In the pay scale of Tk. 35,500-67,010/- for Assistant Professor (National Pay Scale-2015).

QUALIFICATIONS: Candidates must have a first class/a minimum CGPA 3.50 out of 4.00 in both Honours and Master degrees in International Relations with a first division/a minimum GPA 4.25 out of 5.00 both in SSC and HSC Examinations. Requirements for either the SSC or HSC examinations may be relaxed for the candidates who have obtained the first position/the highest CGPA in both Bachelor and Master degrees. Candidates must have at least 03 (three) years of teaching experience at a university or at least 02 years as post doctoral research or at least 06 (six) years research experience as a research/scientific officer or an equivalent position in a reputed research organization. Candidates with Ph.D. should have at least 01 (one) year of teaching experience at a university. Applicants must have at least 03 (three) research publications in the indexed/quality journal with a DOI (Digital Object Identifier)/double blind peer review policy. Relevant notes and conditions apply. (For details, see the University of Dhaka website).

Eight copies of application together with attested copies of certificates, testimonials, mark-sheets and proof of experience along with a Pay Order/Bank Draft of the value of Tk. 750/- (seven hundred fifty) only, payable to the Registrar, should reach him on or before 16/10/2023. Applicants already in service must apply through the proper channel. GD-1497

Infrastructure

FROM PAGE B1

The tourism industry is one of the tools for the socio-economic development of a country, she said.

"Bangladesh is a land of immense beauty and the bearer of glorious heritage and culture," she said. "There is no alternative to increasing infrastructural facilities for travellers."

She also pointed to the lack of facilities on beaches. "If we can ensure the proper environment and increase facilities in beach areas, we may get more foreign tourists," she said.

Chaudhury added that everyone should take the initiative to highlight the country's immense tourism potential to domestic and foreign tourists. As a result of everyone's sincere participation, the tourism industry will play a helpful role in the economic growth of the country, she opined.

She also proposed to start tourist trains in Sylhet and bus services in Dhaka.

The speaker further underscored the importance of coordination among the several ministries and divisions with the Ministry of Civil Aviation and Tourism.

Shibul Azam Koreshi, president of Tour Operators Association Bangladesh, urged the development of a bio gas plant to make use of Saint-Martin's waste.

ঢাকা বিশ্ববিদ্যালয়

UNIVERSITY OF DHAKA: Application in prescribed form, obtainable from the office of the Registrar, are invited from the Bangladeshi nationals for filling up 02 (two) permanent posts of Lecturer in the Department of Educational and Conselling Psychology in the pay scale of Tk. 22,000-53,060/- (National Pay Scale-2015).

QUALIFICATIONS FOR LECTURER: Candidates must have a first class/a minimum CGPA 3.50 out of 4.00 in B.Sc. (Honours in Psychology) and M.Sc. in Educational Psychology/Counselling Psychology with a first division/a minimum GPA 4.25 out of 5.00 in both SSC and HSC examinations. Requirements for either the SSC or HSC examinations may be relaxed for the candidates who have obtained the first position/the highest CGPA in both Bachelor and Master degrees. Candidates having a Ph.D. in the relevant field and research publication(s) in a quality journal may get preference. Relevant notes and conditions apply. (For details, see the Dhaka University website).

Eight copies of application together with attested copies of certificates, testimonials, grade sheets/mark sheets and proof of experience along with a Pay Order/Bank Draft of Tk. 750/- (seven hundred fifty) only, payable to the Registrar, should reach to office of the Registrar on or before 18/10/2023. Candidates already in service must apply through proper channel.

GD-1494

UNIVERSITY OF DHAKA: Applications in prescribed form, obtainable from the office of the Registrar, are invited from Bangladeshi nationals for filling up 03 (three) permanent posts of Lecturer in the Department of Communication Disorders in the Pay Scale of Tk. 22,000-53,060/- (NPS-2015).

QUALIFICATIONS: Candidates must have a first class/a minimum CGPA 3.50 out of 4.00 both in Honours and Master degrees in the Department of Communication Disorders with a first division/a minimum GPA 4.25 out of 5.00 in both SSC & HSC examinations. Requirements for either the SSC or HSC examinations may be relaxed for the candidates who have obtained the first position/the highest CGPA in both Bachelor and Master degrees. Candidates having a Ph.D in the relevant field and research publication(s) in a quality journal may get preference. Relevant notes and conditions apply. (For details, see the Dhaka University website).

Eight copies of application together with attested copies of certificates, testimonials, mark-sheets and proof of experience along with a Pay Order/Bank Draft of the value of Tk. 750/- (seven hundred fifty) only, payable to the Registrar, should reach him on or before 22/10/2023. Applicants already in service must apply through the proper channel. GD-1499

Japanese, Chinese

FROM PAGE B1

The government plans to raise power generation capacity from renewable sources to 24,000 MW by 2041, or 40 percent of the total.

The number of ongoing projects related to renewable sources is 30 and another 79 project proposals are under consideration, according to a power division document.

The committee also approved a proposal to buy this year's 22nd shipment of liquefied natural gas from the international spot market at a cost of Tk 643.26 crore. Gunvor Singapore Pte Ltd will supply the energy. Per unit of LNG will be priced at \$14.87.

Bangladesh has started importing LNG from the spot market since September 2020.

ঢাকা বিশ্ববিদ্যালয়

UNIVERSITY OF DHAKA: Applications in prescribed form, obtainable from the office of the Registrar, are invited from the Bangladeshi nationals for filling up 1 (One) temporary lecturer against leave vacancy in the Department of Banking and Insurance.

Pay scale: Tk. 22,000-53,060/- for Lecturer (National Pay Scale-2015).

QUALIFICATIONS: Candidates must have a first class/a minimum CGPA 3.75 out of 4.00 both in Four years BBA & One year MBA degrees in Banking and Insurance with a first division/a minimum GPA 4.25 out of 5.00 in both SSC & HSC examinations. Requirements for either the SSC or HSC examinations may be relaxed for the candidates who have obtained the first position/the highest CGPA in both Bachelor and Master degrees who have obtained the first position/the highest CGPA in both Bachelor and Master degrees. Candidates having a Ph.D in the relevant field and research publication(s) in a quality journal may get preference. (For details, see the Dhaka University website).

Eight copies of application together with attested copies of certificates, testimonials, mark-sheets/Grade Sheets and proof of experience along with a Pay Order/Bank Draft of the value of Tk. 750/- (seven hundred fifty) only, payable to the Registrar, should reach him on or before 22/10/2023. Applicants already in service must apply through the proper channel. GD-1498



The proposed Bay Terminal is being set up on around six-kilometre-long stretch from the back of Chattogram Export Processing Zone to Rashmonighat. PHOTO: STAR/FILE

Draft masterplan for Bay Terminal finalised

Govt decides CPA, PSA Singapore, DP World of UAE will construct it

DWAIPAYAN BARUA, Ctg

Construction of Bay Terminal, a mega expansion project of the Chattogram port, has undergone further progress, with an international consultant having finalised its draft masterplan.

A joint venture of South Korean firms Kunhwa Engineering and Consulting Company Ltd and Daeyoung Engineering Company Ltd finalised the draft incorporating inputs from stakeholders and handed it over to Chittagong Port Authority (CPA) on Tuesday.

The CPA is preparing to send the draft to the shipping

ministry within a day or two to seek approval.

The government has already selected two global giants in port operations – PSA Singapore and DP World of the United Arab Emirates – to construct and operate two of the three terminals of the project under public private partnership, said the CPA sources.

Inputs of these two firms have been incorporated in the draft, they said.

The size, layout of the three terminals and the road and rail connectivity points are described in the draft, they informed.

The proposed Bay Terminal

will be set up on around 6-kilometre-long stretch from the back of Chattogram Export Processing Zone (CEPZ) to Rashmonighat on the Bay of Bengal.

The mega project comprising three terminals will be able to accommodate ships having a draft of up to 12 metres and with lengths of up to 260 metres and there will be no need to depend on the high tide to berth ships.

CPA Chairman Rear Admiral Mohammad Sohail confirmed The Daily Star that the international consultant finalised the draft on incorporating all inputs from

different stakeholders, including financier World Bank, and submitted it to them.

World Bank expressed interest to provide a loan of around \$350 million for the construction of a breakwater and dredging channel of a channel leading to the Bay Terminal.

Prior to finalising the draft, the CPA arranged meetings with different stakeholders, including the two investors – DP World and PSA Singapore, for their inputs, said sources.

Several international port operators had expressed interest to implement the mega project and later operate the three

terminals.

The CPA will build a multipurpose terminal while the foreign firms the other two, said the port chairman.

“...the government decision has been taken in this regard,” said Sohail.

He informed that they would send the draft to the shipping ministry within a day or two for approval.

It will take some time for the approval to come about as the ministry will call a meeting to hear from the CPA regarding the draft, said the CPA chairman.

He hopes for construction on the ground to begin by this year.

Ministries asked to send budget implementation plan by Oct 8

STAR BUSINESS REPORT

The finance ministry has urged all ministries and divisions to send their budget implementation plan by October 8 this year and the budget implementation monitoring report within a month after the end of each quarter.

The finance ministry made the call through a circular on September 26.

Some activities announced in the last three fiscal years are still being implemented and some plans have been announced in the national budget for 2023-24 fiscal year, according to the circular.

So, it is necessary now to take specific and time-bound plans at the beginning of a financial year to ensure their proper and timely implementation, the finance ministry said.

Ministries and divisions adopt a go-slow policy for revenue collection at the beginning of a fiscal year, but at the end of a year they take different steps for utility bill payment, purchase of construction materials and maintenance work, it read.

The government has to assume some unplanned debts at the end of a fiscal year because of the steps taken at the last moment, which hamper ensuring fiscal discipline in the economy, the circular added.

Oil prices climb

REUTERS, London

Oil prices rose by more than \$1 a barrel on Wednesday as markets focused on supply tightness heading into winter and a “soft landing” for the US economy.

Brent crude futures were up 85 cents, or 0.9 percent, to \$94.81 a barrel by 0827 GMT, after rising by as much as \$1.03. US West Texas Intermediate crude futures climbed \$1.06, or 1.17 percent, to \$91.45 after gaining as much as \$1.24.

BB asks 15 banks to improve

FROM PAGE B1

Meanwhile coordinators have been appointed in seven banks – National Bank, AB Bank, Padma Bank, One Bank, BASIC Bank, Bangladesh Commerce Bank and Bangladesh Development Bank.

The central bank appointed them to closely monitor the banks on detecting massive loans irregularities and scams.

After the meeting, Bangladesh Bank Executive Director and Spokesperson Md Mezbaul Haque told journalists that

the governor had asked the observers and coordinators to improve the lenders’ financial health.

The governor warned those lenders’ management and board of directors that the central bank will not show any further sympathy, said Haque, also a coordinator at BASIC Bank.

The practice for appointing observers started in 1994, when it enlisted Oriental Bank as a problematic lender and appointed an observer to address the worsening corporate governance at

the bank, which was later renamed as ICB Islamic Bank.

However, those problem banks’ financial health has continued to deteriorate despite the appointment of observers.

For instance, the volume of Janata Bank’s default loans continues to rise despite the presence of a central bank observer.

Bangladesh Bank, back in November 2015, enlisted state-run Janata Bank as a problem bank and appointed an observer.

At the end of 2017, the bank’s bad loans stood at Tk 5,818 crore. Then it rose

to Tk 14,950 crore, which is about 11.4 percent of the banking sector’s total default loans, at the end of March of this year.

Industry insiders said the accountability of the observers and coordinators must be ensured to address the deterioration of corporate governance in banks, otherwise the situation would not improve.

On the other hand, the practice of appointing coordinators started from this year after Abdur Rouf Talukder joined as central bank governor.

Forex reserves drop by \$300m

FROM PAGE B1

from informal to formal channels during the coronavirus pandemic had allowed large reserve accumulation, with gross reserves, as per the IMF formula, reaching a record high of about \$40.7 billion in August 2021, according

to a document of the IMF.

But rising global commodity prices, supply disruptions, slowdown in external demand, and shift in remittance back to informal channels have led to the rapid decline of reserves. It declined to \$33.4 billion at the end of

the fiscal year of 2021-22.

In the middle of July this year, the BB agreed to compile and report the official gross international reserves as per the balance of payments and international investment position manual (BPM6) of the IMF.

As per BPM6, gross

foreign reserves include gold, cash US dollar, bonds and treasury bills, reserve position in the IMF, and special drawing rights holdings, a form of international money created by the IMF and defined as a weighted average of various convertible currencies.

Canada wants labour law reforms

FROM PAGE B1

yesterday, a delegation of the Canadian labour department suggested the government allow trade unions in factories housed inside of the Export Processing Zones (EPZs).

However, when EPZs were established in 1981, foreign investors provided funds on the condition that the government would not allow trade unions in factories housed inside EPZs to avoid labour unrest.

Currently, instead of

trade unions, workers’ welfare associations are functional in factories inside EPZs.

After the meeting, BGMEA President Faruque Hassan said he highlighted the government’s initiatives to reform labour laws during the meeting, adding that the process was underway.

During the meeting, the Canadian delegation also wanted to know about the progress of the wage board, formed in April this year to

review the salary of more than four million garment workers.

Rakesh Patry, director general of International and Intergovernmental Labour Affairs, Labour Programme of the Canadian government led the team during the meeting. The delegation also met senior officials of the labour ministry yesterday.

The current scheme is going to expire at the end of 2024 and Canada is

expected to come up with a GPT Plus scheme from January 1, 2025.

Bangladesh has been enjoying duty-free and quota-free access to Canada since 2003 under the Least-Developed Country Tariff (LDCT) scheme.

In the fiscal year 2022-23, garment exports to the country reached \$1.55 billion, registering a 16.55 percent year-on-year growth compared to 2021-22, data from the Export Promotion Bureau showed.

Nearly 11,000 Bangladeshi firms

FROM PAGE B1

invested abroad globally. The Dubai chamber has not disclosed the amount invested by the foreign companies.

The central bank has not given permission to any company here to invest in Dubai, said Bangladesh Bank Executive Director and Spokesperson Md Mezbaul Haque.

The chamber’s figures, alongside estimates of Washington-based Global Financial Integrity (GFI) and anecdotal information regarding capital flight, raise questions and call for investigations by the authorities, said Mustafizur Rahman, distinguished fellow of the Centre for Policy Dialogue (CPD).

Bangladesh lost approximately \$8.27 billion on an average annually between 2009 and 2018 from misinvoicing of values of import-export goods by traders to evade taxes and illegal movements of money across international borders, said the GFI earlier.

A portion of the Dubai investment could have been made legally by Bangladeshis working in the UAE and other Middle Eastern countries based on their income there, he said.

Dubai is a very investment friendly place and there are likely to be cases of investment by Bangladeshis working in the region, he said.

Apart from them, a section of Bangladeshis may have sent money through unlawful means such as hundi or hawala and trade misinvoicing, he said.

“The inflow of remittances has dropped even though nearly 24 lakh migrant workers went to the Middle East in the last two and half years. This requires special attention,” said Rahman.

“On the one hand, foreign exchange reserves are falling. On the other, the number of new firms linked with Bangladeshi nationals becoming members of the Dubai chamber has increased significantly. This should be investigated,” he said.

He also called upon the central bank to gather information about the businesses by collaborating with the authorities in the UAE.

“The authority should investigate whether loan and tax defaulters have invested there; whether the money invested there has

been transferred illegally. Such step will send a message to the wrong doers,” he said.

“If nothing is done, illegal money transfers will be encouraged,” he said.

This correspondent tried to reach the head of Bangladesh Financial Intelligence Unit, Md Masud Biswas, to know whether the agency would take any step.

He could not be reached despite several phone calls and a text message.

The Dubai chamber said 30,146 new companies joined the chamber in the first six months of 2023 and Indian businesses topped the list, followed by United Arab Emirates and Pakistan.

In total, Indian companies accounted for 22.3 percent of the firms registered until the end of June 2023.

Some 6,717 new Indian-owned companies signed up for membership in the January-June period of 2023, up 39 percent year-on-year, said the chamber.

It said 3,395 new companies from Pakistan joined the chamber, representing an increase of 59 percent. The total number of Pakistani

companies registered at the Dubai chamber rose to 40,315.

Also, companies from Egypt, United Kingdom and China topped the list of new members of the Dubai chamber.

The Dubai chamber said 42.4 percent of new companies are engaged in trade and repair services while 30.8 percent specialise in the real estate, renting and business services sector.

Businesses in the construction industry took third place with 7.2 percent while the transport, storage, and telecommunications sector ranked fourth, accounting for 6.3 percent of all the activities of new companies joining the chamber during the first half of the year.

“The diversity of nationalities represented among the new companies joining the chamber reflects the vibrancy of Dubai’s dynamic business environment,” said President and CEO of the Dubai chamber Mohammad Ali Rashed Lootah.

“...together with the emirate’s strong ability to consistently attract a broad range of foreign direct investment,” he said.

USAID Policy Activity and BSAFE facilitate food safety roundtable.



Dhaka, Bangladesh: On Monday, September 25, 2023, the U.S. Agency for International Development (USAID) Feed the Future Bangladesh Policy LINK Agricultural Policy Activity (hereafter “the Policy Activity”) and the Bangladesh Safe Agro Food Efforts (BSAFE) Foundation convened an executive roundtable on “Recommendations to Strengthen Food Safety Policies and Systems in Bangladesh”.

Wahida Akter, Respected Secretary, Ministry of Agriculture attended as Chief Guest. The event brought together approximately 43 leaders and experts from government, private sector, development agencies and academia / research, and was chaired by Mr. Md. Ruhul Amin Talukder, Additional Secretary, Ministry of Agriculture and moderated by Emeritus Professor Dr. Md. Abdus Sattar Mandal, former Vice-Chancellor of Bangladesh Agricultural University, Mymensingh.

Access to safe and nutritious food is key to sustaining life and promoting good health. In Bangladesh, food poisoning caused around 0.28 million cases of acute watery diarrhea in 2015, according to the Institute of Epidemiology, Disease Control, and Research. As recognized by the Government of Bangladesh, a reliable food safety system, including adequate food safety policies, impacts health and helps achieve nutritional security. Effective policies, including their implementation, can ensure that the food we consume is free from harmful contaminants - reducing the risk of foodborne illnesses and related medical burdens.

Given this context, food safety is one of the policy pillars anchoring the Policy Activity’s work in Bangladesh, which aims to improve policy formulation, analysis, advocacy, reform, and implementation. By engaging a wide range of stakeholders, the Policy Activity is working to ensure more inclusive policy systems, including in the food safety policy pillar. In his remarks Mr. Faheem Khan, Country Lead, Policy Activity, recognized the importance of elevating the voices of a diverse set of local and influential stakeholders in the national conversation around food safety policies. Dr. Mohammed Zainul Abedin, President, BSAFE Foundation, delivered the keynote presentation focusing on 13 prioritized issues and corresponding recommendations to strengthen food safety policies and systems.

The policy issues include coordination of government agencies, private sector representation, integrated food safety and nutrition policies, uptake of Good Agricultural Practices, harmonization of food safety standards and policies, unsafe use of pesticides, development of innovative and eco-friendly technologies, reporting mechanisms, strengthened regulations in the hospitality industry and promoting collective enterprise. Subsequent discussions at the roundtable centered around the recommendations, which emerged from extensive consultations facilitated by the Policy Activity and BSAFE Foundation at the regional and national levels. The executive roundtable provided an

opportunity for participants to review each prioritized policy issue and associated recommendations by tracing its connection to the government’s food safety policies and regulations; share practical experiences highlighting how each policy issue impacts the food safety system; and deconstruct the relevant legal clauses that need to be addressed. The roundtable culminated in consensus on the recommendations and how best to see them reflected in policy.

By the end of the event, the Policy Activity and BSAFE Foundation validated and accumulated further inputs to enhance the issues and recommendations that will be revised and formally submitted to the Minister, Ministry of Food, and relevant government authorities, in the form of a Policy Brief.

As part of the final reflections, Wahida Akter, Respected Secretary, Ministry of Agriculture acknowledged USAID Feed the Future and BSAFE Foundation for the comprehensive food safety policy analysis and appreciated the scale of consultations at the regional and national level. She added, “With 60 laws related to food safety, coordination between key stakeholders like the Bangladesh Food Safety Authority (BFSa) and Bangladesh Standards Testing Institution (BSTI) is critical. I will share the recommendations from the roundtable with the Cabinet Secretary, Principal Secretary, the Secretary, Ministry of Industries and the Secretary, Ministry of Food to help facilitate a way forward to strengthen coordination and advance dialogue that strengthens the food safety system.”

Apex Footwear's profit jumps nearly 21%

STAR BUSINESS REPORT

Apex Footwear Limited posted a 20.85 percent year-on-year increase in profit to Tk 16.71 crore in the financial year of 2022-23.

The profit stood at Tk 13.83 crore in 2021-22.

Thus, the footwear manufacturer reported earnings per share of Tk 12.86 for 2022-23, which was Tk 10.64 in the previous financial year, according to the financial statements of the company.

The net asset value per share rose to Tk 239.64 from Tk 229.96 while the net operating cash flow per share slipped to Tk 27.23 from Tk 29.94 during the period.

The board of directors recommended a 35 percent cash and 10 percent stock dividends for the year that ended on June 30.

Shares of Apex Footwear rose 3.95 percent to Tk 307.90 on the Dhaka Stock Exchange yesterday.

BBS Cables' profit nosedives 88%

STAR BUSINESS REPORT

BBS Cables Limited suffered an 88 percent year-on-year decline in profit in the financial year that ended on June 30.

As a result, the company's profit fell to Tk 9.74 crore in 2022-23 from Tk 80.66 crore in 2021-22. It reported earnings per share of Tk 0.46 for the last financial year against Tk 3.81 a year earlier.

The EPS decreased due to an increase in the cost of goods sold caused by the depreciation of the taka against foreign currencies, said BBS Cables in a filing on the Dhaka Stock Exchange.

The net asset value per share slipped to Tk 32.99 from Tk 33.29 owing to an increase in the paid-up capital following the declaration of stock dividends.

The net operating cash flow per share rose to Tk 2.49 from Tk 1.58 for the significant increase in cash collection from customers, the filing said.

The board recommended a 2 percent cash dividend for FY23.

Shares of BBS Cables closed unchanged at Tk 49.90 on the DSE yesterday.

Sri Lanka's recovery 'not yet assured': IMF

AFP, Colombo

Bankrupt Sri Lanka's economic recovery was "not yet assured", the International Monetary Fund warned Wednesday, after the first review of its \$2.9 billion bailout aimed at repairing the island nation's ruined finances.

The Washington-based lender of last resort said Sri Lanka had been unable to meet its revenue targets and ensure growth although it had tamed runaway inflation.

"Despite early signs of stabilisation, full economic recovery is not yet assured," the IMF said.

Last year's economic crash sparked dire food, fuel and medicine shortages, as well as months of civil unrest that eventually toppled then president Gotabaya Rajapaksa.



Workers at a facility at the AR Corner Market, the biggest hub of garment products in Pabna, imprint clothes with various designs before putting them up for sale. PHOTO: AHMED HUMAYUN KABIR TOPU

Scrap-based apparel makers in trouble

Businesses in north losing work orders

AHMED HUMAYUN KABIR TOPU, Pabna

Md Sharif Hossain, a small garment manufacturer, established a large-scale factory in Pabna sadar upazila a few years ago in a bid to manufacture apparel from garment scraps, locally known as "jhoot", and export to the Indian market.

Manufacturing clothes from garments waste, namely jhoot, presented a tremendous opportunity for small businesses in Pabna over the past three decades. As export facilities grew, businesses expanded into large-scale operations.

Sharif's business was running well for the past decade, but he suddenly closed down his factory last month due to a lack of buyers.

"I used to produce 1.8-1.9 lakh items of clothing each week. Over 100 workers operated 75 sewing machines in my factory. All of my products were supplied to the Indian market. Recently, Indian buyers are hardly coming due to a lack of marketing, I was bound to close my factory," Sharif said.

He used to supply three trucks laden with approximately 4.8-6 lakh pieces of apparel to the Indian market each week.

Now, he is unable to sell one truckload a month.

Other manufacturers in the same line of work have been experiencing similar problems related to a lack of buyers.

"We used to manufacture 2,400 items of clothing a week. Everything went to big traders and exporters for supplying to India. But now they are reluctant to take clothes since they have huge stocks," Md Nasim, another trader of Afuria village, said.

According to the Pabna Hosiery Manufacturing Group, garment products from jhoot used to bring in annual exports of around Tk 300-400 crore.

Now exports amount to around Tk 100 crore, all because the export business has expanded rapidly and in an unsystematic way, traders said.

"When traders got export facilities, many rushed to the manufacturing business without proper business plans. Most of these traders set up a few



machines and started supplying clothes to merchants with export-import licences," Monir Hossain Popy, president of Pabna Hosiery Manufacturing Group, told The Daily Star.

At the beginning, hosiery manufacturers used to sell their products in the local market, but the t-shirts and various clothes are now being exported to India, Malaysia and other neighbouring and Asian countries.

"When export business was in full swing, most of the exporters opened letters of credit (LCs) for a small amount by showing low price of clothes. A

majority of clothes are supplied through illegal channels to avoid customs duties. In this way, they reduced the price of our clothes in the international market," Popy said.

Popy used to be an exporter himself, supplying clothes to Indian buyers. But he left the business after not getting timely payments from buyers.

"Each truck has goods worth at least Tk 40 lakh. Everything is collected from small manufacturers in terms of deferred payment. But delays in receiving payment from foreign buyers cause trouble, so I left the business," Popy added.

There are over 1,000 small manufacturing factories in Pabna as well as over 200 big factories established in recent years targeting the export business.

Most of them are closed now, he added.

On the other hand, exporters blamed the reduced demand for such products on the Indian market and the global economic crises for poor sales.

"After the Covid 19 pandemic, the price of our local garment products reduced in the Indian market. Then we experienced huge losses. Now the demand has reduced in their markets as Indian buyers are buying jhoot from local markets," said Md Moju, an exporter who used to supply clothes through LCs.

"Due to repeated losses for the past two years, we are feeling the burden of bank loans. Most of the buyers have stopped coming to us," he said, adding that exports of jhoot, the essential raw material, must be stopped.

The saga of 'easy money' in Bangladesh

MAMUN RASHID

I would deliberately put "black money", "easy money" earned through political cronyism, or even "unearned income" in the same bracket.

In the world of finance and economics, the term "black money" often raises eyebrows. It alludes to the enormous sums of money that move covertly, out of sight of tax collectors and other government inspectors. Black money has profound consequences, which affect both people and the nation.

Black money, also known as illicit money or unaccounted wealth as mentioned above, represents funds that exist outside the purview of tax laws and government oversight. It is money obtained illegally, such as through tax evasion, corruption, or smuggling. Occasionally, lawful income that has been hidden to avoid taxes is also included.

The repercussions of black money are multifaceted. It first reduces government revenue. Governments lose crucial funds that could support public projects, healthcare, and education, impeding a country's development.

Furthermore, black money exacerbates income inequality. Tax evaders frequently build up unreported riches which widens the wealth disparity with the rest of society. Additionally, it undermines the rule of law.

The informal sector in Bangladesh has grown tremendously over the years, nearly matching the formal one. This sector encompasses street vendors, small enterprises, and unregistered businesses operating outside government oversight and taxation. The underground economy flourishes in this setting.

Black money is a worldwide problem, but it is most pervasive in nations with lax banking regulations and weak tax enforcement.

India has experienced a significant issue with black money, with billions of dollars hidden away in offshore accounts. The so-called "oligarchs" in Russia have utilised offshore companies to conceal their wealth. One common technique for concealing black money is funneling it into offshore bank accounts, often located in tax havens. These accounts offer anonymity and privacy from prying eyes.

Some countries have bank secrecy laws that make it extremely difficult for foreign authorities to access information about these accounts. These regulations are used by tax evaders and money launderers who use intricate financial arrangements and shell companies to conceal the source of the money, making it even more difficult for governments to find.

While black money is detrimental, some argue it can have limited benefits, such as providing liquidity during economic crises. These short-term benefits, however, come at a high long-term price, weakening the government's ability to pay for important services and reducing the confidence of people in their government.

Addressing the issue of black money requires a multifaceted approach. Tax changes must be given priority, financial laws must be tightened, and financial inclusion in the unorganised sector must be encouraged.

To reduce the impact of black money, accountability from top to bottom and transparency are essential along with the rule of law.

International cooperation is essential to combat black money's cross-border nature. Stricter rules for offshore accounts and improved information exchange between nations can stop the flow of illegal money.

As most agree, the effects of black money are wide-ranging and have an impact on tax collections, income disparity and economic stability. Fighting black money is a complicated problem that requires cooperation from both governments and people.

By fostering transparency, accountability, and fair taxation, nations can hope to combat the shadowy spectre of black money and build more equitable and prosperous societies.

The author is an economic analyst



Russia ramps up China yuan payments

REUTERS, London

The share of Russia's imports invoiced in Chinese yuan soared to 20 percent in 2022 from 3 percent a year earlier after its invasion of Ukraine unleashed a raft of sanctions that cut the country out of the global financial system, a new study found on Wednesday.

The sharp increase represents a shift away from US dollar and euro transactions, which declined in the same period to 67 percent from up to 80 percent, the European Bank for Reconstruction and Development (EBRD) found in the report.

"After Russia's full-scale invasion of Ukraine in February 2022 and the imposition of economic sanctions by the EU, US and a number of other advanced economies, Russian imports became increasingly invoiced in yuan," according to the paper led by economists Maxim Chupilkina and Beata Javorcik.

Yuan invoices now accounted for 63 percent of imports from China by end-2022, up from nearly a quarter a year earlier, and had now "displaced primarily the US dollar as well as the Russian rouble as the currency of choice," the authors said.

The use of the Chinese yuan for trade with Russia has also increased for third countries that did not impose economic sanctions but hold a currency swap line with the People's Bank of China (PBOC), such as Mongolia and Tajikistan.

These swap lines "make it easier for an exporter to use yuan received from, say, a Russian importer," the paper added, after analysing more than 12 million import records associated with over 70,000 firms.

How serious is Russia's fuel export ban and who will be hit?

REUTERS, Moscow/London/Singapore

Russia said on September 21 it had temporarily banned gasoline and diesel exports to all but four ex-Soviet states in response to domestic shortages, a move that will disrupt global trade that has already had to adjust to Western sanctions on Russian fuel exports.

Russia eased some of the restrictions on September 25, saying it would allow the export of bunkering fuel for some vessels and diesel with high sulphur content.

But analysts say importers will still have to find alternative sellers until Russia can replenish its own stocks.

Traders said the fuel market in Russia, one of the world's biggest oil producers, was hit by a combination of factors including maintenance at oil refineries, bottlenecks on railways and the weakness of the rouble, which incentivises fuel exports.

Russia tried to tackle the diesel and gasoline shortages in recent months but turned to export curbs to prevent a fuel crisis, which could be awkward for the Kremlin as a presidential election looms in March.

The diesel ban will have the biggest

impact because Russia is the world's top seaborne exporter of the fuel, just ahead of the United States.

It shipped an average 1.07 million barrels per day (bpd) of diesel from the start of the year to September 25, accounting for more than 13.1 percent

of the total seaborne diesel trade, according to oil analytics firm Vortexa.

It is a much less significant gasoline exporter, shipping an average 110,000 bpd in the year to September 25, Vortexa said.

Russia said exports would resume



A driver prepares to fill his vehicle with gasoline at a service station in the southern French city of Montpellier. PHOTO: AFP/FILE

once it had stabilised its domestic market, but did not give a precise timeline.

Analysts, such as consultancy FGE Energy, said the ban on diesel could last up to two weeks before Russia replenishes its stocks and resumes exports.

Expectations for the length of the gasoline ban vary. JP Morgan said it could last a couple of weeks until harvest season concludes in October, while FGE Energy said replenishing Russia's gasoline stocks could take up to two months.

After the European Union banned Russian fuel imports over Moscow's invasion of Ukraine, Russia diverted Europe-bound exports of diesel and other fuels to Brazil, Turkey, several North and West African countries and Gulf states in the Middle East. Gulf states, which have their own major refineries, re-export the fuel.

The Russian ban will change those flows again. Diesel supplies from Russian ports to Brazil reached about 4 million metric tons in the year to Sept. 25, compared with 74,000 tons in all of 2022, ISEG data showed. The Russian fuel replaced Brazil's imports of diesel from the United States.