Star BUSINESS

Over 16,400 hectares of cropland were inundated by torrential rains across the country during the weekend, causing huge losses to growers.

Story on B4

WEEKLY INTERVIEW

Mostafa Kamal

'Illicit financial flows must stop'

SOHEL PARVEZ

Illegal money outflows have to be stopped in order to tackle the current economic turmoil in Bangladesh, said a top industrialist.

It is taking place mainly through hundi, an informal arrangement of money transfers being used to send remittances by Bangladeshi migrant workers.

"Because of hundi, an expected level of remittances is not coming to the country. Rather, they are being diverted to other countries such as safe homes," said Mostafa Kamal, chairman and managing director of Meghna Group of Industries (MGI), one of the leading business houses in Bangladesh.

Operating in diversified areas from essential commodities to private economic zones, MGI runs more than 54 industrial units, has employed about 50,000 people, and has an annual turnover of approximately $3 billion.

According to Kamal, families of migrant workers are given money in the local currency when funds are remitted through hundi operators. "This is fueling inflation."

Besides, a section of people is borrowing a considerable amount of money from the financial sector and defaulting on their payments. Many are sending the money abroad.

"Non-payments of public money and siphoning off the funds are doing a lot of harm to the economy," the industrialist said.

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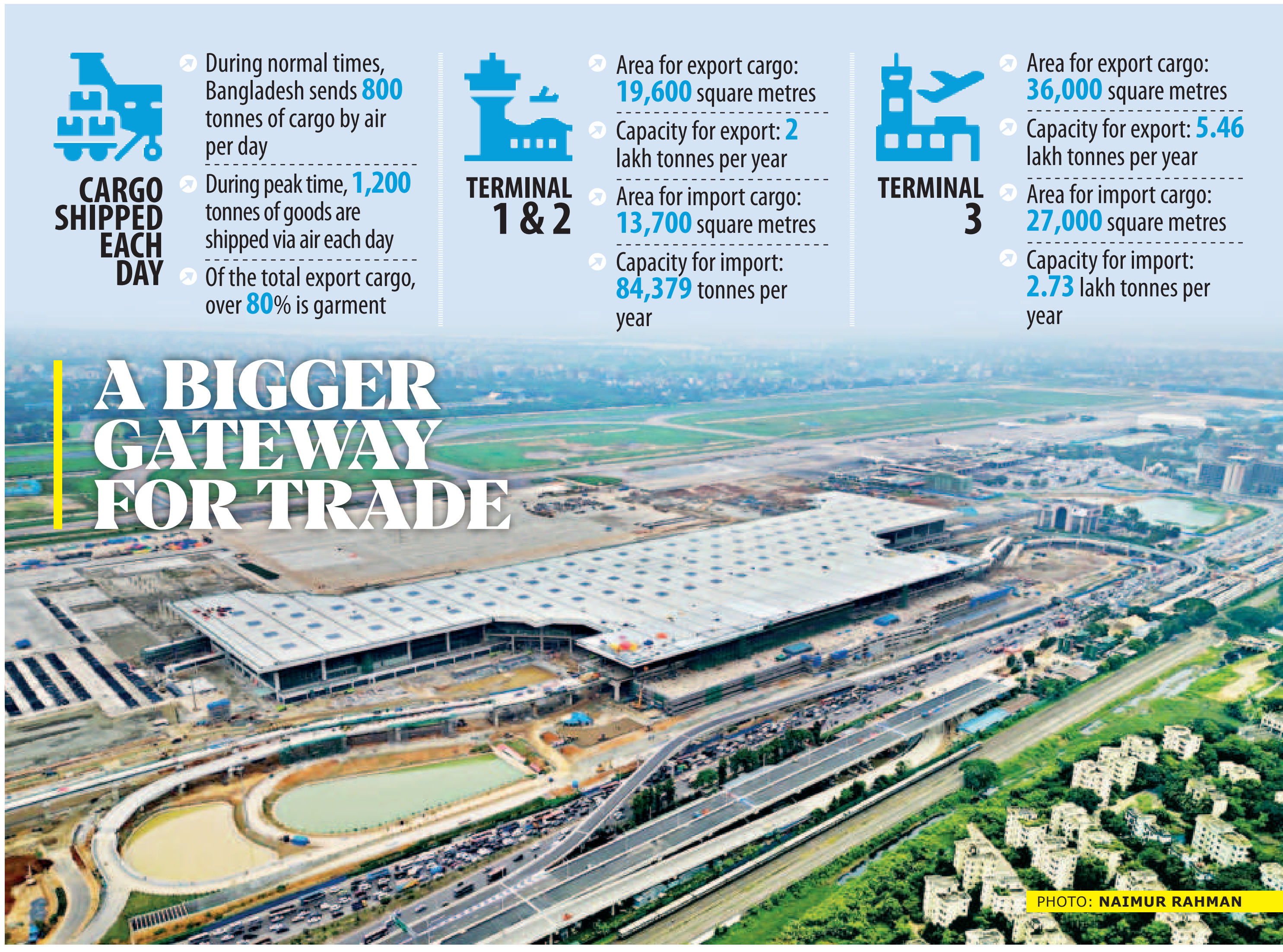

PHOTO: NAIMUR RAHMAN

Third terminal to open new horizon for overseas trade

REFAYET ULLAH MIRDHA *and* RASHIDUL HASAN

The third terminal at the Hazrat Shahjalal International Airport (HSIA) will open a new horizon in handling and air shipment of goods as the new facility is expected to improve the capacity of the cargo village.

Users have long complained about thefts of goods from the tiny cargo village, products left unattended, the deterioration of quality of items, and the delay in releasing of goods.

Sometimes, garment samples don't reach factories on time, meaning exporters can't begin manufacturing products and deliver them to international buyers within the agreed date. As a result, they face either cancellation of orders, a big discount or delayed payments.

Sometimes, exporters alleged, buyers didn't receive the exact quantity of goods as some of the products were stolen, tarnishing the image of the country and the suppliers.

Besides, freight forwarders pay 18 US cents per kilogramme as fees for using the airport, an amount described as too high compared with other regional airports.

For example, in order to send cargo from HSIA to any destination in Europe, it costs between $2.50 and $3 during normal times and $5 during peak seasons. The higher rate sometimes prompts some exporters to use the Kolkata airport to ship products through airways in order to cut costs.

But those incidents and hassles might be over once the cargo village begins its full-fledged operation. The terminal was opened partially on Friday.

Local exporters and importers are optimistic that the incidents of thefts will not take place anymore and freight charges will come down significantly as more airlines will operate a higher number of cargo flights, which will make the business competitive.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said users have long demanded that the government widen the space at the cargo village as the current facility has not been enough to meet the demand of the expanding international trade of the country.

"The competitiveness of local businesses will increase globally and the confidence of international trade partners will receive a boost," he said, adding that some European importers always use air freights for the quick delivery of goods.

Hassan also expects that time-consuming scanning of exportable goods will not be required since products will be sent from the state-of-the-art terminal.

As an important player in the global readymade garment supply chain, local apparel suppliers have to air-ship more than 800 tonnes of goods a day. The volume goes up to 1,200 tonnes during peak times.

The space dedicated to export-bound cargoes in terminals 1 and 2 is 19,600 square metres and their combined annual handling capacity is two lakh tonnes.

The new terminal has a space of 36,000 square metres set aside for exporters and the handling capacity is 5.46 lakh tonnes per year.

Currently, an area of 13,700 square metres is dedicated to dealing with imported cargoes in the two terminals while the third one will add 27,000 square metres.

The handling capacity of the first two terminals is 84,379 tonnes while the third terminal will boost the capacity by 2.73 lakh tonnes.

Air Vice Marshal M Mafidur Rahman, chairman of the Civil Aviation Authority of Bangladesh, told The Daily Star that they expected to start the operation of the import and export cargo terminal by March if an operator can be appointed or Biman Bangladesh Airlines.

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HSIA THIRD TERMINAL

Local companies display strength of global standards

JAGARAN CHAKMA *and* RASHIDUL HASAN

The contribution of local construction companies and building material suppliers to establishing the third terminal of the Hazrat Shahjalal International Airport (HSIA) is proof of their capacity to provide world-class products and services, according to industry people.

More than 20 local firms, including realtors and steel makers, participated in constructing the third terminal, which aims to significantly expand the passenger and cargo handling capacity of the HSIA.

And while the new terminal is set for completion by the end of next year, passenger operations partially commenced yesterday following a soft opening by Prime Minister Sheikh Hasina.

Concord Group, a pioneering realtor in Bangladesh, was in charge of around 60 per cent of the civil engineering works of the iconic project.

Shahriar Kamal, managing director of Concord, said they had to implement sophisticated technology during construction, gathering a lot of new experiences in the process.

According to him, Concord constructed 1.6 million square feet of the structure's roughly 3.8 million square feet area.

He added that their achievement in completing the assignment within just 18 months is equivalent to constructing 20 buildings of 15 storeys each within the same timeframe.

McDonald Steel Building Products Limited, a local pioneer in structural steel fabrication, provided

prefabricated steel structures for the project.

"We constructed export and import cargo buildings with our own prefabricated steel structures, which are of global standard," said Md Abid Hossain, project director of McDonald Steel.

"We provided a significant quantity of prefabricated steel structures for these buildings under our subcontract," he added.

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STOCKS (WEEK-ON WEEK)

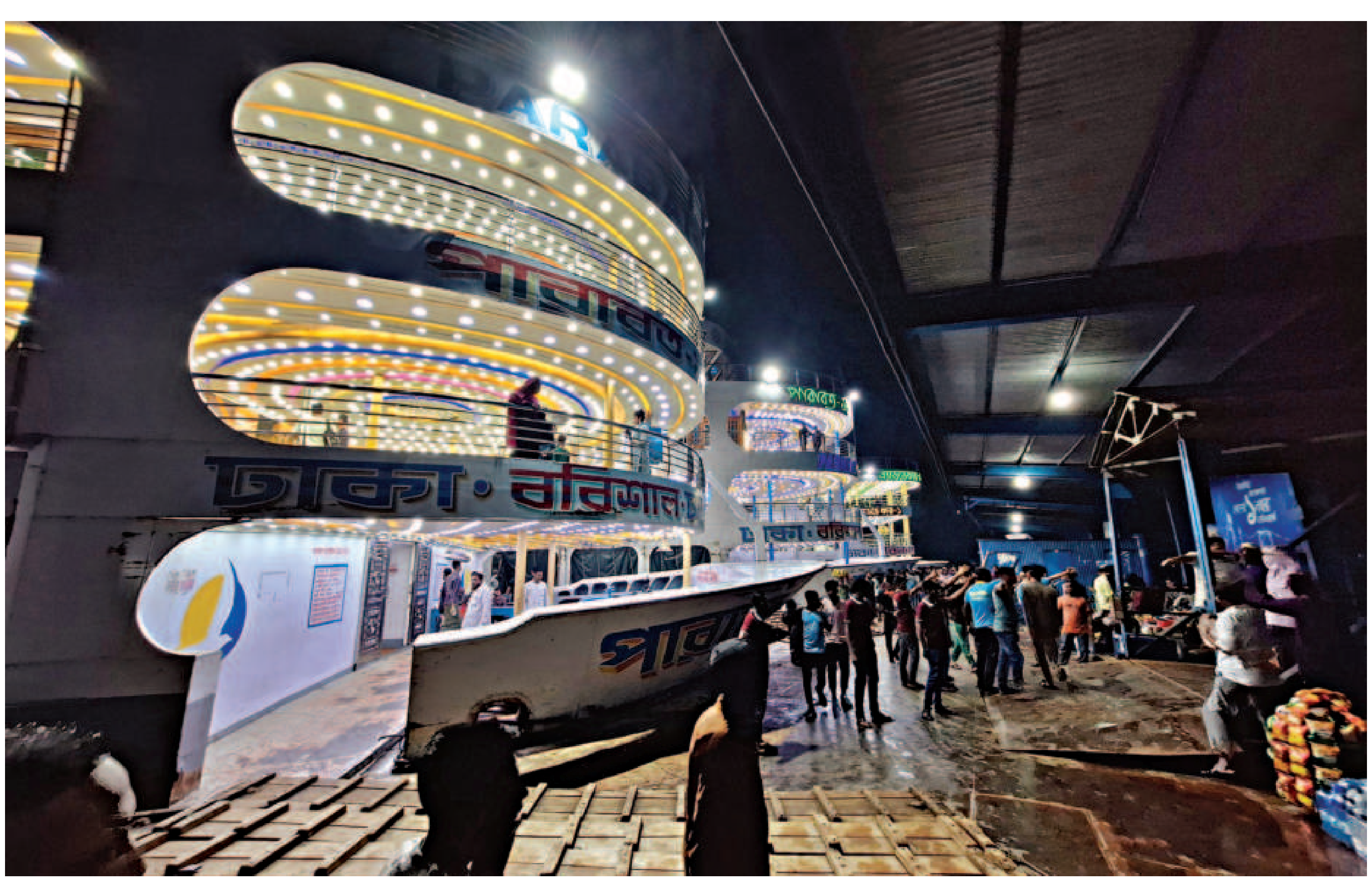
DSEX ▼	CASPI ▼
0.36%	0.26%
6,261.72	18,531.90

COMMODITIES (AS OF FRIDAY)

Gold ▲	Oil ▲
$1,832.59 (per ounce)	$82.78 (per barrel)

ASIAN MARKETS (FRIDAY CLOSINGS)

MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.55%	▼ 0.26%	▲ 0.61%	▲ 0.10%
65,995.63	30,994.67	3,174.39	3,110.48



The most common method of travelling to south-western regions used to be via launches but since the completion of the Padma Bridge, buses have also started making the journey. Consequently, the number of passengers using launches to travel has dwindled, leaving operators, who have to buy oil worth Tk 7 lakh for a two-way journey, counting losses. The photo was taken last night from Barishal launch terminal. PHOTO: TITU DAS

ILLEGAL ISP BUSINESS

BTRC serves notice to two Fiber@Home firms

MAHMUDUL HASAN

The telecom regulator has issued a show cause notice to Fiber@Home Ltd and Fiber@Home Global Ltd for running broadband business through illegal and unlicensed internet service providers (ISPs).

The Bangladesh Telecommunication Regulatory Commission (BTRC) served the notice on September 17.

The notice also instructed the two to completely shut down all operational activities of their project at Sheikh Hasina Software Technology Park in Jashore until further instructions.

The two companies were asked to respond to the notice with a clear and specific statement and necessary documents within seven days.

The duo responded, refuting the allegation by claiming that they were just helping some ISPs through a platform.

The allegation arose in late August when an inspection team of the commission's Enforcement and Inspection Directorate went to the park to inspect the "cyclone project" and collect relevant information, said the notice.

The team found the two providing ISP services "illegally" through the "cyclone project", it said.

Fiber@Home is a licensed Nationwide Telecommunication Transmission Network (NTTN) service provider while Fiber@Home Global is an International Internet Gateway (IIG) operator.

According to BTRC's rules, NTTN and IIG operators can't run business as ISPs.

The companies refuted the allegation by claiming that they were just helping some ISPs through a platform

Moreover, the NTTN and IIG tariffs and infrastructure sharing guidelines set by the commission are not being followed in the project, the notice said.

Fiber@Home and Fiber@Home Global said they were not involved in running any business as ISPs.

Small ISPs along with some nationwide ISPs are suffering for not being able to provide services smoothly in remote areas, causing customers to miss out on quality service, they said.

This is due to a lack of technical knowledge, not having proper billing

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