

Star BUSINESS

Mongla Port, which was expected to get a new lease of life after the opening of Padma Bridge, is yet to become a port of choice



Story on B4

Tk 300cr project on the cards to train freelancers

REJAUL KARIM BYRON

Two projects worth Tk 829 crore, including a project to create employment for the country's freelancers, are going to be placed at the first meeting of the Executive Committee of the National Economic Council (Ecne) under the new government.

The project for freelancers will cost Tk 300 crore and will be implemented by the Directorate of Youth Development. It will aim to upskill freelancers by providing training in 48 districts.

The project will be placed at an Ecne meeting for approval today.

According to the project proposal, educated youths, including males and females, will be provided with training on computer applications, freelancing, basic English and digital marketing.

The objective of the project is to make them eligible to earn foreign currency through freelancing.

Over the next three years, it aims to provide 28,800 people with such training sessions.

According to a global study by the Oxford Internet Institute (OII), a multidisciplinary research and teaching department of the University of Oxford, Bangladesh is the second-largest supplier of online labour in the world.

The study, conducted in 2017, placed India in top position and the United States in third.

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India accounts for 24 percent of total global online workers, followed by Bangladesh at 16 percent and the United States at 12 percent.

Bangladesh's business process outsourcing industry is growing steadily, creating jobs and bringing in foreign currencies, but growth has failed to live up to expectations due to a lack of human resources and language skills among graduates.

This makes it tough to find a graduate with basic communication skills and the ability to speak clearly, understand the needs of customers and write properly.

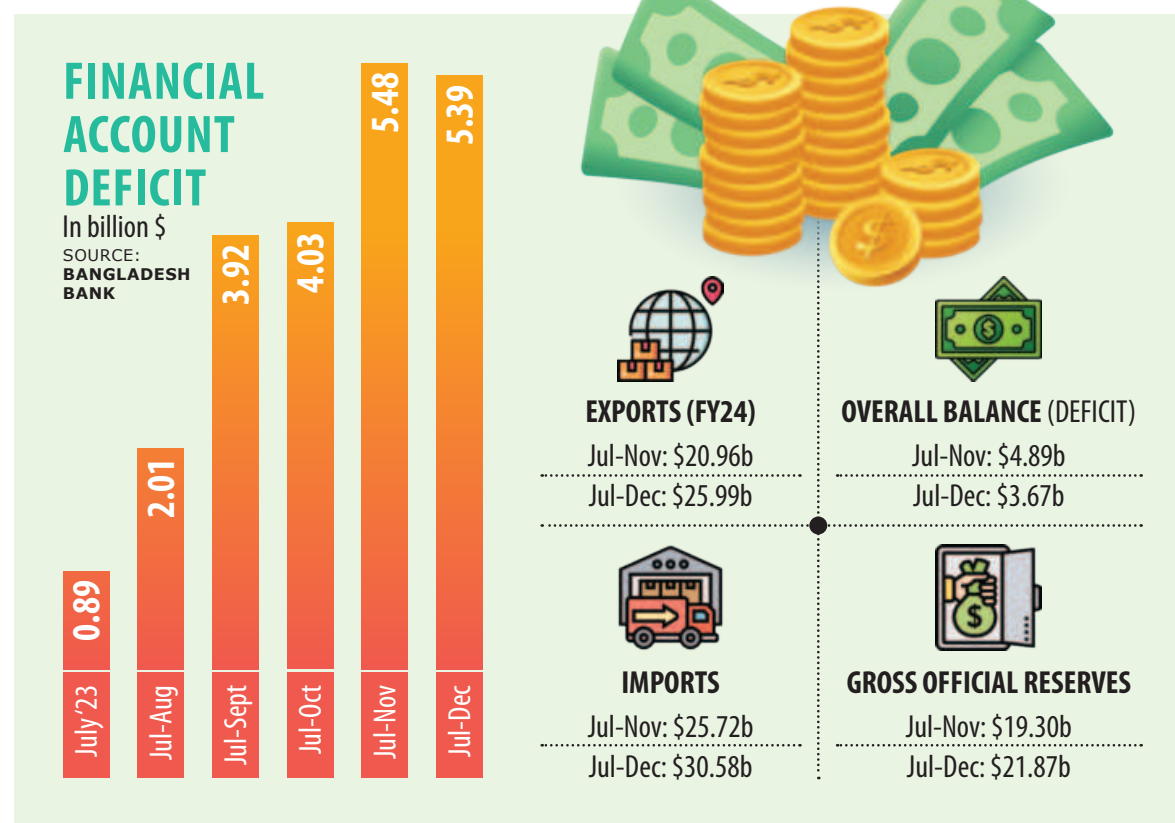
Bangladesh Association of Contact Center and Outsourcing (BACCO) President Wahid Sharif said there is a shortage of skilled freelancers in the country at present.

However, it is possible to turn educated or semi skilled persons into skilled freelancers by providing proper training, he added.

As there is a big market for outsourcing globally, there is a need to revamp the education curriculum and upskill teachers' training to create skilled manpower and make the youth competent enough to be part of this sector, Sharif said.

There is a \$600 billion market for outsourcing globally, including Europe and the United States, where Bangladesh can leave its footprint, he added.

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Financial account deficit narrows slightly

STAR BUSINESS REPORT

The deficit in the financial account narrowed slightly in July-December of the current financial year, highlighting an easing of stress facing Bangladesh, central bank figures showed yesterday.

The shortfall, almost a rare in the country's history, stood at \$5.39 billion in the first half of 2023-24, showing an improvement from \$5.48 billion registered in the first five months of the year.

The financial account, a key component of the balance of payments (BoP), records transactions that involve financial assets and liabilities and that take place between residents and non-residents.

It covers claims or liabilities related to foreign direct investment (FDI), medium and long-term loans,

trade credits, net aid flows, portfolio investments, and reserve assets.

The current situation was a stark reversal from the identical period of the last financial year when the financial account was in surplus at \$144 million. The apparently sound health could not be maintained

a continued decline in the foreign currency reserves, bringing in one of the worst economic crises for Bangladesh as inflation surged to a record high.

Historically the financial account has experienced a surplus almost every year. In FY23, it experienced

a sharp reversal owing to faster than anticipated global monetary tightening, lower than estimated project finance disbursements, significant delays in repatriation of export proceeds, decline in trade credit and private external credit inflows and higher repayments than new loans owing to a spike in global financing costs, according to the International Monetary Fund.

The narrowing of the deficit in July-December of FY24 was driven by an improvement in the gross

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Govt brings changes to export cash incentive regime

STAR BUSINESS REPORT

The new cash incentive on export receipts became effective from February 1 instead of the first day of January as announced earlier while some markets and products have been brought back under the facility following pleas from the business community.

The government lowered the rates recently and communicated it to the central bank on January 28.

Accordingly, the Bangladesh Bank published the new rates in a notice on January 30 for 43 products as part of measures to prepare for the graduation of the country to a developing nation in 2026 from the grouping of least developed countries (LDCs).

The new rates had come into effect retrospectively from January 1.

But in a notice on Sunday, the finance ministry said the government has decided to bring about changes in three areas. The BB published a circular to this effect accordingly yesterday.

The BB said the rates would be applicable from February 1 this year and would remain in place until June 30.

In another move, India, Japan and Australia have been included in the list of the emerging countries where garment exporters will receive a 3 percent cash incentive.

The January 30 notice excluded the countries, leaving exporters disappointed since the shipments of garments to the three nations are on the rise.

It also withdrew the decision that had seen the end of cash incentives for five major garment items. Exporters welcomed the amendments.

"We welcome the review of the cash incentive facility," said Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association.

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STOCKS	
DSEX ▼	CASPI ▼
0.34%	0.23%
6,424.93	18,561.51

COMMODITIES	
Gold ▼	Oil ▼
\$2,021.04	\$76.27
(per ounce)	(per barrel)

Listed firms can now submit disclosures online

STAR BUSINESS REPORT

The Dhaka Stock Exchange (DSE) yesterday launched a smart data and document submission system in order to ease and speed up the process for listed companies to submit disclosures.

Some 349 companies are currently listed with the premier bourse and publish disclosures regularly by sending hardcopies manually.

The listed companies sometimes face challenges at the time of sending disclosures manually.

In this perspective, the Dhaka bourse launched the "Smart Submission System of DSE" at an event organised at its head office in the capital's Nikunja.

Thanks to the new system, listed companies will not need to submit the documents manually.

Rather, they will be able to directly upload queries, files and information of any report.

Information on declaration of quarterly and annual financial statements, annual reports, audio-visual recordings, corporate governance reports and dividend compliance reports will also be available in the system.

The DSE officials formed the submission system with the help of Shenzhen Stock Exchange.

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Summit plans to use Bangladesh as transit point to supply bandwidth to India

MAHMUDUL HASAN

The telecom regulator has sought consent from the government after Summit Communications Ltd applied to use Bangladesh as a transit point to supply bandwidth to the northeastern states of India.

In March last year, the country's largest fibre optic network infrastructure company requested permission from the Bangladesh Telecommunication Regulatory Commission (BTRC).

The commission is now seeking approval from the telecom ministry since existing laws don't permit transit of telecommunication services from Bangladesh to operators outside the country.

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Summit Communications, an international terrestrial cable (ITC) operator, plans to supply bandwidth from Singapore via the Akhaura border to the

northeastern region of India through Bharti Airtel.

The main purpose of the service is to connect Agartala through Akhaura to Bangladesh's submarine cable landing stations in Cox's Bazar and Kuakata to reach Singapore. The service is known as an international private leased circuit which will use Bangladeshi soil as a transit route.



It will enable faster internet services in the northeastern states of Tripura, Arunachal Pradesh, Assam, Mizoram, Manipur, Meghalaya, and Nagaland.

Summit Communications made a presentation to this effect to the officials of the BTRC, according to a document of the commission.

It says the states are connected to Singapore through submarine cables via Chennai using India's domestic fibre optic network.

At present, a distance of about 5,500 kilometres has to be covered to reach the landing station in Chennai from the

northeastern part. However, due to the mountainous nature of the region, the maintenance of fibre optic networks and the installation of new networks is relatively difficult, meaning keeping the network secure is relatively a difficult task.

The optical signal latency extends to about 55 milliseconds over the distance to Chennai and goes up to 87 milliseconds to reach Singapore. Covering a distance of about 8,700 kms from North-East India to Singapore through the current network significantly raises the cost of internet service and diminishes the quality of service, according to the document.

In computer networking, latency is the amount of time it takes for a data packet to go from one place to another.

Md Arif Al Islam, managing director of Summit Communications, said this would help export bandwidth to India.

"It will be a good export opportunity if we could sell some bandwidth in the northeastern Indian states. And this export could be done legally with the terrestrial cable licence."

He could not say immediately how much bandwidth could be exported.

When asked if Summit will deliver Bangladesh Submarine Cables PLC's (BSCPLC) bandwidth that the state-run agency imports from Singapore, Islam said Summit could provide both BSCPLC's

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NBR chief blasts abusers of duty benefits

STAR BUSINESS REPORT

National Board of Revenue (NBR) Chairman Abu Hena Rahmatul Muneem yesterday said they provide duty benefits to industries after careful consideration as a section of dishonest businesses abuse such privileges, causing tax losses for the state.

"When any duty support is given to an industry, a group of businesspeople abuse those benefits. As a result, it becomes a threat to the industry," he added.

Muneem made these comments at a pre-budget meeting at the NBR headquarters in the capital with representatives of four business associations, including the Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA), Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB), Bangladesh Tanners Associations (BTA), and Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida).

Muneem said the NBR provides such benefits very carefully.

He said if there is any excessive duty on the import of chemicals that will be used in the production process, the NBR must consider it.

"However, it should be ensured that the chemical is not used in alternative ways or misused," he added.

As an example, he cited the misuse of industrial salt. When the price of industrial salt became lower than the price of edible salt, some businesses mixed industrial salt with edible salt, he said.

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