

Palak asks BTRC to recover dues of Tk 5,300cr from Teletalk

STAR BUSINESS REPORT

State Minister for Posts, Telecom and ICT Zunaid Ahmed Palak directed the Bangladesh Telecommunication Regulatory Commission (BTRC) to recover dues amounting to Tk 5,300 crore from Teletalk Bangladesh Limited.

The state minister gave the directive when the BTRC presented the arrears owed by Teletalk for spectrum allocation at a review meeting, titled "BTRC's Preparation to Implement Smart Bangladesh", held at the BTRC office in Dhaka yesterday.

In the meeting, Palak asked for initiating active network sharing with private telecom operators Banglalink and Robi for the expansion of Teletalk's network, a move designed to make the state-owned operator capable of meeting the demands of subscribers.

With the support, Teletalk subscribers will be able to avail the network coverage of Robi and Banglalink without investing in base transceiver stations.

BTRC Chairman Md Mohiuddin Ahmed, alongside the regulatory body's commissioners and director general, were also present as various activities of the BTRC were presented at the event.

READ MORE ON B3

Govt issues Tk 2,357cr bonds to clear arrears of fertiliser importers

STAR BUSINESS REPORT

The Finance Division yesterday issued a further batch of special bonds worth Tk 2,357 crore to clear arrears to fertiliser importers.

The importers had opened letters of credit with banks to bring over fertilisers, the payment for which is long overdue from the government.

The bonds were issued for nine public and private banks: Agrani Bank, Bangladesh Krishi Bank, City Bank, Dhaka Bank, Exim Bank, Al Arafah Islami Bank, NRB Commercial Bank, Social Islami Bank Limited, and United Commercial Bank.

On January 4, the government issued the first batch of special bonds, worth Tk 3,016 crore, to clear arrears for fertiliser suppliers.

The Finance Division will gradually issue special bonds of about Tk 26,000 crore to clear arrears to independent power producers and fertiliser suppliers.

Of the amount, Tk 12,000 crore will be issued for fertiliser suppliers and Tk 14,000 crore will be issued for power producers.

The bonds, a debt instrument, will be used as loan repayments to 40 banks on behalf of power producers and fertiliser suppliers.

Including yesterday's bonds, the government has so far cleared Tk 10,967 crore, including Tk 5,594 crore for power producers and the rest for fertiliser suppliers.

The government's outstanding bills for fertiliser will be paid to the Bangladesh Chemical Industries Corporation, Bangladesh Agricultural Development Corporation, and private fertiliser importers, who have debt to 10 banks, most of which are state-owned.

On the other hand, as many as 100 independent power producers will be paid outstanding subsidy bills.

The bonds are being issued at the policy rate or repo rate of 8 percent.

The repo rate is the interest rate at which the central bank lends money to commercial banks.

These bonds will remain effective for three periods – eight, nine and 10 years.

A Bangladesh Bank official said interest would be paid every six months as per the policy rate against the bonds.

Besides, the banks will be able to incorporate the bonds in their calculation of statutory liquidity ratio (SLR), which is the minimum percentage of deposits that a commercial bank must maintain.

Sunquick rolled out to win hearts of customers thru quality fruit drinks

Say officials of ACI and CO-RO



PHOTO: COLLECTED

The new production facility of ACI CO-RO Bangladesh Ltd in Narayanganj produces Sunquick branded fruit juice products. The facility is highly automated, being manned by only 70 workers at present. Its mango, orange, and berry flavoured juice items have already hit the market.

AKANDA MUHAMMAD JAHID

ACI CO-RO Bangladesh Ltd, a joint venture of ACI Ltd and Danish fruit drinks manufacturer CO-RO A/S, has launched its juice products in Bangladesh under the brand name Sunquick.

The company, which began its operation on February 6, says that the brand will revolutionise the ready-to-drink market in the country thanks to its commitment to purity and flavour.

consumers. Sunquick is rich in vitamin C and does not contain preservatives and use artificial flavours, colours or sweeteners. In other words, it is a high quality and great tasting new offering.

Speaking about the partnership in the same interview, Arif Dowla, managing director of ACI Ltd, said, "In ACI CO-RO, we value similar partnerships."

"We find the combined strengths of CO-RO and ACI to be ideal when launching quality

After landing in Dhaka on February 5, Ravn, along with some officials, directly went to the market to see customers' response.

"I'm very happy to see that the first response is that this is a very good product and people like the taste. Hopefully, it will be one of the most loved brands soon."

Ravn termed Bangladesh as a large market, with the country having a population of 17 crore and the economy posting steady growth in recent decades,



Arif Dowla



Soren Ravn



Nils Ronnow

Already, three types of flavours – mango, orange, and berry – have hit the market, with top officials saying the products offer natural options without artificial additives, aligning with evolving consumer preferences.

"Sunquick has stood the test of time and has continued to bring joy to consumers in more than 80 countries every day," said Soren Ravn, executive vice-president for the Asia-Pacific of CO-RO, during an interview with The Daily Star in Dhaka recently.

"The taste of our products has been crafted to fit Bangladesh

products in a new market like Bangladesh."

Both Ravn and Dowla talked about the joint venture, investments, products, production process, pricing, and future prospects.

Established in 1942, the CO-RO story started in a room in suburban Copenhagen. The 1960s saw CO-RO expand internationally, with factories established in Europe, the Middle East and Asia.

Today, CO-RO-branded products have strong market positions across the Middle East, Asia, Europe and Africa.

sending per capita income higher.

"We have been thinking about Bangladesh for a long time to do something innovative and something good for consumers, especially in the ready-to-drink segment."

The other thing that CO-RO has wanted is to have local production from the beginning.

"So, we wanted to work with local suppliers as much as we can. The quality of mango pulp is from the best local source. And we wanted to make sure that the taste was absolutely a

READ MORE ON B2

DCCI for tax withdrawal from staff welfare funds

STAR BUSINESS REPORT

The Dhaka Chamber of Commerce and Industry (DCCI) yesterday demanded withdrawal of tax on welfare funds for private sector employees, including provident, pension and gratuity funds, to end discrimination in taxation with regard to public servants.

The government imposed a 27.5 percent tax on incomes from provident and other funds through Income Tax Law 2023 from this fiscal year.

Later, the tax rate was reduced to 15 percent in the face of demands from various sections, including businesspeople.

The law, however, has exempted government-managed provident funds from the purview of the tax. The demand was made by the chamber's representatives who were presenting budget proposals for fiscal year 2024-25 before the National Board of Revenue (NBR) at the latter's office.

If the government imposes the tax for both sectors, it will definitely expand the tax net, otherwise it may lead to discrimination between private and public sector employees, they added.

In order to reduce the cost of borrowing from foreign funds for the private sector, the DCCI also demanded cancellation of a source tax on the interest against foreign loans.

Source tax imposed on instalments of foreign loans should be withdrawn as it may discourage foreign direct investment inflow and normal credit flow to the private sector, they added.

The DCCI also emphasised on easy and business-friendly tax management, widening the tax and VAT net, full automation of the taxation system, encouraging local industrialisation and ensuring an investment-friendly environment in the country.

NBR Chairman Abu Hena Md Rahmatul Muneem said the NBR always formulates policies and guidelines bearing in mind the need for increasing revenue generation, curbing money laundering, local industry development and protection of local market as well as sustainable environment protection.

He urged the business community to inform the NBR regarding their problems and challenges they were facing in doing business.

About the government tax benefits, Muneem said some businesses abuse the tax benefits and use it as a tool to launder money abroad.

GIZ to provide €22.17m for tech cooperation

STAR BUSINESS REPORT

GIZ, a German development agency, will provide Bangladesh with 22.17 million euros for technical cooperation in five areas.

The areas are Higher Education and Leadership Development for Sustainable Textiles (HELD), Skills Development for Sustainable Energy Solutions (Skills4SE), Skills for self-monitoring and Compliance with Clean and Fair Production in the textile industry in Bangladesh (SCAIP), Digital Skills to Succeed in Asia (DS2S), and Energising Development (EnDev).

Five memorandums of understanding (MoUs) were signed between the government and GIZ to this end at the premises of the Economic Relations Division (ERD) in Dhaka's Sher-e-Bangla Nagar area yesterday.

Md Shahriar Kader Siddiky, secretary of the ERD, and Andreas Kuck, country director of GIZ, signed the MoUs on behalf of their respective parties.

READ MORE ON B2

Diversify products, markets to increase exports: experts

DIPLOMATIC CORRESPONDENT

Bangladesh should undertake rigorous programmes for diversifying its products, markets and brands in order to increase exports and thereby face challenges after graduating from a least developed country (LDC), according to various experts and policymakers.

Besides, certain policy and regulatory reforms are needed to facilitate business activities and improve the overall investment environment, they said.

These observations came at a seminar, styled "Economic diversification and global market: Bangladesh's opportunities and way forward", organised by the Bangladesh Institute of International and Strategic Studies (BISS) at its premises yesterday.

"Today, the contribution of industries to the GDP is 33 percent. We would like to take it to 50 percent and become an industrialised country soon," said Foreign Minister Hasan Mahmud.

Citing how Bangladesh's exports have increased but are still not diverse, Mahmud said it is time to go for rigorous programmes to diversify not only the country's products, but its services and markets as well.

He also informed that the changing geopolitical scenario presents both opportunities and challenges.

"So, Bangladesh is undertaking prudent

policies to attract foreign direct investment and upskill its human resources," he added.

At present, Bangladesh's major export markets are the EU and US, with 85 percent of all shipments to the two markets mainly comprising garment items.

Against this backdrop, experts suggest that Bangladesh explore markets in South America, Africa, Southeast Asia, East Asia and South Asia, where export levels have been very low.

Certain policy and regulatory reforms are needed to facilitate business activities and improve overall investment environment, experts say

They said the country has huge potential in exporting agro-processed items, leather, jute and related goods, pharmaceuticals, and ICT products.

Also, Bangladesh has a largely young population that can be provided with the necessary skills for meeting global demands, the experts added.

Abul Kalam Azad, former country coordinator for Sustainable Development Goals, said it is high time for the Bangladesh Investment Development

READ MORE ON B3

US consumer inflation falls in January, but less than expected

AFP, Washington

US consumer inflation cooled in January but at a slower rate than expected, resisting President Joe Biden's efforts to soothe families' cost of living concerns in an election year.

The closely watched Consumer Price Index (CPI) rose 3.1 percent from a year ago last month, down from 3.4 percent in December, the Labor Department said on Tuesday.

But this figure was above a MarketWatch median forecast of 2.9 percent.

"At a time when growth and employment remain strong, inflation declined by two thirds from its peak," Biden said in a statement.

"But we know there's still work to do to lower costs."

A measure stripping out volatile food and energy costs held steady despite expectations that it would ease further, adding to signals that the path to lowering inflation is a gradual and bumpy one.

"Core" CPI rose 3.9 percent

from a year ago, the same as in December, said the Labor Department.

The US Federal Reserve rapidly hiked the benchmark lending rate in 2022 to quell an inflation surge.

The central bank is now holding rates at the highest level

in more than two decades, to return inflation to two percent over the longer haul.

CPI readings have fallen from a 9.1 percent peak in June 2022, and progress towards two percent is good news for policymakers – as is the economy's apparent

resilience as inflation cools.

But the Biden administration is struggling to convince voters that price pressures are easing, given that inflation is decelerating and this does not always translate to an outright drop in prices.

Biden recently criticized "shrinkflation," where corporations shrink packaging rather than lowering prices as supply chains unsnarled.

"If you look at grocery margins, they're exceptionally high," Lael Brainard, who heads the National Economic Council, told CNBC.

"We're going to keep highlighting junk fees, shrinkflation and asking corporations to pass those savings on so that consumers can see it in their grocery baskets," she added.

In a speech in Pennsylvania, Treasury Secretary Janet Yellen acknowledged that the costs of some goods and services "are still too high."

"Addressing this is one of our top priorities," she said, highlighting efforts to reduce health care costs.



People shop in the food section of a retail store in Rosemead, California. The US central bank is now holding rates at the highest level in more than two decades to return inflation to 2 percent over the longer haul.

PHOTO: AFP/FILE

READ MORE ON B2