

Govt to cut ADP size by 7%



MD ASADUZ ZAMAN

The government is set to downsize the Annual Development Programme (ADP) for the current fiscal year of 2023-24 by nearly 7 percent while prioritising projects having the highest impact, according to planning commission sources.

The National Economic Council is likely to approve a revised ADP of Tk 245,000 crore in its upcoming meeting on March 12.

This may lead to a decrease in government and foreign funds allocated in the original ADP by 4.43 percent and 11.17 percent, respectively.

The current ADP has kept government funds of Tk 169,000 crore and foreign funds of Tk 94,000 crore.

The revision was approved at an extended Planning Commission meeting on Sunday following a finance ministry proposal.

Such revisions are annually undertaken but usually, it is only the foreign fund allocation that is reduced. However, neither the foreign nor the local fund ends up being fully utilised at the end of the fiscal year.

In the first seven months of the current fiscal year, the government managed to spend around 27 percent of the total allocation, which is the lowest at least in the last 13 years.

The government and the Bangladesh Bank have taken several measures, including controlling public expenditure, to counter higher inflation and the falling of foreign exchange reserves.

Since March last year, overall inflation has been running high at more than 9 percent while the reserves have decline gradually over the past two years, plummeting to \$20.19 billion on February 20.

The revision has given top priority to the transport and communication sector

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Sammilito Parishad announces manifesto for BGMEA polls

STAR BUSINESS REPORT

Sammilito Parishad, a panel contesting in the upcoming biennial polls to the BGMEA's board of directors on March 9, yesterday announced its manifesto, which includes developing a "smart" garment sector.

The declaration was made by Md Siddiqur Rahman, the panel's chief election coordinator and a former BGMEA president, who also announced its 35 members at a press conference in Pan Pacific Sonargaon Dhaka.

The around 2,500 members of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) will elect 35 directors, from among whom a president and seven vice-presidents will be picked.

The panel's leader, SM Mannan, managing director of Seha Design (BD), said he had inducted young blood with experienced businesspeople into the panel to work with the BGMEA members to ensure the sector's sustainability amidst recurring global crises.

Sammilito Parishad promised to keep the BGMEA members updated on the latest innovations and design developments, facilitate growth of small and medium enterprises, develop skills of mid-level officials and work on finding new markets and product diversification.

It assured lobbying with policymakers over a number of issues, including retaining duty benefits to major markets once Bangladesh turns into a developing nation in 2026



SM MANNAN KOCHI

alongside ensuring eligibility for the GSP Plus status in the European Union.

The others are on bringing down loan interest rate to a single digit and securing a dedicated US dollar-taka exchange rate, an incentive on non-cotton fibre use and duty-free import of solar panels and related equipment.

The panel will also seek a "Harmonised System" used by customs worldwide to identify products when assessing duties and taxes and repeal of a 1 percentage point cut on a 4 percent cash incentive on exports to new markets coming into effect this month.

The government will also be asked to provide cash incentives and policy support such as long-term tax holidays to backward linkage industries, including those dealing with the use of man-made and recycled fibres.

The manifesto also includes formulation of circular and green fashion guidelines and a unified code of conduct for maintaining social, labour and safety compliance audits.

The government will be urged to end harassment

and delays in processes for attaining certifications from RMG Sustainability Council and establish transparency in the implementation of a corrective action plan for the garment sector, it read.

Sammilito Parishad was led in the last election by Faruque Hassan, managing director of Giant Group, who is the current BGMEA president.

Apparel exports from Bangladesh hit a milestone last year fetching an all-time high of nearly \$47 billion, eclipsing the previous record set in 2022 by about 10.27 percent, according to the Export Promotion Bureau (EPB).

In addition, this achievement played a part in taking the country's overall exports in fiscal 2022-23 to another record high of \$55.56 billion.

Garments accounted for 84.58 percent of all export receipts that year while it was 81.82 percent in fiscal 2021-22.

Another unprecedented performance came in the form of the highest single-month apparel export earnings of \$4.67 billion in December 2022.

The 2023 apparel export earnings comprised \$25.73 billion of knitwear and \$21.25 billion of woven garments. These categories had year-on-year growth of 10.87 percent and 9.56 percent respectively.

If related products such as home textiles and specialised fabrics, including silk and wool, headgear and textile waste are included, the year-end export turnover would be \$49.24 billion.

Bangladesh slumps in global mobile internet rankings

MAHMUDUL HASAN

Bangladesh performed poorly in Ookla's Speedtest Global Index in January, descending 7 spots from the 101st position to 108th in the mobile internet segment.

The country's position in the broadband internet index also slipped one spot to 109th in January from 108th in December.

This is a setback for mobile internet quality parameters as Bangladesh had improved in the index in recent months.

Meanwhile, India ranked 18th in the mobile internet index while it was 87th in the broadband segment.

According to the index, the median mobile download speed in Bangladesh was found to be 23.85 Mbps while the upload speed was 11.36 Mbps in January.

Bangladesh's ranking in Ookla's Speedtest Global Index	Mobile internet		Broadband
	Aug '23	118th	104th
Sep '23	113th	107th	
Oct '23	111th	108th	
Nov '23	103rd	107th	
Dec '23	101st	108th	
Jan '24	108th	109th	

During this period, the median latency in the country was 25 milliseconds.

For the broadband segment, the median download speed was 41.59 Mbps, upload speed was 42.60 Mbps, and median latency was 5 milliseconds.

Download speed measures how quickly data travels from the internet to the user's device while upload speed measures the speed of data sent from the user's device to the internet. Latency indicates the time it takes for data to travel between the user's device and the server.

Ookla, a global internet testing and analysis provider, gives a view of worldwide network performance, quality and accessibility based on millions of results obtained through the Ookla Speedtest app each day.

Ookla's Speedtest Intelligence also revealed the top performer among mobile operators in Bangladesh in the fourth quarter of last year.

Banglalink delivered the fastest median download speed at 26.74 Mbps followed by Robi with a median download speed of 24.62 Mbps.

With this, Banglalink won the Ookla Speedtest Award for the "Fastest Mobile Network" in Bangladesh for the fourth consecutive year.

DOT Internet was the fastest fixed broadband provider with a median download speed of 91.35 Mbps in the fourth quarter of 2023.

AR Ferdous, a resident of Manikganj, expressed dissatisfaction with the quality of internet service he receives considering what he pays for the facility.

"The mobile operators claim to provide us with 4G service. However, the internet service falls far short of 4G standards," he added.

Disney India agrees to merge with Reliance

AFP, New Delhi

India's Reliance Industries has signed a "binding pact" for a merger deal with Walt Disney's local unit, Bloomberg News reported Monday, a major shakeup for the country's multi-billion dollar entertainment industry.

India's entertainment market is already one of the world's biggest, with the expected merger set to create a vast and powerful entertainment giant.

The report of the deal comes as billionaire tycoon Mukesh Ambani, chairman of oil-to-telecoms giant Reliance Industries, readies to host Disney chief Robert Iger on March 1 for his son's wedding in India's western Gujarat state.

Bloomberg said the deal is expected to see the media unit of Reliance and its affiliates hold at least a 61-percent stake in the merged entity, with Disney holding the rest. There was no immediate response from either Disney or Reliance.

Disney has been under significant pressure ever since Iger left the company only to be brought out of semi-retirement more than a year ago when his successor underperformed.

Ambani, 66, is the world's 10th-richest person according to the Forbes real-time billionaires list.

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He has invited a guest list of powerful businessmen and politicians to celebrate the wedding of his son Anant Ambani and Radhika Merchant, the daughter of an industrialist, from March 13.

Broadcaster CNBC-TV18, partially owned by Reliance, said Ambani's guest list included Meta head Mark Zuckerberg, Microsoft founder Bill Gates and Adobe CEO Shantanu Narayen, along with investment and banking chiefs, plus Bollywood and cricket stars.

Other guests include Ivanka Trump, the former US president's daughter, as well as ex-Swedish prime minister Carl Bildt, former Canadian prime minister Stephen Harper and the King of Bhutan.

Last month a proposed \$10 billion merger between India's Zee Entertainment and the local unit of Japanese giant Sony was called off, reportedly because of disagreements over who would lead the new entity.

Why China is rebalancing growth drivers



PHOTO: REUTERS/FILE

Employees work on a production line manufacturing tools at a factory in Huaian, Jiangsu province, China. In 2023, China's nominal GDP growth stood at 4.6 percent, representing the total value of economic output without adjusting for inflation.

ANN/CHINA DAILY

Against the backdrop of an uncertain global economic recovery and rising geopolitical tensions, the Chinese economy showed signs of improvement in 2023. Last year, the nation's GDP grew 5.2 percent, reaching its annual target and exceeding growth rates of various developed economies.

However, it is worth noting that the overall compound growth rate over the past two years stood at 4.1 percent, pointing to a state of "moderate recovery". Furthermore, the recovery pace fluctuated, with relatively low nominal growth, supply-demand imbalances and lackluster price performance in both goods and asset markets.

China's economy will continue to be influenced by the aforementioned variables in 2024. Normalizing economic processes necessitates several essential rebalancing actions in sectors such as investment, consumption, real estate and government debt.

Looking ahead, China's economy is expected to continue its positive trajectory this year, supported by multiple factors, which indicate a growth rate of

around 5 percent.

China's economy successfully emerged from the depths of the pandemic-induced downturn in 2023, marking a complete year of post-pandemic recovery.

While China's return to normalcy came slightly later than some overseas counterparts, such as the United States, Japan and South Korea — which began their recoveries in early 2022 — China's current economic growth rate still outperforms that of most developed economies.

The service and consumption sectors, which were severely affected during the pandemic, experienced a significant recovery in 2023. Both sectors contributed to overall growth, with consumption surpassing pre-pandemic levels.

That said, it is equally important to mention that key macro indicators, including industrial output, retail sales, fixed-asset investment and private financing, remained below 2019 levels.

China's output gap, a measure of the difference between actual and potential economic output, gradually narrowed throughout the year, falling from 940 billion yuan (\$131 billion) in the first

quarter to 390 billion yuan in the fourth quarter.

However, the foundation of the ongoing economic recovery remains fragile, primarily due to the fluctuating pace of economic restoration. Quarterly GDP growth rates revealed a notable slowdown in the second quarter, followed by a significant rebound in the third quarter, and a slight decline in the fourth quarter.

In 2023, China's nominal GDP growth stood at 4.6 percent, representing the total value of economic output without adjusting for inflation. However, the actual growth rate, which takes into account inflation and measures real economic expansion, was 0.6 percentage point higher than the nominal figure.

The lower nominal growth rate creates a perception gap among microeconomic entities because businesses' direct revenue, profits and individuals' direct incomes are measured in nominal terms.

They do not typically account for the GDP deflator, which adjusts for inflation, when assessing the real income situation. Consequently, the nominal growth rate tends to underestimate the

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REHAB to hold first election in a decade today

STAR BUSINESS REPORT

The election for the executive committee of the Real Estate and Housing Association of Bangladesh (REHAB) will be held today, with voters anticipating stiff competition among the participants.

This is the first time since 2007 that formal elections will be held as the executive committee was decided through mutual understanding among members for the past six terms.

A total of four panels are contesting this year's election, with voting set to begin from 10:00am and continue till 4:00pm at the Krishibid Institution Bangladesh in the capital's Farmgate.

The four panels are: Housing Traders Oikya Parishad, Developers Forum, Naba Jagaran, and Joyer Dhara.

The Housing Traders Oikya Parishad will be led by Wahiduzzaman, managing director of Japan Garden City, while MGR Nasir Majumder, chairman of Century Realty Limited, will head up the Developers Forum.

Meanwhile, Nazrul Islam, a former vice-president of REHAB, will be at the helm of Naba Jagaran and Intekhabul Hamid, managing director of Hamid Real Estate Construction, will lead Joyer Dhara.

The election for the 2024-26 term was supposed to be held in September last year but issues regarding the formation of an election commission and irregularities in the voter list caused delays.

The election for the 2024-26 term was supposed to be held in September last year but issues regarding the formation of an election commission and irregularities in the voter list caused delays.

Also, no new executive committee had been formed for the 2020-22 term as the coronavirus pandemic had prevented elections from being held at the time.

In the absence of regular elections, the commerce ministry had suspended the extended tenure of the current REHAB executive committee and appointed an administrator in November last year.

Then, a new election commission was formed and an election schedule was announced.

A total of 86 candidates will compete for 26 director posts in the Dhaka chapter while seven candidates will vie for three director posts in the Chattogram chapter.

Additionally, there are nine candidates for five executive member posts in the Chattogram chapter.

In total, 476 of the 839 REHAB members are contesting this election.

Subrata Kumar Dey, chairman of the REHAB election board, ruled out any possibility of interference in the election process by influential individuals as the board is committed to holding a competitive election.

"There is no possibility of vote rigging," added Dey, who is also joint secretary of the commerce ministry.