

Govt seeks duty-free access to Brazil

STAR BUSINESS REPORT

Bangladesh has sought duty-free access for its products shipped to Brazil to reduce the bilateral trade gap.

Government and businesses representatives made the call at a seminar and a business-to-business matchmaking event at InterContinental Dhaka yesterday, where Brazilian Foreign Affairs Minister Mauro Vieira was present as the guest of honour.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and Brazil-Bangladesh Chamber of Commerce and Industry (BBCCI) jointly organised the programme.

Addressing the event, FBCCI leaders said Bangladesh's exports to Brazil in fiscal year 2022-23 amounted to \$0.17 billion while imports \$2.59 billion.

The tariff on Bangladeshi products in the Brazilian market is 35 percent, which is a major barrier to reducing the bilateral trade gap, they said.

Speaking as the special guest, State Minister for Commerce Ahasanul Islam Titu sought support from the Brazilian government, saying Bangladesh needs to diversify its trade portfolio.

"We will import more from Brazil and we will export more to the country. This should be the priority," he said.

"We allow Brazilian cotton, sugar and other products, at the same time we will have an easy market access to Brazil," he added.

Bangladesh is now considered a role model for its socioeconomic development, sustainable growth, women empowerment, poverty reduction, climate change mitigation, ICT and e-governance, Titu said.

Brazil, being the most influential country of South America and a rising economic power of the BRICS (Brazil, Russia, India, China and South Africa) countries, could be a new front for trade and investment from Bangladesh, he added.

Bangladesh also has geographical advantages, being the gateway of South Asia and the Association of Southeast Asian Nations and with very close connectivity with India especially with its northeast and China through Kunming.

"Considering the development as a business hub, Brazil can choose Bangladesh as their next destination for trade and investment. It is high time we take necessary steps to enhance our trade and investment by tapping into each other's strengths," Titu said.

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Bangladesh can become upper-middle-income country by 2031: ICCB

UNB, Dhaka

With targeted actions and appropriate policy followed by timely implementation to overcome key challenges, Bangladesh has the capacity to become an upper-middle-income country by 2031, said a leading chamber.

Bangladesh has achieved today's position by overcoming many obstacles and setbacks, according to the editorial of the current News Bulletin (January-March 2024) of International Chamber of Commerce-Bangladesh (ICCB) released on Monday.

Bangladesh has demonstrated remarkable progress in the last five decades, ICCB said.

The country's journey from one of the poorest at independence to a lower-middle-income nation within four decades is a testament to its resilience, policy decisions, and commitment to reducing poverty and fostering shared prosperity, the World Bank said in its recent publication, "World Bank in Bangladesh in 2024".

Macroeconomic stability with low levels of inflation and high

levels of GDP growth have been key to Bangladesh's underlying strengths and major drivers of socioeconomic achievements.

Bangladesh reached lower-middle-income status in 2015 and is on track to graduate in 2026 as a middle-income country and is aspiring to be an upper-middle-income country by 2031.

However, Bangladesh after LDC graduation in November 2026, will experience significant preference erosion, the ICCB said.

Although the EU and UK have offered to extend preferential duty-free market access for an additional three years, the export scenario to other markets will change immediately after graduation.

Bangladesh has a greater opportunity of increasing exports to ASEAN, having a population of 661 million with a GDP of \$3.08 trillion and trade exceeding \$2.7 trillion.

According to 2020 data, Bangladesh imports goods worth nearly \$7 billion from ASEAN countries against its export of only \$1 billion.

So, Bangladesh should give priority to the free trade

agreement with ASEAN to increase its exports, the ICCB said.

With several major infrastructure projects reaching completion, including Padma Multipurpose Bridge, Dhaka Elevated Expressway, Bangabandhu Tunnel, linking Dhaka to Cox's Bazar, 3rd terminal at Hazrat Shahjalal International Airport, 2024 is anticipated to be a year to reap the benefits.

However, in 2024 the economy is also facing challenges on multiple fronts such as rising inflation, balance of payment deficit along with budget shortfall, declining foreign exchange reserve, contraction in remittances, a depreciating currency, rising income inequality, the demand-supply imbalance in the energy sector, and ailing banking sector crippled by loan defaults.

Bangladesh could not bring down inflation whereas it has come under control in most countries, according to the ICCB.

And despite impressive growth rates, Bangladesh faces challenges in its export basket's diversification, with more than 80 percent of Bangladesh's total export earnings coming from garment exports.

Gold price continues to break records

Price of 22-carat gold now Tk 117,573 per bhoori

STAR BUSINESS REPORT

The price of gold in Bangladesh is poised to surpass all previous records as jewellers in the country have decided to increase its rates with effect from yesterday.

Each bhoori (11.664 grams) of 22 carat gold will now cost Tk 117,573, up from the previous rate of Tk 115,824.

The Bangladesh Jewellers' Association said it decided to raise the rate due to an increase in the price of pure gold in the local market, according to a press release.

Since March 22 this year, gold has been sold at Tk 114,074 per bhoori.

The country saw the price of gold rise above Tk 1 lakh per bhoori for the first time on July 20 last year.

Bangladesh does not import a significant quantity of gold. But the price of the precious metal in the country is invariably linked with international fluctuations along with volatility in the domestic market.

With an annual demand of 20 to 40 tonnes, smuggling meets 80 percent of the country's demand for gold.

STOCKS	
DSEX ▲	CASPI ▲
1.1%	0.44%
5,860.23	16,687.84

COMMODITIES	
Gold ▲	Oil ▼
\$2,334.57	\$85.89
(per ounce)	(per barrel)

National Housing Finance opens Islamic wing

STAR BUSINESS DESK

National Housing Finance yesterday launched an Islamic wing at the company's head office in Dhaka.

Mahbubur Rahman, chairman of the company, inaugurated the Shariah-based wing, read a press release.

Rahman expressed his gratitude to the employees and sought cordial help from all for the success of the wing.

National Housing Finance has been operating in the housing finance sector for more than 25 years.

Md Fariduddin Ahmed, chairman of Shariah Supervisory Committee of the company, Shah Mohammad Wali Ullah, member of the committee, and Mohammad Shamsul Islam, managing director, were also present.



Mahbubur Rahman, chairman of National Housing Finance, cuts a ribbon to inaugurate its Islamic wing at the company's head office in Dhaka yesterday.

PHOTO: NATIONAL HOUSING FINANCE

Adani to build world's largest renewable energy project in Gujarat

ANN/THE STATESMAN

Adani Group is set to invest about Rs 2.3 trillion through 2030 in India's most ambitious renewable energy expansion and solar and wind manufacturing capacity addition ever, reports said.

Vneet Jaain, Managing Director of Adani Green Energy Ltd (AGEL), India's largest renewable energy company, said the company will invest about Rs 1.5 trillion in expanding capacity to generate electricity from solar energy and wind power at Khavda in Gujarat's Kutch to 30 gigawatts from 2 GW currently, and another Rs 50,000 crore in 6-7 GW of similar projects elsewhere in the country.

AGEL currently has an operating portfolio of 10,934 megawatts, and is targeting 45 GW of renewable energy capacity by 2030. Out of this, 30 GW will come up at just one location at Khavda - the world's largest renewable energy project.

On the other hand, Adani New Industries Ltd (ANIL), a unit in the group's flagship Adani Enterprises Ltd, will invest close to Rs 30,000 crore in expanding solar cell and

wind turbine manufacturing capacity at Mundra in Gujarat.

Jaain said to support these plans, as well as, meet requirements of other domestic renewable players and export market, ANIL plans to expand its cell and module manufacturing facility at Mundra to 10 GW by 2026-27 from current 4 GW.

The company will invest about Rs 1.5 trillion in expanding capacity to generate electricity from solar energy and wind power

Besides solar manufacturing, ANIL is also doubling capacity to make windmills that generate electricity from wind, to 5 GW in three-and-a-half years, he said.

Notably, Adani's renewable energy plans are the most ambitious by any corporate in the country which is targeting to generate 500 GW of electricity from non-fossil sources by 2030 as part of a broader plan of achieving net-zero emissions by 2070.

In terms of the project's site, Khavda is spread over 538 square kilometres which is the equivalent of five times the area that the city of Paris does, and will at peak generate 81 billion units that can power entire nations such as Belgium, Chile and Switzerland.

AGEL's other project sites are in Rajasthan and Tamil Nadu. The AGEL MD said the 30 GW planned at Khavda would comprise 26 GW of solar and 4 GW of wind capacity. Its existing operational portfolio comprises 7,393 MW solar, 1,401 MW wind and 2,140 MW wind-solar hybrid capacity.

The 2 GW capacity commissioned at Khavda recently is based on solar power, the project is also setting up wind energy capacity at the same location.

The company has already installed windmills and aims to start generating power later this year.

With the commissioning of capacity at Khavda, Adani Green's operating portfolio stands at 10.9 GW.

The company aims to generate 45 GW of renewable energy by 2030, with Khavda accounting for most of it.

Pran gets \$30m

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company's operations and allow us to contribute to the country's economic stability," said Uzma Chowdhury, director of finance at Pran-RFL Group, in the press release.

The IFC said as part of its advisory services, it will also support Pran Group to develop the company's smallholder sourcing supply chain and identify opportunities to decarbonise its agro-processing operations.

Martin Holtmann, the IFC's country manager for Bangladesh, Bhutan, and Nepal, said the financing aims to ease the current lack of access to foreign exchange while enabling private sector growth in Bangladesh. "By backing PRAN Group, the IFC will also contribute to diversifying Bangladesh's export base, which is key for creating jobs, expanding market opportunities and enhancing economic resilience."

Since 2010, the IFC, a member of the World Bank Group, has invested more than \$3.8 billion in Bangladesh.

Loans

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rate, determined based on SMART rate, is higher than the past.

"Under the circumstances, it has become necessary to restructure the tenure of term loans and house finance without increasing instalments," said the central bank, asking lenders to keep instalment amounts unchanged.

To do this, banks will have to consider outstanding balance of loans as of March 31, 2024. The excess amount of instalment should be transferred to interest-free blocked accounts, it said, suggesting banks increase tenure of repayment.

However, the new benefit will not be applicable if a loan is classified, rescheduled or restructured. The new facilities will be applicable for loans which are unclassified as of April 1, 2024, said the central bank, adding that the same conditions will be applicable for Shariah-based banks.

Online ticketing platforms

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However, Covid-19 played an important role in changing the mindset as people were forced to go for online purchases amid the restrictions on public movement.

"Consequently, people's trust in online payments deepened while various government initiatives to this end played a significant part, boosting online ticket sales," the official said.

Having started operations in 2014, Shohoz registers sales of 80,000 to 90,000 bus tickets and 100,000 train tickets each day.

Borhan Uddin, a senior executive for business development at Chokrojan, says it usually sells 1,000 tickets per month in normal times whereas it has gone up to about 5,000 presently.

If they compare the ticket sales ahead of Eid-ul-Fitr in 2023 with that of this year, sales have increased four-fold.

He acknowledged that many still do not have confidence in buying tickets online and there are various complaints.

"However, there is business potential here. So, we are working to increase trust."

Monirul Alam, a private sector employee who lives in Dhaka's Mirpur, said he goes to his village every year to celebrate Eid with his family.

No power, gas supply

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to set up new factories at economic zones and industrial estates.

"Besides, the government has decided to stop the construction of industrial establishments on agricultural land."

The decision should, however, not be applicable to those who have already set up factories outside government designated industrial zones, according to the top business leader.

"This is because if the rule is applied to those who already established industries outside government-designated industrial zones and are waiting for utility connections to go into operation, they will face financial trouble. Such situations are not acceptable."

Mohammed Amirul Haque, managing director of Premier Cement Mill, said the Bangladesh Economic Zones Authority is yet to ensure

Three to four years ago, he was always under a lot of mental pressure to buy tickets amid the mad dash for transport services ahead of the biggest religious festival in the Muslim majority nation.

"Not only did I have to stand in long queues, there were concerns over whether I would be able to buy a ticket for the preferred date," Alam said.

"Now, there is no such concern because tickets can be easily purchased online."

Farzana Faiza Bushra, manager for public relations at GoZayaan, said the demand for e-ticketing started increasing notably from the mid-2000s with the growth of internet penetration and growing reliance on digital platforms for various services.

And it gained significant traction in the early 2010s, when several online ticketing platforms emerged, offering convenience in booking tickets for various modes of transportation such as buses, trains, and flights.

"The trend has continued, with more people preferring the convenience of online booking over traditional methods," she added.

AKM Mahfuzul Alam, chief sales officer of ShareTrip, which only deals with air tickets, said the company sold nearly 400,000 tickets in the fiscal year of 2022-23, up about 40 percent year-on-year.

utility services in the economic zones.

"Why should investors then invest there?" He said there are a number of investors who have set up factories outside of the economic zones and industrial zones and they might have devised their plans 10 years ago.

"What will those investors do now if the government does not extend the utility connections?"

Selim Raihan, executive director of the South Asian Network on Economic Modeling, hailed the decision. "This will help establish industries only in economic zones in a more planned way."

However, he pointed out that getting permission for electricity and gas connections needs to be hassle-free and quicker.

"Otherwise, industrialists and entrepreneurs will not feel motivated to set up factories in the economic zones."

50% factories

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trouble in regards to paying workers, but resolved it through negotiations with banks.

It is expected that all workers will be paid the salary for March by today [Tuesday], Kochi also said, adding that most had already paid festival bonuses.

On March 27, State Minister for Labour and Employment Nazrul Islam Chowdhury urged industry owners to clear workers' salaries and festival bonuses before the start of the Eid holidays.

The state minister made the

call at a press briefing following a meeting with the representatives of the National Tripartite Consultative Council at the labour ministry.

No specific date was fixed then, but he wanted the payments to be cleared before the start of the government holiday for Eid. He further said that the workers' Eid holidays would be equal and not shorter than the government-declared holidays.

Moreover, no worker can be terminated or laid off before Eid, Chowdhury said, adding that the payments should be cleared in time to avoid any untoward situation.

BTRC to open fresh audits into GP, Robi

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Of the figure, Tk 390 crore has been sought as VAT, tax and fees, and outstanding dues related to revenue-sharing, handset royalty, access frequency and microwave frequency payments, and the licence fees as principal amount. The rest, or Tk 430 crore, was claimed as late fees.

The operator has deposited Tk 335 crore of the principal amount as of now and will pay the rest of the principal amount of Tk 390 crore in instalments, according to an official of the operator.

Banglalink is trying to mutually

resolve the BTRC's audit outcome, so it hasn't filed any case.

An official of the BTRC told The Daily Star that the commission has sent a letter to the government on waiving the late fees. The BTRC also took the initiative to audit other state-owned and private companies in the telecommunication ecosystem.

It has recently demanded payments from state-run Teletalk Bangladesh and Bangladesh Telecommunications Company Limited, asking them to clear dues amounting to a staggering Tk 3,000 crore collectively.