

Dhaka's importers are still facing long waits to get goods from Chattogram port amid a massive container backlog

Story on B4



Almost all Savar, Gazipur garment factories resume

REFAYET ULLAH MIRDHA

Nearly all of the roughly 407 garment factories situated in the Ashulia area under Savar upazila and Zirabo and Zirani areas under Gazipur were operational yesterday after security measures were beefed up centring labour unrests.

Around 15 factories were kept shut by the owners, who also announced that they were implementing a “no work, no pay” clause under the labour law.

Workers at some of the factories have been staging demonstrations for more than 15 days over different benefits and allowances, such as higher night allowances, tiffin bills, attendance bonuses and incentives for achieving production targets.

They also want factory authorities to implement a four month maternity leave and provide light work to expecting mothers in their fifth month.

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Other demands include senior officials refraining from using abusive language in factories and an end to the arbitrary termination of workers by factory authorities. Furthermore, they want due benefits to be paid as per the law if an employee resigns.

No untoward incident was reported yesterday.

“I am hopeful that the factories that remained shut will reopen from tomorrow [Monday],” Khandoker Rafiqul Islam, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), told The Daily Star over the phone.

“Normalcy has been restored with improvements in law-and-order with the deployment of more police and army personnel,” he said.

Law enforcers and labour leaders are holding talks for the reopening of the factories, which witnessed production losses over the last two months, firstly for the anti-discrimination student movement and subsequent labour unrest, Islam said.

The BGMEA has been assessing the loss of business during both periods.

Many factory owners will have to provide discounts and face order cancellations and expensive air shipments, he added.

AK Azad, chairman and executive officer of Ha-Meem Group, which has a garment factory at Ashulia, said his factory resumed operations from

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‘We were forced to leave UCB, and the PM knew everything’

New Chairman of the bank Sharif Zahir says in an interview with The Daily Star

MD MEHEDI HASAN

Former land minister Saifuzzaman Chowdhury Javed compelled UCB board members to resign and former prime minister Sheikh Hasina was aware of this, according to the lender's new Chairman Sharif Zahir.

“We had no choice but to leave the bank because Javed was a minister at the time,” Zahir told The Daily Star in a recent interview. “I realised that it was better to resign than remain silent on the board.”

On August 27, the Bangladesh Bank (BB) reconstituted the board of the more than four decade old private commercial lender UCB. Since 2018, the bank had been heavily influenced by former land minister Javed and his family members.

The BB appointed a five-member board, including two shareholder directors and three independent directors. Sharif Zahir was elected as chairman.

Unlike other recently restructured banks, Zahir said UCB does not have a severe liquidity problem. He said they are now rebuilding client confidence as part of their greater endeavour to establishing good governance -- a process Zahir said was hindered by political influence and misconduct.



For the obstruction, he blamed Javed, who took over the UCB board in June 2018 when he was a minister.

“He forced us to resign and brought his family members onto the board,” Zahir said.

It was difficult to speak out on the board because the Awami League government supported them, Zahir said. He said the former prime minister Sheikh Hasina was fully aware of the bank's issues.

Zahir said he complained to the former chairman of the Bangladesh

TO-DO LIST OF THE NEW BOARD

A forensic audit and evaluation

Rebuilding client confidence

Bringing young people to the board

Establishing good governance

UCB AT A GLANCE

Established in 1983

Current clients: 20 lakh

Deposits: Tk 60,000cr

Major areas of financing: RMG, trade finance

INTERVIEW

Association of Banks (BAB) Md Nazrul Islam Mazumder about the takeover. Mazumder subsequently discussed the issue with the former prime minister.

“When we met with the former prime minister during a cheque donation programme, she asked us why we were having so many problems within UCB,” Zahir said.

“You know everything,” Zahir had replied to the prime minister. He said, “No action was taken at that time. It was not possible to fight against the state.”

Javed's father Akhtaruzzaman Chowdhury Babu and Zahir's father Md Humayun Zahir were among the founders of the bank in 1983. Akhtaruzzaman Chowdhury was later removed from the board, and Humayun Zahir was reportedly murdered over a “board dispute” in 1993.

Zahir said Sheikh Hasina visited their residence to offer condolences at the time.

When the Awami League came to power for the second term straight in 2014, Zahid said that Babu and his

family members returned to the bank board. The bank was steadily growing somehow until 2018 before Javed took over the board.

Regarding the bank's future plans, Zahir said they decided to conduct a forensic audit. An audit firm has already begun their examination.

A forensic audit is an examination and evaluation of a firm's or individual's financial records.

“We will be able to identify the actual scenario of the bank after a proper audit,” Zahir said. “This is a large bank with two million customers and Tk 60,000 crore deposits.”

He said ready-made garment (RMG) and trade finance are major investment areas for the bank.

The bank is currently working to rebuild client confidence. The board has motivated the management team and restored their confidence in working together, he added.

“We came up with a new slogan for the bank: ‘United in integrity, growing sustainability,’” Zahir said. “We also want to establish good corporate governance.”

“The bank is now communicating with large borrowers to ensure their compliance,” Zahir added. “We are monitoring the bank's liquidity situation daily, but there are no liquidity problems.”

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ADB may give \$900m by March next year

STAR BUSINESS REPORT

The Asian Development Bank (ADB) may provide \$900 million to Bangladesh by March next year as the budget support for the country, a senior official of the finance ministry said yesterday.

Of the amount, the multilateral lender may provide \$400 million in December to help Bangladesh address challenges that stem from its graduation from the least developed country (LDC) status in 2026.

The rest of the amount, meant for facilitating reforms in the banking sector, will likely be available by next March.

The disclosure came after a senior delegation of the ADB met with Chief Adviser Professor Muhammad Yunus and Finance Adviser Salehuddin Ahmed yesterday.

Takeo Konishi, director general for South Asia at the ADB, led the delegation comprising Edimon Ginting, outgoing country director for Bangladesh at the ADB, and Hoe Yun Jeong, country director designate for Bangladesh.

At the meeting with Yunus, the government's newly launched financial sector reforms, key economic issues such as digitalisation of tax systems, data transparency, energy, private sector and investment were discussed, according to a press release.

“We are in a ground zero situation. Everything needs to be done as quickly as possible,” Yunus said at the meeting.

He added that the students-led revolution, which ousted the Sheikh Hasina-led Awami League government on August 5, has given Bangladesh a new opportunity to rebuild its institutions “piece by piece”.

ADB's South Asia Director Konishi said the ADB has a long history of working in Bangladesh and would be keen to support the interim government to initiate vital structural reforms in the country.

He said there was room for policy-based lending to Bangladesh as the interim government stepped up efforts to stabilise the economy.

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STOCKS			
	DSEX ▼	CASPI ▼	
	0.25% 5,711.77	0.13% 16,118.72	

COMMODITIES			
	Gold ▲	Oil ▲	
	\$2,578.24 (per ounce)	\$69.23 (per barrel)	

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▼ 0.08% 82,890.94	▼ 0.68% 56,581.76	▲ 0.17% 3,562.65	▼ 0.48% 2,704.09

USAID to provide over \$200m

STAR BUSINESS REPORT

The United States Agency for International Development (USAID) will provide over \$200 million in aid to support the interim government in advancing Bangladesh's development, empowering youths, and strengthening democracy and governance in the country.

To this end, the USAID and Economic Relations Division (ERD) signed an agreement at the State Guest House Padma in Dhaka yesterday.

“This new agreement highlights the priorities of the interim government focused on inclusive growth and prosperity for the people of Bangladesh. This means we are looking at economic stability and growth,” said Anjali Kaur, deputy assistant administrator of the Bureau for Asia at USAID, after the agreement signing.

This new agreement highlights the priorities of the interim government focused on inclusive growth and prosperity for the people of Bangladesh, said a senior official of USAID

“We are looking at improving health. We are looking at being able to strengthen governance across the country. We are looking at being able to empower youth and making sure that they have the opportunities to be able to grow,” she added.

ERD Additional Secretary AKM Shahabuddin and Mission Director of USAID Reed J Aeschliman signed the deal for the \$202 million grant, which is a portion of USAID's total commitment of \$954 million to Bangladesh for the period of 2021-2026.

USAID has so far provided \$425 million under its commitment.

The US has been a partner of Bangladesh since 1972.

Through the 1974 Economic, Technical and Related Assistance Agreement, the US has contributed over \$8 billion across various sectors, including democracy and

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Plastic rules amid lax compliance with 14-yr old jute packaging law

SUKANTA HALDER

Mandatory jute packaging for nearly two dozen of food stuff now falls almost flat thanks to slack implementation of the law.

Other factors responsible damaging the initiative to promote jute and protect the environment include abrupt inclusion of food items to the jute packaging list without assessing the practicality and the availability of jute sacks and their cost effectiveness compared to plastic ones.

On top of all, officials say the initiative missed a firm political commitment.

Economists, environmentalists and sector people now call on the authorities seeking a sincere effort to apply the law on a priority basis rather than a full implementation.

In 2010, the government passed a law mandating the use of jute sacks for the storage, supply and packaging of rice.

In around five years, jute sacks for rice packaging gained a footing, with millers using jute bags for rice packaging.

However, many millers and traders then started to shift to plastic bags again as imported rice from India arrived in plastic packaging.

The Mandatory Use of Jute Packaging Act, 2010 was enacted to ensure the use of jute bags for 19 essential products, including rice, wheat, maize, pulses, and flour.

In 2017, other kitchen items such as chilli, turmeric, onion, garlic, ginger, coriander, and potatoes were added to the jute packaging list. By 2018, jute



PHOTO: HABIBUR RAHMAN

Rice sacks, mostly plastic, piled up at a wholesale shop at Boro Bazar in Khulna. The photo was taken recently.

packaging coverage was expanded further to include poultry and fish feed.

According to the law, the penalties for non-compliance include up to one year in jail, a maximum fine of Tk 50,000, or both.

Businesspeople acknowledge the environmental hazard of plastic bags, but they wonder whether there would be enough jute bags to meet the local demand. Besides, they question the practicality of mandating jute packaging

for some food items as jute sacks absorb moisture quickly, potentially leading to damages like spoiled flour or sugar.

Abdul Barik Khan, secretary general of the Bangladesh Jute Mills Association,

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