

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Govt starts talks for WB budget support

- Bangladesh has begun talks with the World Bank for budget support towards fighting climate impacts and forwarding various green-growth initiatives in a development-paradigm change. Last week, finance ministry officials had the opening round of negotiations with officials at the World Bank headquarters for the budget-support funds.
- The ministry officials expect to get USD 500 million to finance the green-growth plans, attuned to current global pursuit for development that doesn't harm the environment rather improves it with compensatory measures. Authorities say the government has embedded green growth in the Bangladesh Perspective Plan 2041 and the 8th Five-Year Plan and geared up efforts to provide as much funds as possible to get to the goals.

<https://today.thefinancialexpress.com.bd/last-page/govt-starts-talks-for-wb-budget-support-1641574975>

Ministries seek lower foreign aid, failing to implement project

- Many government ministries have sought lower foreign assistance than what is allocated in the development budget as they failed to complete the target project work in the first half of this fiscal. Ministries like health, shipping, education and water resources have sought lower project aid (PA) than its budget outlay in FY22, insiders said on Friday. Meanwhile, some big-budget ministries, especially fast-track project implementers, demanded more time to supply their fund requirements in the RADP.
- Ministries and divisions spent only BDT 440.61 billion, 18.61 per cent of the total ADP allocation during the July-November period, discloses the Implementation Monitoring and Evaluation Division. Out of the spending, project aid utilisation was lower than their budget spending rate from the government's internal resources in 5MFY22, the official data showed.
- The Economic Relation Division (ERD) in late December sat with all ministries and divisions to consult their funding requirements in the upcoming revised annual development programme (RADP). The government has formulated a BDT 2.25-trillion ADP for FY22 allocating some BDT 880.24 billion in PA from foreign aid.
- In the current ADP, power division received the highest BDT 169.44 billion PA allocation, followed by science and technology ministry (BDT 160 billion), local government division (BDT 111.48 billion), railway ministry (BDT 102.25 billion), roads and highways division (BDT 80.42 billion), and health division (BDT 72.85 billion).

<https://thefinancialexpress.com.bd/trade/ministries-seek-lower-foreign-aid-failing-to-implement-project-1641610638>

Central bank's support for export trade extended

- Bangladesh's export trade will enjoy various policy supports for six more months under a renewal aimed at helping boost country's overall business activities, officials say. The central bank has extended the tenure of its supports as the country takes more time for economic turnaround. The exporters will now enjoy the facilities until June 30 this year instead of December 31 last year, according to a notification issued Thursday by the Bangladesh Bank.
- Under the policy supports, import of industrial raw materials, back-to-back imports, and imports of agricultural implements and chemical fertilizers under supplier's/buyer's credit can be extended up to 270 days from 180 days. It was 360 days up to December 31, 2021.
- EDF (Export Development Fund) loan to individual member mill of Bangladesh Garment Manufacturers and Exporters

Association (BGMEA) and Bangladesh Textile Mills Association (BTMA) will remain unchanged at USUSD30 million instead of USUSD25 million.

<https://thefinancialexpress.com.bd/trade/central-banks-support-for-export-trade-extended-1641523140>

Apex trade body suggests upscaling Chittagong seaport for trade expansion

- Bangladesh's apex chamber wants capacity building of Chittagong seaport and faster cargo transport to cope with potential trade expansion and draw more foreign investors in the country. The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) predicts that if production starts in full swing in Bangabandhu Industrial City and other special economic zones of the country, then the pressure on the prime seaport will increase manifold.
- "At least 5.0 % of cost of doing business could be reduced if the capacity of Chittagong port is enhanced and foreign entrepreneurs would get interest in investing in Bangladesh," the apex trade body says in a standing-committee meet.

<https://thefinancialexpress.com.bd/trade/apex-trade-body-suggests-upscaling-chittagong-seaport-for-trade-expansion-1641523990>

Medical device market largely depends on imports

- Despite having enormous potential for local manufacturing, the country's medical device market is heavily dependent on imports, insiders have said. Local manufacturing of such healthcare items could save huge foreign currency as well as establish hi-tech industries, they said comparing it to the success achieved in the country's pharmaceutical sector. However, lack of skilled manpower, price competitiveness, high cost of raw materials and limited research & development are some of the key challenges for local manufacturers, they added.
- Sources said there are more than four thousand categories of medical devices including 400 types of high-end devices and surgical items used by caregivers such as syringe, infusion set, catheter, surgical mask, pulse oxymeter and glucometer. More than 2,600 medical devices are registered with the country's regulatory body. Almost 90% of these required items need to be imported every year, said Md Jasim Uddin, a dealer and importer of medical equipment.

<https://today.thefinancialexpress.com.bd/metro-news/medical-device-market-largely-depends-on-imports-1641572758>

Bangladesh govt to give licences for private satellites

- The Bangladesh Telecommunication Regulatory Commission (BTRC) approved the guidelines in this regard this week, allowing the private sector into the market. The government has decided to award licences for operating private satellites after launching a state-owned satellite in 2018.
- The aspirant licensee will have to pay a licence acquisition fee amounting to BDT 250 million excluding VAT for a licence with a term for 15 years. The licensee will, for the second and subsequent years of operation, have to pay annual licence fees amounting to BDT 50 million and applicable VAT in advance on each anniversary of the date of the issuance of the licence.
- The licensee is authorised to facilitate services like direct to home (DTH), cable TV, backhaul connectivity and emergency telecommunication, satellite internet for broadband services, digital services, VSAT/VSAT hub services, and others, as approved by the BTRC.

<https://thefinancialexpress.com.bd/trade/bangladesh-govt-to-give-licences-for-private-satellites-1641610271>

Deshbandhu Group to set up USD110m plastics factory with foreign loans

- Deshbandhu Group, one of the leading conglomerates in Bangladesh, plans to set up a gigantic plastics plant at a cost of USD103-110 million in Khulna. To capture the fast-growing plastics market at home and abroad, the plant will have a capacity of producing 720 tonnes of plastic chips per day.

- "Currently China alone holds one-third of the world's plastics market, but the strained relationship between it and the United States has dealt a blow to its dominance in the market. Besides, Europe has imposed a 7.5% tax on Chinese products. So we can grab the market easily," said Bashir Ahmed, deputy managing director of Deshbandhu Group.
- Deshbandhu Group, which has 21 subsidiaries, has sourced funding from two banks in Switzerland and Germany to set up the plastics plant in Khulna. "Revenue from the plant will start coming in during the first quarter of 2024. We expect to get a USD500-600 million yearly turnover from the plant, which will employ at least 2,000 people," said Bashir.

<https://www.tbsnews.net/economy/industry/deshbandhu-group-set-110m-plastics-factory-foreign-loans-354355>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 78.90	USD 3.69	4.91%
Crude Oil (Brent)*	USD 81.75	USD 3.97	5.10%
Gold Spot*	USD 1,796.55	(USD 32.65)	-1.78%
DSEX	6,987.45	230.79	3.42%
S&P 500	4,677.02	-89.16	-1.87%
FTSE 100	7,485.28	100.74	1.36%
BSE SENSEX	59,744.65	1,490.83	2.56%
KSE-100	45,345.65	749.58	1.68%
CSEALL	13,280.94	1,054.93	8.63%

Exchange Rates**1 US Dollar = 85.86 BDT****1 GBP = 116.70 BDT****1 Euro = 97.55 BDT****1 INR = 1.16 BDT**

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