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MDGs BY 2015

Public sector accountability key to reaching targets: WB

STAR BUSINESS REPORT

Steady economic growth alone cannot be the only means for Bangladesh to achieve the targets of millennium developments goals (MDGs) by 2015, rather improving accountability and transparency of service delivery in the public sector is key to reaching the targets, said a World Bank (WB) report.

The report tiled 'To the MDGs and beyond: accountability and institutional invention in Bangladesh' released yesterday at the WB office said that Bangladesh has already made significant progress in its MDG targets like increasing gender parity in education and cutting infant mortality rates.

However, to make further pace, an effective partnership is needed among government, service providers and local government to ensure accountability and transparency of public services, the report said.

Focusing on maternal mortality and child mortality, the two most challenging targets of MDGs, the report said achievements made on these two indicators greatly vary not only between rural and urban areas but also between different regions in Bangladesh.

At present, per thousand, infant death rate is 66, which has been much faster than that in India. On the other hand, maternal mortality has fallen from 574 to 360 deaths per one lakh births in the 1990-2001 period, which remains the highest in the world.

As the quality in public health services is poor, the MDG target of 143 deaths per one lakh births by 2015 is most unlikely to be met unless the accountability and transparency of the services are improved.

Citing an example of Gonoshasthaya Kendro (GK) in reducing maternal and child mortality in the rural areas in association with representatives of the local government, the report suggests adopting such approach in the urban areas also.

The urban share of Bangladesh population will increase by 25 to 30 percent between 2005 and 2015, and will have implications on the achievement of MDG targets. But the rapid population growth in urban areas is often not matched with the growth in health and education services.

Poor residents in the slums in the urban areas often are far from the access of education, safe water and health services. As the development partners, NGOs and private entrepreneurs are reluctant to provide formal services to these people for fear of losing investment, the government should take adequate measures, it also said.

"The economic growth cannot be the only factor driving the country towards its millennium development targets. In order to make further strides, Bangladesh needs to address the problems," said Zhu Xain, the country director of World Bank, in his speech.

Mentioning the report findings, he said it should be followed how some NGOs are able to provide substantially better services than the government services providers do at a significantly lower costs.

The WB top official in Dhaka office said,"Bangladesh has the capability of meeting most of its MDGs, including the difficult ones like maternal mortality and child malnutrition, provided it improves the accountability and transparency of public services, establishes firm partnerships among the service providers, local government and communities and starts tackling the lack of services in the growing urban areas".

While presenting the report, Qaiser Khan, the WB lead human development specialist, said urban institutions are not structured to adapt the lessons of accountability from the successful rural experiences.

Economist Dr Hossain Zillur Rahman said any kind of development strategy should come from the people, not from the government side.

Quazi Mesbahuddin Ahmed, the outgoing member, general economic division of planning commission and national PRSP coordinator, Dr Ahmed Mushtaque Raza Chowdhury, member secretary of Health Watch, and Rasheda K Chowdhury, member secretary of Education Watch and coordinator of People's MDG, also took part in the discussion session.

Vodafone may invest over $2b in India

PALLAB BHATTACHARYA, New Delhi

Fresh from its acquisition of India's fourth largest mobile phone operator Hutchinson Essar, British telecoms major Vodafone has said it would invest more than two billion dollars in India in the next couple of years.

"We will be investing over two billion dollars in India over the next two years. We want 100 million subscribers in a few years", Vodafone's Indian-born CEO Arun Sarin told reporters here on yesterday.

This was Sarin's first visit to India since the British company announced last week that it would buy 67 percent stake for $11.1 billion in Hutchinson Essar.

Sarin said Vodafone is interested in emerging markets and has plans to help the Indian government reach a target of 500 million subscribers by 2010.

"We have plans to expand in rural areas in India. For me personally, this is a home-coming", said Sarin.

Sarin said Vodafone wanted India's Essar conglomerate, owned by Ruia family, which owns 33 percent stake in the joint venture with Hutchinson, to remain a partner in the company after the acquisition. Hutchinson Essar commands 16 percent market share in India.

Essar has insisted it had the first right of refusal in the sale of any stake in Hutchinson Essar but Sarin on Wednesday disagreed and said the Indian group does not have that right.

Ctg int'l trade fair kicks off

STAFF CORRESPONDENT, Ctg

The month-long 15th Chittagong International Trade Fair (CITF 2007) kicked off yesterday at the city's Railway Polo Ground under the auspices of Chittagong Chamber of Commerce and Industry (CCCI).

Law Adviser Moinul Husein inaugurated the show while Commerce Secretary Firoz Ahmed, Pakistani High Commissioner to Bangladesh Alamgir Babar and CCCI President Saifuzzaman Chowdhury, among others, were present.

The theme for this year's fair is "Creating Opportunities for Business Linkage."

Pakistan is the partner country of the fair this year and mobile phone operator Grameenphone Ltd is the cellphone partner of the exhibition.

Business firms from the US, India, Russia, Hong Kong, Malaysia, Singapore, Iran and South Korea are showcasing their products at the fair, which will remain open from 10am to 10pm everyday.

Besides, there is an exclusive 'Irani and Thai Zone' comprising several stalls at the show.

Handicrafts, computer, consumer products, food items, home appliances, garments, leather goods, tribal garments, electronics, ceramic, aluminium products, jute goods, herbal medicine, silk items, building materials, marble and tiles, transformer, wooden and steel furniture, plastic goods, utensils and cosmetics are the main attractions of the fair.

Speaking at the inauguration, Moinul Husein, also in-charge of the ministries of information, justice and parliamentary affairs, said keeping the wheel of economy moving is one of the primary tasks this moment and to this end faith and confidence of the business community should be restored.

Commerce Secretary Firoz Ahmed said through easing the taxation process the government is helping the businesspeople in importing raw materials easily.

He also stressed the need for encouraging small and medium entrepreneurs and assured of boosting the SME (small and medium enterprise) sector further.

CCCI President Saifuzzaman Chowdhury said although 80 percent of the country's export and import is done through Chittagong Port, Chittagong contributes only 20 percent to the total export of the country.

The chamber president attributed this to the lack of infrastructure development of Chittagong.

PHOTO: STAR

Law Adviser Moinul Husein visits a stall after inaugurating the month-long Chittagong International Trade Fair that began yesterday at the port city's Railway Polo Ground.

Gold hits 7-month high above $670

AFP, London

The price of gold struck 670.65 dollars an ounce in London trading on Wednesday, the highest level since mid-July 2006.

James Moore, an analyst for specialist website TheBullionDesk.com, said gold hit the multi-month high owing to a weaker dollar, which can make the metal cheaper for holders of other currencies.

Gold is "taking direction from the weaker dollar," Moore said.

The dollar began falling strongly against its main rivals following news Tuesday of robust eurozone growth and a sharper than expected widening in the US trade deficit in December.

India cuts fuel prices

UNB, New Delhi

India's inflation rate has reached a two-year high of 6.73 percent, the government said yesterday, even as it ordered fuel prices cut in the latest of a series of moves to rein in inflation.

The spike in inflation in recent months, which has come alongside a robust economic growth, has stoked fears among experts that the Indian economy might be overheating.

The latest update on prices further heightened those fears, but the government insists that the rise in the inflation rate is "temporary."

"There is no overheating of the economy," Commerce and Industry Minister Kamal Nath told reporters after the data came out.

Danone profits drop 7.5pc in '06

AFP, Paris

French food giant Danone reported a 7.5-percent drop in profits for 2006 on Thursday but the price of its shares rose by 2.83 percent in early trading.

Net profit fell by 7.5 percent from the 2005 figure to 1.353 billion euros (1.772 billion dollars).

Sales rose by 8.1-percent to 14.073 billion euros.

The price of shares in Danone gained 2.83-percent to 123.60 euros.

Saarc business leaders' meet begins today

FBCCI team off to Mumbai

UNB, Dhaka

Mir Nasir Hossain, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), left here for Mumbai yesterday to attend a three-day 38th Executive Committee meeting of Saarc Chamber of Commerce and Industry and the Saarc Business Leaders' Conclave that begins today.

The FBCCI leader heads a 23-member business delegation and some of these delegates leave here today.

The Federation of Indian Chambers of Commerce and Industry in association with Saarc Chamber of Commerce and Industry will organise the conclave.

Saarc Business Leaders Conclave is a unique attempt by the private sector of the Saarc region aimed at realising the aspirations of South Asian economic integration.

The conclave will bring networks of government, business, diplomatic and development community across South Asia in one platform for achieving higher economic growth and reducing poverty.

The objectives of the conclave are to emancipate the Saarc of poverty by making it fastest growing economic region in the world.

Mir Nasir Hossain along with the delegation is expected to return home on February 19.

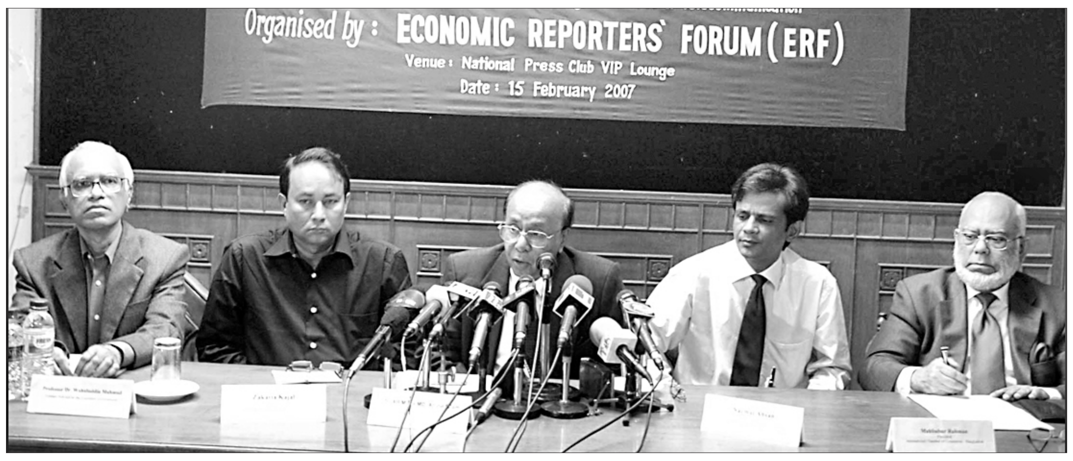

PHOTO: STAR

Finance adviser Mirza Azizul Islam addresses a discussion on Immediate Economic Challenges for the Caretaker Government organised by the Economic Reporters' Forum yesterday at the National Press Club. Prominent economist Professor Wahiduddin Mahmud (extreme left) and President of the Bangladesh chapter of International Chamber of Commerce Mahbubur Rahman (extreme right) are also seen. (Story on back page)

Apec mining ministers agree to probe free trade plan

AFP, Perth

Ambitious plans for an Asia-Pacific free trade area have edged forward with Apec mining ministers agreeing at a meeting this week to work on breaking down barriers.

Ministers from the 21 members of the Asia Pacific Economic Cooperation forum agreed to examine the effects free trade in minerals and metals would have on the sector, said Australia's Resources Minister Ian Macfarlane.

"We have taken the first step to achieving a long-term vision of an Apec free trade agreement," Macfarlane told reporters at the end of the meeting late Wednesday.

"This would dwarf every other FTA ever written."

Apec brings together 40 percent of the world's population, represents 47 percent of world trade and 60 percent of global economic output.

Apec leaders agreed at a summit in Vietnam in November to commission a study of a free trade zone linking Asia and the Americas for evaluation this year.

The meeting of mining ministers is one of a series being held in Australia ahead of this year's Apec summit in Sydney.

Apec members include big mineral producers such as Australia, Canada, Peru, Chile and the US as well as major consumers like China and Japan.

The ministers agreed that cooperation and consultation would overcome significant challenges confronting resources security throughout the Apec economies, Macfarlane said in a statement.

Pubali Bank recommends 75pc bonus share

Pubali Bank Ltd has recommended a 75 percent bonus share (3 bonus shares for every 4 ordinary shares) for its shareholders for the year that ended on December 31, 2006.

The recommendation came at the 591st meeting of the Board of Directors of the bank held on Monday in Dhaka, says a press release.

Chairman of the bank Hafiz Ahmed Majumder presided over the meeting, which was also attended by directors EA Chaudhury, Moniruddin Ahmed, Sk Wahidur Rahman and M Faizur Rahman, Managing Director Helal Ahmed Chowdhury and other senior officials.

Desco recommends 20pc cash dividend

Dhaka Electric Supply Company (Desco) Ltd has recommended a 20 percent cash dividend for its shareholders for fiscal year 2005-06.

The recommendation came at the 10th annual general meeting (AGM) of the company held on Monday in Dhaka, says a press release.

Chairman of the company Md Nazrul Hasan, Managing Director Saleh Ahmed and directors, among others, were present at the AGM.

PHOTO: PUBALI BANK

Chairman of Pubali Bank Ltd Hafiz Ahmed Majumder, directors and other senior officials are seen at a meeting of the Board of Directors of the bank on Monday in Dhaka.

PHOTO: DESCO

The 10th annual general meeting (AGM) of Dhaka Electric Supply Company (Desco) Ltd was held on Monday in Dhaka. Chairman of the company Md Nazrul Hasan, Managing Director Saleh Ahmed and directors, among others, were present at the AGM.