

## International Business News

## Japan launches high-speed Internet satellite

AFP, Tokyo

Japan successfully launched Saturday an experimental satellite aimed at providing high-speed Internet access across Asia, even when terrestrial infrastructure goes down, the space agency said.

The domestically developed H-2A rocket carrying the Kizuna satellite was launched at 17:55 pm (0855 GMT) with no glitches from the Space Centre on Tanegashima island off the southern tip of Kyushu Island, southern Japan.

The communications satellite, expected to be in use for five years, separated from the rocket approximately 35 minutes after the launch, said an official of the Japan Aerospace Exploration Agency (JAXA) during a live broadcast.

The 342 million dollar-Kizuna will allow super-high speed data communications of up to 1.2 Gbps, which would make it the fastest in the world, the agency said.

That rate would translate to 150 times that of the average high-speed ADSL connection rate of 8 Mbps, or 12 times the speed of a fibre-optic communication delivery to a person's premises (FTTP).

The "Kizuna," which also means "bond" in Japanese, is expected to begin transmitting and receiving data with terrestrial infrastructures in July after completing preparations and confirming the satellite's safety.

Japan is looking to use the satellite to allow communication when a ground-based network is severed by a disaster in any Asian country, in which case it would be used to transmit data to crisis management offices.

The agency is hoping it can also be used as an educational or medical tool to reach people in remote or mountainous areas.

"The Internet is now an integral part of our lives; but its infrastructure levels vary. Urban areas ... have a better environment, whereas some mountainous regions and remote islands are not well-equipped," JAXA said on its website.

The satellite will enable students in Asian countries to communicate smoothly and with no time lag among one another, as if they were in the same classroom, it said.

## India to unveil anti-poverty budget

AFP, New Delhi

India's centre-left government will focus on fighting poverty and helping debt-hit farmers when it delivers this week what could be its last budget before the next general election, economists say.

Ruling Congress party chief Sonia Gandhi gave a flavour of Friday's budget when she said last week Finance Minister Palaniappan Chidambaram would "keep the common man's difficulties," especially those of farmers, in mind.

"This is likely to be the government's last full-fledged budget before the general elections," expected to be held within 12 to 15 months, Morgan Stanley economist Chetan Ahya said.

The budget for the next fiscal year to March 2009 "will be aimed at pleasing the lower-income segment of the population, which, during recent months, has been suffering from the rising cost of living," Ahya said.

Congress, which owes its upset 2004 general election win to support from India's poor masses, is already feeling the heat over inflation, which has been blamed for the party's drubbing in several state polls.

Thousands of villages still lack roads and access to medical care, schools, clean water and sanitation.

"India should not claim to be a superpower before it provides tapped water and toilets to its citizens," said social activist Ela Bhatt, writing in the Times of India.



An Indian woman hangs out freshly washed clothes at a 'Dhobighat' (clothes washer's place) on a foggy morning in Kolkata yesterday. Many Indian cities have some Dhobighats besides a river or lake, where a group of Dhobhiwallahs clean garments, soaking them for a few hours charging about one USD to launder more than fifteen items. India's centre-left government is set to unveil an anti-poverty budget to help debt-hit farmers.

## Britain nationalises Northern Rock bank

AFP, London

Britain's ailing mortgage lender Northern Rock, hit by a global credit crunch, is now in public hands, the government said Friday after announcing it had acquired all the bank's shares.

Parliament passed a bill late on Thursday after a brief tussle between the upper and lower houses of parliament, clearing the way for the first official British nationalisation since the 1970s.

The Banking (Special Provisions) Act 2008 received Royal Assent at 0001 GMT Friday, a formal procedure putting it on the statute books.

Members of Britain's unelected upper House of Lords threatened to stall the legislation by opposing the bank's exemption from freedom of information laws and pushing for an independent audit of the firm after three months.

But they dropped their demands, allowing the bill to clear parliament.

The government takeover paves the way for a compensation scheme to be set up for Northern Rock shareholders, under which an independent valuer will be appointed to decide on the level of payout.

## INVESTMENT

## From houses to airlines, the new face of Sylheti NRB investments

SARWAR A CHOWDHURY

In the villages of Sylhet you don't have to travel far before you find a newly built house, complete with a neat wall and imposing entrance. Chances are it will belong to the family of one of the millions of Bangladeshi Sylheti descent who now live abroad.

For decades in this district in the north-east of the country, millions of remitted pounds and dollars have been spent on building homes, buying plots and apartments, establishing mosques and colleges and setting up shopping malls.

Apart from fixed assets and charitable endeavours, the influx of foreign funds has also found its way into consumption with shops selling electronic and household goods and luxury foods doing a brisk trade.

But now this pattern is changing. Non-resident Bangladeshi Sylheti (NRBs) from the district are trying to get their money to work for them and have started investing in businesses. From airlines to hotels and timber yards to kitchen products, this new wave of funds is making itself felt well outside Sylhet.

If it is possible to bring the non-resident Sylheti's investment in Bangladesh with an effective planning, it will be possible to develop the whole country," said Faruque Ahmed Misbah, managing director of The Man & Company Limited, a real estate developer and estate agent.

In a way the recent investment trend can be seen as a natural maturing of the NRB community. First and second generation non-resident Sylheti were busy fulfilling their basic needs as well as those of their close relatives. Moreover, the expatriates in the early stages had little idea about industrialisation, as they were unskilled and non-professional. The new generations are well educated.

The third generation expatriates also feel that the investment will create a bridge between their ancestral home and their adopted home. Some fear that if they do not do something in Bangladesh the next generation will be detached from their parental homeland.

Professor Mustafizur Rahman, executive director of Centre for Policy Dialogue, said it is a global phenomenon for expatriates to invest in their ancestral home. "We saw the same things in the case

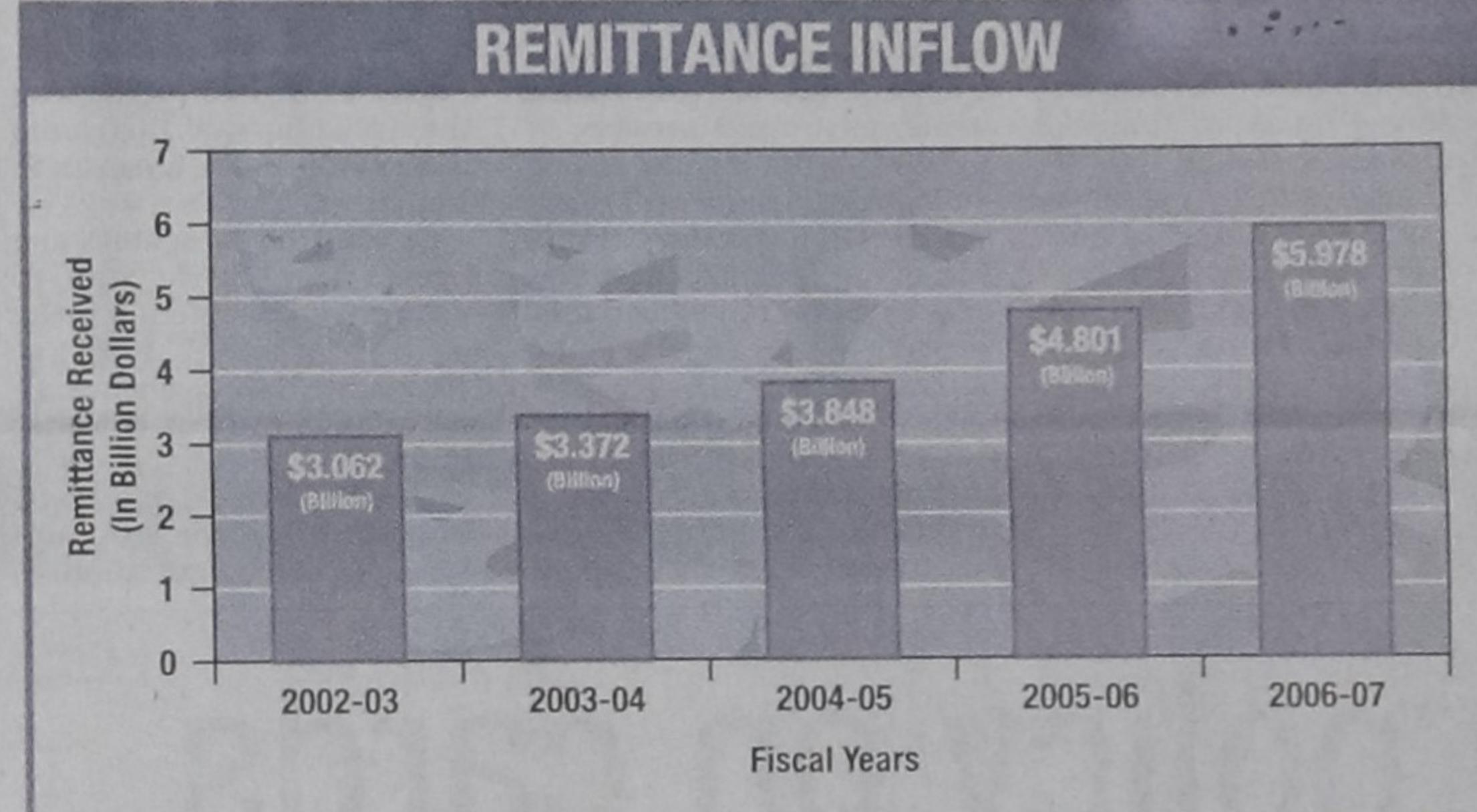


SYED ZAKIR HOSSAIN

of non-resident Indians and now things are happening in the case of Bangladesh," he said.

One of the most high profile of these has been the establishment of the Dhaka Regency, a five star 300-room hotel. The money behind the hotel comes mainly from Sylheti living in the UK. So far around 8.5 million pounds has been invested and more is planned.

Musleh Ahmed, executive director of Dhaka Regency, himself a British born Bangladeshi of Sylheti



NRB's mainly from the UK.

Tasbirul Ahmed Choudhury, chairman of United Airways and an NRB of Sylheti descent, said. "In the next five years, we are hopeful of bringing Tk 2,000 crore as investment from NRBs and the investment will create employment opportunity for at least 1,000 Bangladeshis."

Dr Wali Tasar Uddin, the director of the British-Bangladesh Chamber of Commerce and Industry, who is also a Sylheti, said NRBs are looking to invest in the manufacturing and hospitality sec-

tor. "The primary need of the relatives, such as housing, has been met. So now people look forward to doing something that can earn some return."

Misbah, former president of Sylhet Chamber of Commerce and Industry (SCCI), said some 10 to 11 thousand crore taka remains idle with banks in Sylhet.

"If the government makes it open for all to set up power plants, the Sylheti NRBs will gladly invest in the sector," said Misbah, who has a close relationship with many non-resident Sylheti.

He said around 5 lakh NRBs

from Sylhet are living across the world, mainly in the UK and USA.

During the 1980s, an initiative was taken for industrialisation in the district through setting up textile units, said SCCI President Junnun Mahmud Khan. However, the non-availability of local raw materials, poor transport system, lack of utility services and high cost of production undermined the efforts.

"We lost our investment totally and repaid the bank loan even by selling our properties at that time. Then the non-resident Sylheti, gripped with a fear of losing properties, concentrated on building big houses in their villages," he added.

But just as the mentality of NRBs has changed, so have opportunities in Sylhet, according to Junnun who points to improved road and air communications between the area and Dhaka.

In order to attract and encourage the Sylheti NRBs' investment, an initiative has already been taken to set up a 'special economic zone' where majority of lands will be allocated for Sylheti NRBs.

One entrepreneur already operating is Abdus Shukur, a Sylheti expatriate who set up a timber treatment plant with a capital of Tk 10 crore in Srimangol. "If others can invest and do business in Bangladesh, why not?"

Moreover, he said, the expatriates look forward to doing something here so that their next generations cannot be detached from their parental homeland. "Otherwise, the upcoming generations will never come back to their origins," he said.

He said to attract the expatriates' investment there should be a feasibility report so that the entrepreneurs can have idea which place is suitable for what kind of business or investment.

Lays Uddin, managing director of Mega Colour Lab and who has relatives living in the UK, said if the NRBs living in the UK invest their only one week's wages in Bangladesh, the amount will be more than Tk 100,000 crore.

"I have confidence that the Sylheti NRBs are ready to make the investment. They just need a platform from where all logistic and policy support will be provided to secure their investment," said Lays, also a director of SCCI.

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## Sylhet chamber chooses lands for special economic zone

SARWAR A CHOWDHURY

Sylhet Chamber of Commerce and Industry (SCCI) has selected 1,000 acres of land for setting up an special economic zone in order to attract investment especially from the non-resident Sylheti.

The special economic zone, adjacent to Fenchuganj-Tamabil Bypass Road Link, will provide land and other infrastructural facilities to the entrepreneurs to set up manufacturing and other industrial units.

"We will submit the proposal to the government for acquiring the land," said SCCI President Junnun Mahmud Khan.

He said the chamber has completed a feasibility study on setting up a special economic zone or an industrial park in Sylhet division from where a large number of expatriates are living mainly in the UK and USA.

The SCCI has also signed a memorandum of understanding with the British-Bangladesh

Chamber of Commerce and Industry (BCCI) in 2006. Under the deal, the BCCI will bring together the non-resident Sylheti to invest in the economic zone. It is expected that 65 percent land of the zone will be provided to the expatriates.

According to the feasibility study, Sylhet has available land, abundant natural and forest resources to set up an economic zone or industrial park. There is an ample scope to increase production of various agricultural com-

modities. In Sylhet division, there is also scope to increase fish production through undertaking aggressive programmes and activities.

Sylhet has economically significant storage of minerals for industrialisation. Natural gas, limestone, sand stone and sand, glass sand and coal are available in this region.

Some supports should be pro-

vided to the non-resident Sylheti

response from the Sylheti expatriates," he added.

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