

Relaunch of One Stop Service soon: BoI chief



SA Samad, executive chairman of Board of Investment, speaks at a seminar on 'Bangladesh's Potentials for Foreign Investment' organised by Canada-Bangladesh Chamber of Commerce and Industry (CanCham) yesterday in Dhaka.

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The state-run investment promotional agency will relaunch its One Stop Service to provide better services to entrepreneurs expediting investment processes, its chief told a seminar in Dhaka yesterday.

"Enhancing image through better service is our goal," said SA Samad, executive chairman of the Board of Investment (BoI).

Canada-Bangladesh Chamber of Commerce and Industry (CanCham) organised the seminar on Bangladesh's Potentials for Foreign Investment at the auditorium of Dhaka Chamber of Commerce and Industry.

The BoI boss listed some facilities offered to investors, both local and foreign, which include cash incentives, zero tariff benefit for importing some specific raw materials and guaranteed loans against opening of letters of credit.

In this context he also

pointed his finger at opening up a widened area of investments for all except four sectors including arms and ammunition, forest plantation, nuclear energy and security printing and minting. "You have a lot of areas you can make investment."

Samad assured foreign entrepreneurs that their interests are protected by the law of the land.

At present there are 44 Canadian projects in Bangladesh with an accumulated investment of \$296.37 million employing 11,087 persons, he pointed out.

"The government is relentlessly trying to improve the law and order for creating a better investment climate in the country," Samad said. The decline in corruption and crime is a clear indication of the better law and order, he added.

In his speech, Canadian High Commissioner in Bangladesh Robert McDougall stressed improvement in Dhaka's traffic congestion to attract

foreign direct investment (FDI).

"Practical actions are needed, rather than soft words for reducing the city's traffic jam," he said.

Urging an accelerating pace in the execution of annual development programmes, CanCham President Masud Rahman lauded the government's public-private partnership (PPP) initiatives saying it is a good effort to lure FDI.

However, he lamented that current investment offers are not enough in the cases of much-needed physical infrastructures like energy, port, roads and railways.

These areas need huge money with slow return, Rahman said.

"Appropriate policy support that envisages joint ventures and incentives may be given to attract investment in these areas," Rahman added.

CanCham Vice-president John Douglas Hearn also spoke.

Outgoing Ficci chief links FDI to infrastructure development

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The outgoing chief of the foreign investors' chamber has suggested that the government immediately move to develop infrastructures, pointing out that entrepreneurs will not show any interest in making any investment in Bangladesh if not problems like gas, electricity and water are not resolved.

Walidur Rahman Bhuiyan, whose tenure as the president of Foreign Investors Chamber of Commerce and Industry (Ficci) has expired, made the suggestion at Ficci's 42nd annual general meeting in Dhaka yesterday.

"Many new industries cannot go into production due to gas scarcity. If the situation persists each of the running industries will also be shut down soon," Bhuiyan said.

"To attract investors, development of the Chittagong Port and Dhaka-Chittagong highway is necessary as the port is the only active one in the country. If the port faces any closure, the economy will collapse," he added.

He also pointed to the fact that both the local and foreign investment is a must for the growth of Bangladesh economy.

He proposed that a day might be observed as NRB Day to attract the expatriates, who have a good chance to invest here.

AM Hamim Rahmatullah, new president of Ficci, was also present on the occasion.



Industries Minister Dilip Barua inaugurates a new production unit of 'Maggi' noodles of Nestle Bangladesh Ltd at the company's factory site in Sreepur, Gazipur yesterday. Nestle Bangladesh Chairman Latifur Rahman is also seen.

Special economic zones on cards: Barua

Nestle unveils new production unit of Maggi noodles

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The government will soon develop special economic zones (SEZs) to lure both foreign and domestic investments, said Industries Minister Dilip Barua yesterday.

"Bangladesh is a unique place for investment. Foreign investors can invest in the special economic zones with modern technology and help accelerate economic activity and generate employment," he said.

"Foreign investors can come and invest in the various thrust sectors, such as ceramics, light engineering and shipbuilding."

Barua made the call to foreign investors at the inauguration of a new production unit of 'Maggi' noodles by Nestle Bangladesh Ltd. The new unit has been set up at Nestle's factory in Sreepur, Gazipur.

Deputy Head of Mission of Switzerland Gabriele Gerighetti and Nestle Bangladesh Chairman Latifur Rahman and Managing Director

Laurent Therond were also present.

Nestle Bangladesh officials said the company invested about Tk 13 crore to set up the new production unit to meet growing local demand for noodles.

Officials said the new unit would raise the noodles production capacity almost threefold -- from about 3,500 tonnes to over 10,500 tonnes a year.

"Nestle's expansion is an important initiative. Such investment will allow us to realise our dream of making Bangladesh an industrially developed nation," said Barua. "In the new Industrial Policy, we will focus on facilitating foreign and non-resident Bangladeshi investors."

The minister said the government would take steps to safeguard foreigner's investments and facilitate easy transfer of their profits and remittance.

"We want foreign investors to be our development partners," he said.

Barua also said the government will protect worker interests, encourage

companies to carry out their social responsibilities and develop the green industry.

Gerighetti said Bangladesh is truly a unique place for investment and tourism.

"The potential of Bangladesh is huge," he said, adding that Swiss investors are investing here. "Some of them are also waiting to invest."

Nestle Bangladesh Ltd, a subsidiary of health, nutrition and wellness company Nestle SA, began operations in Bangladesh in 1994.

The company manufactures and markets various brands, including Maggi Noodles, Maggi soup, Nescafe, Nido power milk and various infant cereals.

Therond said the expansion would help Nestle fulfil rising demand for noodles among consumers. "Thanks to the Bangladeshi consumers, our new production unit will certainly be able to meet demand. We will also bring some new products for Bangladeshi consumers."



Rokia A Rahman, chairperson of MIDAS Financing Ltd, hands over a bouquet to M Hafizuddin Khan, chairman of the board of trustees of Transparency International Bangladesh, at the financial institute's meeting in Dhaka recently. Hafizuddin Khan has recently joined MIDAS Financing as an independent director.

Grameen Cybernet launches IP telephony

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Grameen Cybernet Ltd launched IP (internet protocol) telephony service, offering free calls to customers within the IP network.

Customers with access to the internet can enjoy the offer by using Grameen Cybernet Ltd's (GCL) IP equipment.

GCL is now ready to provide IP-based telephony service to customers, said company officials yesterday at a press conference at the Dhaka Reporters Unity.

Customers will have to buy a router, have an internet connection and a phone set to enjoy IP telephony service, said Masum Billah, deputy manager (operation and technical) of the company.

The GCL router is now available in the market at Tk 5,000 each.

Customers can also make calls to mobile and landline networks at minimum costs through IP telephony.

The Bangladesh Telecommunication Regulatory Commission (BTRC) is yet to finalise the tariff plan, said Billah. "We are trying to keep the call charge below Tk 0.10 a minute."

IP telephony is a general term used to describe the technology that uses the internet protocol's packet-switched connection to exchange voice, fax and other forms of information services.

BTRC issued 32 IP telephony licenses to local internet service providers (ISPs) in August. The voice over internet protocol (VoIP) is allowed under a licensing process alone.

Customers of IP telephony will also get a chance to make overseas calls by just dialling from his or her computer, said Shusmita Talukdar, a software engineer of the company.

She said customers of other ISPs will also receive the IP service. GCL is using open sources to provide IP service, which can save foreign currency as well, she said.

GCL started its internet service business in 1996. The company is serving over 30,000 clients in various sectors.

President urges higher ICT penetration

UNB, Dhaka

President Zillur Rahman urged the science, information and communication technology ministry to take pragmatic and necessary measures to make the country's greater portion familiar with ICT to ensure faster development in all sectors.

The president was speaking at the inaugural ceremony of the Digital Bangladesh Summit-2009 at Bangabandhu International Conference Center yesterday.

Bangladesh Computer

Samity (BCS) in collaboration with the ICT ministry organised the summit.

Greater use of information technology is necessary for development and modernisation of the sectors such as telecommunications, trade and business, health, e-governance, tourism and rural development, said the president.

Information Minister Abul Kalam Azad and Jute and Textile Minister Abdul Latif Siddique, among others, spoke at the summit chaired by BCS President Mustafa Jabbar.

BBF launches 'Knowledge Centre'

STAR BUSINESS DESK

Bangladesh Brand Forum (BBF) has launched its innovative project, Knowledge Centre, yesterday.

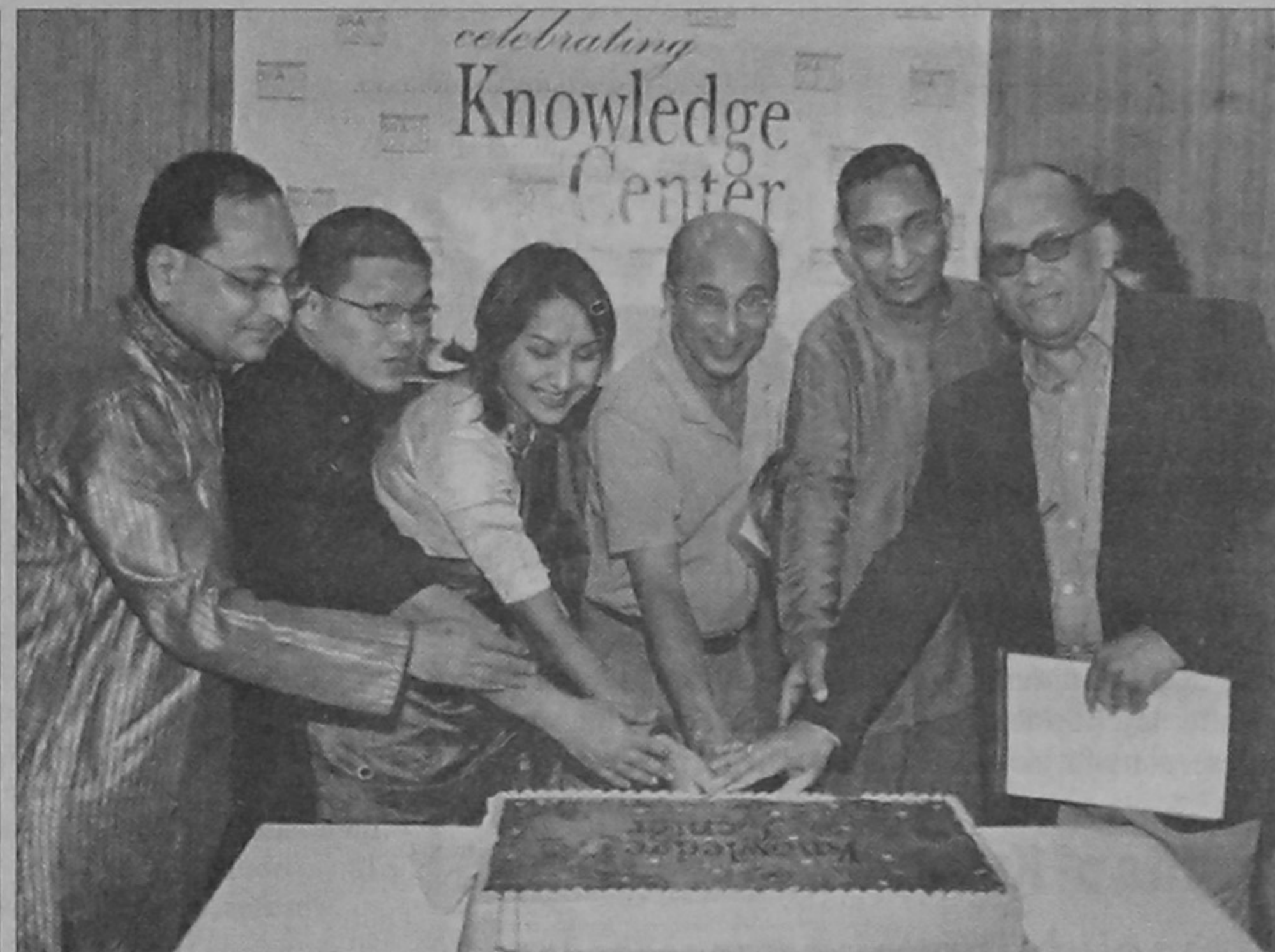
Through its different sections, the centre aims to inspire managers to reach their full potential.

The available means of resources are: Library (books and journals), a computer centre, a video archive, a training centre and a creative centre.

Dr Tawfiq-e-Elahi Chowdhury, energy adviser to the prime minister, was present at the ceremony along with Prof Ferhat Anwar, BBF chief adviser, and Shariful Islam, founder.

Shah Masud Imam, head of corporate affairs of Standard Chartered Bank, who was also present at the event, said: "The facility is equipped with all the necessary means to gain knowledge about the business world."

Bangladesh Brand Forum promotes brands in Bangladesh's corporate world.



Dr Tawfiq-e-Elahi Chowdhury, energy adviser to the prime minister, cuts a cake to inaugurate "Knowledge Centre", a new project from Bangladesh Brand Forum, in Dhaka yesterday.

BB asked to manage liquidity effectively

Problems of light engineering sector discussed

STAR BUSINESS REPORT

The central bank should take measures to ensure effective liquidity management with its mechanism to safeguard the economy, said the economic affairs adviser to the prime minister yesterday.

"We have excess liquidity in banks, and foreign exchange reserve is also satisfactory," said Dr Mashur Rahman.

"I think this is a momentary incident and would not last long, and so the Bangladesh Bank (BB) should monitor the situation and take safeguard measures," he added.

He was speaking at a seminar on 'removing policy and institutional barriers for light engineering sector development' organised by Bangladesh Engineering Industry Owners' Association in Dhaka.

He said the central bank has to play an effective role to ensure a balance between high liquidity and foreign

exchange reserve.

Rahman also stressed correcting different anomalies regarding tax and VAT to help ensure the growth of light engineering sector.

Abdur Razzaque, president of the association, said the sector lacks adequate policy and institutional supports from the government.

"The government needs to set a time-bound vision to enhance the growth of the sector. At the same time, we need a special economic zone," he said.

"The government also should take necessary measures to remove unnecessary conditional clauses in import policy," he said, adding: "Our tax administration has anomalies regarding duty, tax and tariff that often create barriers to growth."

Dr Mainul Islam, professor of economics at Chittagong University, said the central bank can utilise the excess liquidity for the development of the country's small and medium enterprises and light engi-

neering sector. Simultaneously, the BB can help different sectors with its funds, he added.

He said the government can allocate land on a cluster basis to support the light engineering sector, which came to the fore after 1971, with entrepreneurs who earlier worked mainly as mechanic and helper in the sector.

The government recognised the sector in 1984 bringing it under the industries ministry. Finally the government in its latest industrial policy in 2005 put more focus on the sector.

Presently, there are around 40,000 small-scale light engineering enterprises across the country with six lakh people directly involved, according to Board of Investment statistics.

Now the sector manufactures around 10,000 types of items worth \$120 million a year for the local industries. The annual turnover of the sector accounts for Tk 20,000 crore.



Igloo, a leading ice-cream company, launched its new product Dudh Malai on the local market yesterday. ASM Mohiuddin Monem, deputy managing director of Abdul Monem Ltd, MA Bayers, deputy general manager (sales), Ibrahim Khalil, group brand manager, and Faisal Aziz, product development manager of Igloo, were present at the launch.