

# Muhith backs rural habitation to cut poverty

STAR BUSINESS REPORT

Finance Minister AMA Muhith yesterday advocated building 'rural habitation centres' across Bangladesh, aiming to alleviate poverty and reduce dependency on Dhaka.

"We need to strengthen the local government and make it more dynamic to reduce rural poverty, which is the root of urban poverty," Muhith said.

"People rush to urban areas, particularly Dhaka, as they do not have employment opportunities in the rural areas."

"It is also true that we cannot ensure adequate civic amenities to slum dwellers in the city as much as we can in the rural communities. This is because several ministries, government agencies, NGOs and different development partners work in rural areas," Muhith said.

He said it would be possible to take beggars off the streets in five years if rural habitation centres could be implemented properly.

Speaking as chief guest at a seminar, Urban Poverty: Dimensions and Solutions, the minister said people can also shift to cities such as Rangpur, Mymensingh and Bogra, as they will have an access to civic amenities there.

Power and Participation Research Centre (PPRC), a private think tank, organised the seminar at the LGED Bhaban in Agargaon, where mayors from different municipalities, researchers, lawyers and government high-ups were present.

Dr Hossain Zillur Rahman, executive chairman of PPRC, moderated the seminar.

As a panel discussant, Mahabub Hossain, executive director of Brac, advocated decentralised urbanisation and taking steps to increase the income of the rural population, so that they are not prompted to migrate to urban areas.

"The government should enhance trade opportunities and create more employment for them. Urban poverty is of course a reflection of rural pov-

erty," Hossain said.

Begum Selina Hayat Ivy, mayor of Narayanganj Municipality, said slums should be removed from the urban areas so that slum dwellers cannot be used for political reasons.

Slum dwellers in the city are not staying free of cost, as they have to pay significant sums of money to influential political parties, she said.

"But almost everybody thinks the slum dwellers live free of cost."

Sarwar Jahan, a professor of Bangladesh University of Engineering and Technology, said buildings should be constructed on government-owned fallow land in the urban areas for slum dwellers. They should also be given legal rights for greater participation in the development process, he said.

The government can also earn significant revenue from renting out houses built on its land to low-income groups.

The government diligently works to provide facilities to the MPs and ministers, but rarely to the poor people, said AKM Mozammel Haque, MP.

# Kuwait says oil prices 'fantastic'

AFP, Kuwait City

Kuwait's Oil Minister Sheikh Ahmad Abdullah al-Sabah said on Tuesday that the price of crude oil was "fantastic," as it stayed above 82 dollars a barrel spurred by freezing temperatures.

Oil prices are "fantastic... because of what is happening with the weather in Europe and as demand is picking up," the minister told reporters outside parliament.

The minister said Kuwait does not want any change to production quotas when the Organisation of Petroleum Exporting Countries meets in March.

He also expected demand to pick up in the second quarter of 2010 as the global economy is expected to continue its recovery and as crude inventories decline.

Oil fell in Asian trade on Tuesday but remained above 82 dollars a barrel.

New York's main futures contract, light sweet crude for February delivery, was trading at 82.03 dollars a barrel in the afternoon, down 49 cents from the New York close on Monday.

# Incoming EU trade chief sees WTO deal by 2011

AFP, Brussels

Would-be new European trade chief Karel De Gucht expressed confidence on Tuesday that a deal to free up international commerce is attainable by next year.

"I am personally confident that we are going to conclude the Doha round," De Gucht told European parliament lawmakers during a question-and-answer confirmation hearing in Brussels.

"I don't know if it will be in 2010 or 2011, but I am quite confident."

The Doha round began in 2001, with a focus on dismantling obstacles to trade for poor nations by striking an accord that will cut agriculture subsidies and tariffs on industrial goods.

Deadlines to conclude the talks have been repeatedly missed.

Discussions have been dogged by disagreements on issues including how much the US and the EU should reduce aid to their farmers and the extent to which developing countries such as India, China and South Africa should cut tariffs.

"We have to do that deal," De Gucht added, refusing to concede that the terms of the talks had to change to take account of the aftermath of the global economic crisis.

# Tiger Airways advances aircraft delivery

AFP, Singapore

Singapore budget carrier Tiger Airways said Tuesday it has brought forward the delivery of five Airbus A320 aircraft to boost its expansion into Asia and Australia.

The aircraft will now be delivered later this year and in early 2011 instead of the original dates in 2016, the firm said in a statement.

Standard Chartered Bank has completed a "structured pre-delivery payment financing arrangement" to allow for the early delivery of the aircraft, the statement said.

"In view of the opportunities for us to grow our business in both Asia and Australia, we have accelerated delivery of these five new aircraft from their original delivery dates in 2016 to now join our fleet later this year and in early 2011," Tiger chief executive Tony Davis said.

# Garment tech fair starts today

STAR BUSINESS DESK

A four-day garment technology fair starts at Bangabandhu International Conference Centre in Dhaka today.

The exposition known as Garmentech Bangladesh, ninth of its kind, will showcase technology and solutions in the sector.

Over 100 companies will display sewing, finishing, laundry, embroidery, printing, laser, CAD/CAM, knitting and allied machinery.

The fair, organised by Zakaria Trade and Fair International, will also offer solutions to the RMG indus-

try in productivity, skill development and value addition.

"Our survey with the visitors to Garmentech Bangladesh in the last two years inspired us to extend the product display beyond machinery," said Zakari Bhuiyan, chairman of Zakaria Trade and Fair International, in a statement.

This year, organisers have added a new event, International Fabrics and Accessories Sourcing Fair, at the same venue.

The International Fabrics and Accessories Sourcing Fair will act as a platform to

address the apparel fabrics and garment accessories manufacturers and IT service providers from Pakistan, China, Turkey, Germany, India and Bangladesh.

"We are committed to bringing the latest global technology to the doorsteps of our industry," he said.

The fair will showcase hangers, embroidery threads and solutions, woven and non-woven interlining, polymeric quaternary softer, non-ionic water soluble polyester resin, soluble polyester resin, amino silicone softer and garment exhaust pigment dyeing system.



Shahla Khatun, chairperson of International Medicare Ltd, presides over the company's tenth annual general meeting in Dhaka recently.

# JS body suggests listing of ICB firms on bourses

STAR BUSINESS REPORT

A parliamentary body has asked the Investment Corporation of Bangladesh (ICB) to immediately list its three subsidiary companies on bourses.

"We recommended that ICB list its subsidiary companies on stock exchanges. These three firms are ICB Capital Management Limited, ICB Asset Management Company Limited and ICB Security and Training Limited," AHM

Mostafa Kamal, chairman of the Parliamentary Standing Committee on Finance Ministry, told reporters after a meeting at the Jatiya Sangsad Bhaban yesterday.

The committee also suggested the newly formed Bangladesh Development Bank Limited take steps so that the bank gets relieved of sick clients or borrowing industrialists after settling their loans and other dues.

The bank, which came into being after the merger between Bangladesh Shilpa Bank and Bangladesh Shilpa

Rin Sangstha, launched its operation recently with industrial financing, commercial banking and merchant banking at the core of its services.

Pointing his finger at the sick clients of the development bank, the parliamentary body chief said, "We have told the new bank officials to come up with a list specifying the very sick, sick and well running companies so that the list come under review in the committee's next meeting."



Tamanna Pharmacy has launched its new outlet near Apollo Hospitals in Bashundhara Residential Area in Dhaka recently.

# Euro slips

AFP, London

The euro slid against the dollar on Tuesday as many traders took profits after the European single currency had soared close to a one-month peak on the back of positive Chinese data, dealers said.

In London morning deals, the euro fell to 1.4497 dollars, from 1.4514 late in New York on Monday, when it had struck 1.4557 -- a level which was last seen December 16.



M Ehsanul Haque, managing director of Prime Bank Ltd, speaks at a press meet at Hotel Prubani in Dhaka recently. The conference was organised by the bank to review its successes in 2009.

# Obama considers levy for rescued firms

AP, Washington

Targeting an industry whose political deafness has vexed his administration, President Barack Obama is weighing recovering tax dollars from government-rescued financial institutions with a levy.

The proposed levy could put Obama on the popular side of public opinion that is decidedly against Wall Street and angry over shortfalls in a \$700 billion bank bailout fund.

A senior administration official said Monday that Obama would seek modifications to the law that sent billions in bailout money in 2008 and 2009 to a flailing Wall Street that was approaching collapse. The government official spoke on the condition of anonymity to discuss the president's thinking.

The idea received an early boost from Speaker Nancy Pelosi, the top Democrat in the House, where there have been calls for a hefty tax on bank bonuses.

"While we have not seen any specific language from the administration, Congress will certainly examine any serious proposals to lower the deficit and recoup even more of the TARP funds for the taxpayers," said Nadeam Elshami, a spokesman for Pelosi, D-Calif.

The 2008 law that created the Troubled Asset Relief Program requires the president to seek a way to recoup unrecovered TARP money from financial institutions, but five years after the law was enacted. It does not specify how the money should be recovered.

# BB chief sees sluggish investment as major challenge to growth

BSS, Dhaka

When economists identify inflation as the immediate concern for economic stability, Bangladesh Bank (BB) Governor Atiur Rahman sees investment as the major challenge to economic growth.

Addressing a seminar yesterday at the Institute of South Asian Studies in Singapore, the governor observes Bangladesh needs more investment than it does now -- to move out of the current least developed country status.

But, he said, deficiencies in power, gas and basic infrastructure are the major supply-side bottlenecks for industrial growth in Bangladesh.

"To prevent irregular power and gas supplies from continuing to affect industrial production, investment in power and gas needs to be increased," Rahman told the seminar, according to a document posted on BB's website.

In addition, he said, investment is also needed to improve road conditions, port operations, and urban

infrastructure and services to support industrial growth.

The governor also referred to the various initiatives of the government to accelerate investment. He referred to public-private partnerships (PPPs) programme for an instance.


If successfully implemented, PPPs would make an important contribution to economic growth and poverty reduction through investment in social infrastructure, transport and power, Rahman observed.



A visitor browses internet at a QUBEE WIMAX outlet at the 15th Dhaka International Trade Fair. Visitors and pavilion owners can use QUBEE wireless services for free within the fair premises.

US BUSINESS IN BANGLADESH

**The American Chamber of Commerce in Bangladesh (AmCham) and The United States Embassy**



Announce the US Trade Show 2010 will be held at the Dhaka Sheraton Hotel from February 18 to 20, 2010. Invitation to the US Firms and/or their agents have already been mailed inviting them to participate at the Show.

Interested US Firms and their agents, who have not yet received the invitation should contact AmCham for details.

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US TRADE SHOW 2010