

Stocks	
DGEN	0.19%
	6,140.20
CSCX	0.23%
	11,601.21

Asian Markets	
MUMBAI	1.02%
	16,741.84
TOKYO	1.12%
	9,603.24
SINGAPORE	0.45%
	2,727.57
SHANGHAI	0.12%
	2,571.42

Currencies	
Buy Tk	Sell Tk
USD	68.65 69.65
EUR	82.36 86.36
GBP	99.38 103.65
JPY	0.73 0.78

SOURCE: STANDARD CHARTERED BANK

Commodities	
Gold	\$1,222 (per ounce)
Oil	\$72.30 (per barrel)

SOURCE: AFP

## News in Brief

## KEPZ to create 60,000 jobs: envoy

UNB, Dhaka

Korean Ambassador Taiyoung Cho said yesterday at least 60,000 people would be employed in Chittagong once the construction of Korean Export Processing Zone (KEPZ) is complete.

"The construction of the KEPZ in Chittagong is almost done. Upon completion, employment opportunities will be created for more than 60,000 people," said Cho at a meeting with Planning Minister AK Khandker.

During the meeting, Cho highlighted the investment potential of Korea in power, ICT, garments, leather and industrial sectors of Bangladesh and also mentioned the eagerness of Korean investors to invest in Bangladesh.

Some one lakh Bangladeshis were employed in 150 Korean ventures in Bangladesh, added Cho.

Describing South Korea as a friendly country, Khandker said the relationships between the two countries as well as areas of cooperation were further enhanced during Prime Minister's Sheikh Hasina's recent visit to Korea

## G20 ministers meet to safeguard recovery

AFP, Seoul

Finance ministers from the world's biggest economies will meet in South Korea this week to try to shore up a global recovery threatened by the eurozone debt crisis.

Ministers and central bank chiefs from the Group of 20 will assess the world's economic health and discuss ways to achieve sustainable and balanced growth, according to host South Korea.

Its finance ministry said they will also consider regulatory reforms to avert a replay of the 2008-2009 slump, discuss the fiscal soundness of each nation and stress global cooperation in the timing of exit strategies.

# Donors to cut aid strings

## Deal signed to harmonise the activities of development partners

REJAUL KARIM BYRON

Development partners will reduce the number of conditionalities under a joint cooperation strategy (JCS) and the government will formulate a result-based development framework for effective use of foreign assistance.

After a wide range of consultations at various forums in the last five years, the JCS agreement was signed yesterday for the 2010-15 tenure. Six action plans have been set for fiscal 2010-2011.

The deal will also harmonise the activities of the development partners.

The development partners in the JCS said: "We further commit to reducing the number of conditionalities and basing the related benchmarks on the government's plans and strategies."

They also promised to increase multi-year predictability of aid flows and reduce the overall number of parallel project implementation units.

They said they would reduce transaction costs resulting from uncoordinated development activities.

The government and 18 development partners signed the first-ever JCS agreement at the National Economic Council auditorium in Dhaka.

Economic Relations Division Secretary Musharraf Hossain Bhuiyan signed the deal on behalf of the government and Country Representative of UK Department for International Development (DFID) Chris Austin signed on behalf of the donors.

At the signing ceremony, Finance Minister AMA Muhith said every year around 600 missions from the development partners visit Bangladesh. "On an average one mission comes every day. Every donor has its own rules and formalities."

The finance minister said the JCS agreement will harmonise the donors'



(Front) Finance Minister AMA Muhith (fourth from left), Planning Minister AK Khandker (fifth from left), DFID Country Representative Chris Austin (third from left), Economic Relations Division Secretary Musharraf Hossain Bhuiyan (fourth from right), among others, pose at the signing ceremony of a joint cooperation strategy agreement at the National Economic Council in Dhaka yesterday.

activities, saving time and costs. Some donors have already said they would not go for separate country assistance strategies and use a single strategy.

The ERD in a statement said the JCS has a detailed annual action plan. It includes joint activities to strengthen the government's aid management capacity, improved public financial management, and joint monitoring and evaluation activities.

Other issues of mutual interest are the development partners' alignment to the government policies, priorities, systems and procedures, the statement added.

ERD officials said there are mainly three components in the JCS -- joint commitment of the government and development partners, a six-point action plan, and a detailed development partner mapping as to which donor would work in which area.

The government will approve the sixth five-year plan and aid management policy and strategy by December this year.

The project approval and implementation processes will witness reforms by early next year, while new programme-based approach for the health and education sectors will be drawn by June 2011.

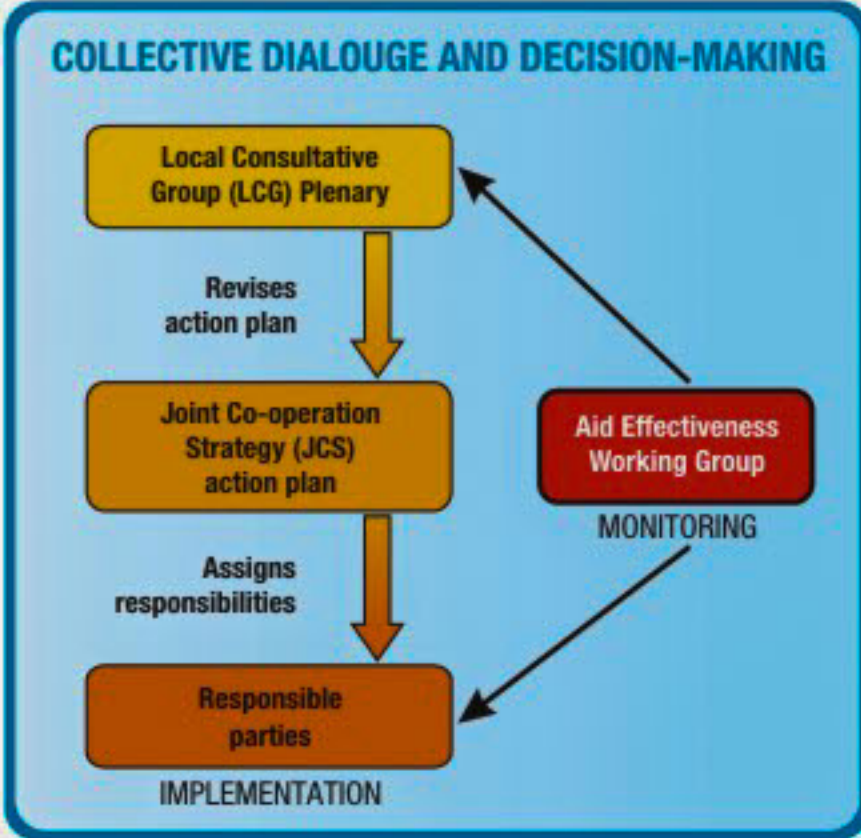
The national sector development results framework would be drafted by October 2010 and it would be finalised by December.

The ERD officials said, for every sector there will be separate indexes prepared for taking stock of what work is being done and what is its outcome. On the basis of the indexes, the development partners would monitor the progress and outcome of the works.

The officials also said the development partners will carry out field visits.

The meeting of Bangladesh Development Forum will be held in March 2011. The progress of JCS will be reviewed every year and it will be submitted in the plenary of the Local Consultative Group.

The signatories among the development



partners were the Asian Development Bank, Australia, Canada, Denmark, European Union, Germany, the Islamic Development Bank, Japan, Republic of Korea, the Netherlands, Norway, Spain, Sweden, Switzerland, the UK, the United Nations, the US and the World Bank.

Planning Minister AK Khandker and DFID Country Representative Chris Austin spoke at the signing ceremony.

# Stocks to get common index in four months

## Regulator meets CEOs of bourses

SARWAR A CHOWDHURY

A common index of stocks will be introduced in the next four months, a move meant to reflect the accurate picture of share transactions.

The new one will replace the indices currently in place in the country's two bourses. The existing index calculation is far from appropriate method prescribed by the regulator.

The flawed computation in indices came to the light through media reports in January following the trade debut of Grameenphone on the stockmarket in November last year.

On November 16, 2009, the trading debut day of Grameenphone, the benchmark index of Dhaka Stock Exchange skyrocketed by more than 764 points, as DSE counted the index from the first day and based on the face value of each Grameenphone share at Tk 10.

But the first day of a company's trade on stockmarket does not provide an accurate counting, as rules say the calculation will be based on the previous day's closing price of the stock.

It means, the index calculation -- not only in the case of Grameenphone, but also in the case of any new issue -- should be counted from the next day.

On the other hand, the Chittagong

Stock Exchange calculated the index on a five-day weighted average price of Grameenphone shares, which also did not give an accurate picture.

Following such experience, the SEC has temporarily directed the bourses to start counting the index points from the second day of a company's trade.

And to find out a permanent solution, the regulator sat with the chief executives of the two bourses in Dhaka yesterday.

"It'll take three to four months to create and launch the new indices, at least the benchmark indices of the two bourses," Mansur Alam, SEC member, said after the meeting.

"However we've asked the Dhaka and Chittagong stock exchanges to launch the indices as early as possible through following IOSCO prescribed method in index calculation," said Alam, who presided over the meeting.

The SEC member also said, "Despite a directive from us in last September, the stock exchanges failed to follow a standard indexing method."

This time, there is no scope of any lapse in introducing new indices, Alam added.

Now, DSE follows IOSCO-recommended guidelines in index counting, while CSE follows the Laspeyres index calculation method.

Prof MA Mamun, chief executive officer of CSE, said an index should reflect the real picture of stocks.

"CSE is ready to launch new indices," he said.

Presently, each bourse has three types of indices. The value of the each three indices does not also match with each other.

The DSE introduced the general index on November 27, 2001 with a base of 817.62 points. The index, which excludes 'Z' category companies, is calculated on the basis of individual stock price movement under 'A', 'B', 'G' and 'N' categories.

Previously, there was only one index that included all securities of the stock exchange. Starting with a base of 350 points, the index rose as high as 3,648.75 points on November 5, 1996, when the market witnessed a 'bubble and bust'.

The broader DSE All Share Price Index was reintroduced on March 28, 2005, and the DSE-20 was introduced on January 1, 2001.

The CSE's All Share Price Index and 30 Index were introduced on December 30, 1999 with base points of 2,000.

The Selective Categories Index was launched on April 15, 2001 with a base point of 2,000.

sarwar@thedailystar.net

# Paragon plans biogas plants to produce power, fertiliser

SOHEL PARVEZ

Paragon Agro Ltd has signed up for establishing two biogas plants to generate a total of 430 kilowatts of electricity by the year-end.

The company says it will also make organic fertiliser using the slurry produced as by-product from the biogas digesters.

The plants will be set up in Mymensingh and Gazipur with a total investment of Tk 15 crore. Gazipur plant will generate 260 KW.

The proposed project will produce 25

BY THE NUMBERS	
Two plants will generate 430 kilowatts	
Gazipur plant will produce 260 KW	
Total investment Tk 15 crore	
IDCOL will finance 60 percent of the cost	
The project will produce 25 tonnes organic fertiliser a day	
It will reduce carbon emissions by 12,000 tonnes a year	
Poultry industry produces around 7,500 tonnes of waste a day, which can generate up to 50 MW	

tonnes of organic fertiliser a day and reduce carbon emissions by 12,000 tonnes a year, the company says.

"It will give us the scope to better manage poultry waste and become environment friendly," said Moshir Rahman, managing director of Paragon Agro Ltd, a concern of Paragon Group having tea-feed-poultry business.

"We will meet our power demand for poultry farms in the adjacent areas through these plants without depending on the national grid."

Paragon is one of the few large poultry farms that have started venturing into

## Hasina stresses fairness from industrialists for workers

UNB, Dhaka

Prime Minister Sheikh Hasina, speaking in parliament yesterday, urged industrialists to be more sympathetic towards workers in paying their wages.

"I will urge owners to show more sympathy to the workers while paying their wages and to consider inflation and other such factors in calculating wages," she said, responding to a supplementary question by Golam Dastagir Gazi (Narayanganj-1) during the PM's question and answer session.

She said it was not always true that the workers are involved in destructive activities in the factories. "Often, outsiders are involved."

Hasina also said the Awami League is cordial towards workers and their welfare.

She said an 18-member committee has been formed to modernise and update the Labour Policy 2010.

In the meantime, the committee formed an eight-member working cell to make the Labour Policy quickly. "This working cell held eight meetings and then submitted their draft policy."

The prime minister said industrialists have given their opinions on the Labour Policy, while the draft was sent to different labour organisations, including Jatiya Samik League, to get their views.

"The draft policy will then be sent to the cabinet division to be finalised," she said.

# Overseas job minister fears 'dangerous' future

STAR BUSINESS REPORT

The overseas employment minister himself fears a 'dangerous' future for the sector, if the migration cost is not reduced.

"They spend Tk 2 lakh to Tk 2.5 lakh to go abroad, but fail to earn the amount they spend during the tenure of service. At one stage they overstay and become irregular," Khandakar Mosharraf Hossain told a dialogue in Dhaka yesterday.

The Refugee and Migratory Movements Research Unit (RMMRU) organised it at Nabab Nawab Ali Chowdhury Senate

Bhaban of Dhaka University. The topic was 'incorporating the issues of migration in five years plan.'

The minister also pointed out that such a situation throws the country into difficulty in handling the migrants. "If such a trend cannot be stopped, the situation in the labour receiving countries will be the same as it was in Saudi Arabia and Malaysia," Hossain said.

His remarks came at a time when overseas jobs are declining. Until February, the country sent 30,448 workers a month on average, while the figure was 39,606 in 2009, down from 72,921 in 2008, according to the Bureau of

Manpower Employment and Training (BMET).

Such decline follows Malaysia's freezing of hiring Bangladeshi workers in March last year and Saudi Arabia's reducing jobs for the Bangladeshis since early 2008 and global economic downturn.

The minister said the government has taken an initiative to send workers abroad through BMET alongside the recruiting agencies.

"If BMET can send a worker at Tk 25,000 to Tk 30,000, recruiting agencies will face a pressure. They cannot, then, charge Tk 2 lakh to Tk 2.5 lakh," he said.

The government is drafting a new law to regulate overseas recruitments to better protect the migrants.

In her keynote paper, RMMRU Chair Dr Tasneem Siddiqui proposed specialised training for the labour officers posted in Bangladesh missions abroad, allocation of adequate fund for workers' skills development and formation of a separate rights and welfare directorate.

Palli Karma Sahayak Foundation Chairman Dr Qazi Kholiquzzaman Ahmad said it is very important that Bangladesh trains up manpower on the basis of market needs.



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