

Reveal costs: JS body chief to overseas job agents

STAR BUSINESS REPORT

The chairman of the parliamentary standing committee on the expatriates and welfare employment ministry yesterday likened Baira, the association of agents who charge Bangladeshis who seek work abroad, to children, for ignoring his inquiries.

"There is no chance for a hide-and-seek game," said Anisul Islam Mahmud, the parliamentary body chief. "We have to interact, as we live in the same society," he told a seminar in Dhaka.

The Tk 2 lakh migration cost Bangladeshis pay is lower in India, he said, adding that the parliamentary body tried to check these costs with the Bangladesh Association of International Recruiting Agencies. "We did not get expected support from Baira," he said.

Bangladeshis planning to seek work in the Middle East should think twice, however, as Bangladesh has almost filled its quota, said the Expatriates' Welfare and Overseas Employment Minister Khandaker Mosharraf Hossain yesterday.

The Middle Eastern states employ the majority of nearly 6.9 million

Bangladeshi migrant workers, who sent home nearly \$11 million in fiscal year 2009-10.

But the outflow of migrants to the Middle East, the main employer of unskilled Bangladeshi workers, is declining particularly in the countries such as Kuwait and Saudi Arabia.

"Bangladesh migrant workers' traditional market has become contracted," said Hossain, citing "social and economic factors." The minister said the region is hiring fewer foreign workers for demographic reasons. "There is no link between trials of war criminals and manpower exports at all," he said, concerning rumours to that effect.

However, he said the situation could soon change. "Prospects for new markets are opening even after traditional markets have become saturated," he said, citing "high demand for nurses and caregivers."

Others at the seminar organised by Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) said long-term demand for migrant workers will rise due to Europe's ageing demographic profile. Most also expect demand for semi-skilled workers to rise.

However, high migration costs, inadequate training for job-seekers, manpower shortages at Bangladesh embassies abroad and widespread allegations of cheated migrants hurt prospects of more remittance-earners, they added.

Centre for Policy Dialogue Executive Director Mustafizur Rahman echoed the call to bring down migration costs, but called on the government to invest in the sector.

Noting government aims to hit \$31 billion in remittance earnings by 2015, he called allocations for the sector negligible considering its contribution and number of workers.

Rahman stressed that Bangladesh can take advantage of the future growth in global demand for migrant workers by preparing now: "Tomorrow's market is not similar to today's market. We have to make preparations from now on to respond to the changes in the demand."

He suggested a public-private partnership establish training facilities to address future needs.

FBCCI President AK Azad chaired the programme, where recruiting agents, diplomats and bureaucrats also spoke.



Eng Khandaker Mosharraf Hossain, labour and employment minister, speaks at a seminar on "Prospect of Manpower Export and Search for New Labour Market" at the FBCCI conference room in Dhaka yesterday. Anisul Islam Mahmud, chairman of the parliamentary standing committee on expatriates welfare ministry, and AK Azad, president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), are also seen.



Nizam Uddin Ahmed, chairman of Meghna Life Insurance Company Ltd, speaks at the insurer's 14th annual general meeting at BIAM auditorium in Dhaka yesterday. The company declared 35 percent stock dividend for 2009.

CCCI urges Hasina to help save ship-breaking sector

STAFF CORRESPONDENT, Ctg

Chittagong Chamber of Commerce and Industry yesterday urged Prime Minister Sheikh Hasina to save the ship-breaking industry.

In a statement, CCCI President and Senior Vice-President MA Salam said the ship-breaking sector meets 60-70 percent of demand for raw materials for iron and steel mills.

The potential sector helps the government earn around Tk 600-700 crore in annual revenue alongside creating employment for some 30 lakh people, he said.

The availability of machinery and raw materials from ship-breaking for use in different mills and factories also saves much

of foreign exchange, said the CCCI leader.

Since the import of scrap vessels without environmental clearance remains suspended following a court order, 450 to 500 re-rolling mills and some 25 steel mills depending on the ship-breaking sector for raw material are now facing closure, he said.

Eventually, such closures may cause a serious price hike of iron, steel and other construction materials and impact infrastructure development negatively, Salam said.

The CCCI chief called for immediate introduction of an environment-friendly set of rules and earmarking and implementation of a separate ship-breaking zone as announced by the prime minister during her visit to Chittagong.

New MD for Fareast Islami Life



STAR BUSINESS DESK

Fareast Islami Life Insurance Company Ltd has appointed Mohammad Hemayetullah as managing director (current charge), the insurer said in a statement yesterday.

Prior to the appointment, he was the deputy managing director of Meghna Life Insurance Company Ltd.

Hemayetullah, a post-graduate from Chittagong University, started his career with Delta Meghna Life Insurance Company in 1994.

Mahindra may offer \$400m for Korean automaker

REUTERS, New Delhi

Mahindra & Mahindra is expected to bid up to \$400 million for troubled South Korean automaker Ssangyong Motor, three sources with knowledge of the matter told Reuters on Thursday.

India's largest utility vehicles and tractor maker, which had lost out to Tata Motors TAMO for Ford Motor Co's luxury brands Jaguar and Land Rover in 2008, plans to be an aggressive bidder this time around, the sources said.

Mahindra, India's largest utility vehicles maker, is among six bidders shortlisted to make a bid for cash-trapped Ssangyong, which has been under court-ordered restructuring since early 2009.

Other bidders include Renault-Nissan alliance and Kolkata-based Ruia group.

Garment makers ask govt to tighten security in factories

STAR BUSINESS REPORT

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday urged the government to beef up security in the apparel industrial units with additional police forces so that peaceful atmosphere is maintained in Ramadan.

The BGMEA leaders put forward the proposal during a meeting with Home Minister Sahara Khatun at her Secre-

tariat office in Dhaka.

BGMEA President Abdus Salam Murshedy said the minister assured them of taking every possible steps, including deployment of more police forces to prevent all types of unrest and untoward incidents.

"We told her that the present situation in the garment sector returned to normalcy after a weeklong unrest on announcement of the minimum wage for apparel workers," he said.

"We urged her to beef up security

in garment factories during Ramadan," the BGMEA leader told reporters.

Briefing newsmen, Sahara hinted that a quarter is trying to put the government into trouble by getting involved in the garment industry unrest. "But we'll not tolerate it and asked all not to take laws in hand," she said.

Sahara also said leaders of a certain political party are issuing threats against the government. "We'll resist them in strong hands."



Muhammad Ali, managing director of Shahjalal Islami Bank Ltd (Sjibl), and H Fadlullah Wilmot, country director for Muslim Aid Bangladesh, exchange documents after signing a deal at the bank's head office in Dhaka yesterday. Sjibl sanctioned Tk 3 crore investment facility favouring Muslim Aid to disburse among marginal farmers and woman entrepreneurs.

12 Indian firms to export non-basmati rice to Bangladesh

PALLAB BHATTACHARYA, New Delhi

India's state-run trading company Project Export Commodities (PEC) has short-listed 12 firms for exporting non-basmati parboiled rice to Bangladesh.

India's largest private rice firm Amira Foods appears on the list. According to information available on the PEC website, Usher Agro and Sirius Overseas also figure among the companies which have been allowed to

ship rice to Bangladesh.

Earlier, the state trading firm had invited expressions of interest, which closed on July 9 for the purpose.

A Bangladeshi delegation of senior officials had held talks in New Delhi with state-owned Indian firms like PEC, MMTC (Mineral and Metal Trading Corporation) and STC (State Trading Corporation) for expediting rice and wheat exports to Bangladesh.



Top performing dealers of RFL Plastics Ltd pose at the annual dealers' conference of the company at Bangabandhu International Conference Centre in Dhaka recently.



Bangladesh Bank Governor Atiur Rahman, centre, is seen with IDLC Finance Chairman Anwarul Huq, left, at IDLC's silver jubilee celebration in Dhaka recently. IDLC Managing Director Selim RF Hussain is also seen.

StanChart profits from emerging markets

AFP, London

British-based bank Standard Chartered has said net profits rose 9.5 percent in the first half of 2010, as it drew strength from the "positive" economic mood across emerging markets.

Profits after tax climbed to 2.181 billion dollars (1.649 billion euros) in the six months to the end of June, which compared with 1.991 billion dollars in the same part of 2009, the lender said in a results statement.

Loan impairment losses narrowed 60 percent to 437 million dollars in the first half, compared with 1.09 billion dollars last time around.

"We continued our strong performance in the first half of 2010 and both of our businesses have had an encouraging start to the second half," said chairman John Peace in comments accompanying the release.

"Despite the regulatory and economic uncertainties, our focus on the basics of banking will continue to hold us in good stead. Standard Chartered remains in excellent shape."

The Asia-focused group also sounded a cautious note about the outlook for the world economy.

"These remain challenging times. There is fragility in the global economy and nervousness in financial markets," said Peace.

"While there is economic improvement in our markets of Asia, Africa and the Middle East, they are still dependent on a recovery in the West which is much less certain.

"As a bank which spans East and West, we can see how much more positive the mood is across our markets," he added.

The lender, which derives more than 90 percent of its income from emerging markets, added that pre-tax profits increased to

3.12 billion dollars, up from 2.84 billion, in line with market expectations.

"The challenging credit environment seen in early 2009 has continued to ease, resulting in lower delinquency trends since the second half of 2009 and consequent lower provisions," the group said.

Total operating income, meanwhile, dipped to 7.92 billion dollars in the reporting period, compared with 7.96 billion last year.

However, the company's share price slid 6.44 percent to 1,779.5 pence in midday deals on the London FTSE 100 index of leading companies, which was down 1.10 percent at 5,337.09 points.

Oriel Securities analyst Mike Trippitt described the bank's overall performance as "good" -- but added that its consumer banking division had disappointed investors.

Wednesday's results come just two days after Asia-focused global banking giant HSBC revealed that its first-half net profits more than doubled to 6.76 billion dollars on the back of plunging bad debts.

Standard Chartered, like HSBC, survived the global financial crisis without state assistance and has a strong footprint across emerging markets.

The company had meanwhile bought 500 million dollars of shares in Agricultural Bank of China's stock market flotation last month.

"We established a strategic partnership with Agricultural Bank of China (ABC), underpinned by becoming a cornerstone investor," Standard Chartered added on Wednesday.

"With 2.6 million corporate clients, over 320 million personal customers, and nearly 24,000 branches, but virtually no international network, ABC offers plenty of scope for mutually beneficial cooperation."

IDLC marks silver jubilee

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IDLC Finance has recently celebrated its silver jubilee of operations in Bangladesh.

Bangladesh Bank Governor Atiur Rahman attended the function as chief guest.

Rahman also asked all non-bank financial institutions (NBFIs) to continue focusing on liquidity and capital management and improved risk management to bring stability to the sector.

Anwarul Huq, IDLC chairman, and Selim RF Hussain, managing director, joined the programme along with many other dignitaries, diplomats, senior officials from the financial sector and corporate houses.

IDLC began its operations in 1985, as Bangladesh's first leasing company.

Over the years, the company has become the "largest and most profitable" multi-product NBFIs in Bangladesh, it said in a statement.

Now the organisation has 18 branches in four cities employing more than 560 staff. It has diversified into the corporate, SME, retail and capital market segments.