

Govt to set yarn price next week

STAR BUSINESS REPORT

The government will set the yarn price within next week to contain the abnormal price hike of the item, Commerce Minister Faruk Khan said yesterday.

The minister told this to journalists after a meeting with the leaders of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) at his secretariat office.

The knitwear makers met the minister on the wake of the price hike of yarn on the local market.

"I will sit with all the stakeholders within next week so we can reach a consensus about the solution to the price hike," Khan said.

He said the prices have gone up in line with a rise on the international market.

"But, I have asked the spinners to keep the price at \$4 per kilogram before reaching any final decision next week," the minister said.

Khan said the government will start nego-

tiations with the Indian government so it takes measures to withdraw the ban on cotton export.

The minister said he has already contacted the officials concerned both from Bangladesh and Indian sides to ease yarn import through Benapole Land Port.

The minister said he would discuss the issues like cotton and yarn import with the Indian government during his next visit to India soon.

BKMEA President Salim Osman proposed the government set the price of 30-count yarn at \$4 per kg. "We are concerned about the price hike of yarn both on the local and international markets," he said.

Knitwear production has been hampered for the recent price hike of yarn on the local market, he said.

Meanwhile, the prices of cotton and yarn have gone up both on the local and international markets for speculation and crop damage by floods in Pakistan, industry insiders said.

CPD board of trustees meet held

STAR BUSINESS DESK

The 34th meeting of the Board of Trustees of the Centre for Policy Dialogue (CPD) was held at its office in Dhaka yesterday, said a statement.

The meeting reviewed CPD's research, publication and dialogue activities at the national, regional and international levels from February to September this year.

The Board approved the organisation's half yearly accounts and revised budget for 2010.

The Board members discussed the planned activities of CPD for the next quarter including organising an international dialogue in view of the forthcoming United Nations conference on least developed countries-IV in June 2011. CPD Chairman Rehman Sobhan presided over the meeting.



Tapan Chowdhury, managing director of Square Pharmaceuticals Ltd, is seen with Carlos Slim Helu, Forbes 2010 wealthiest person of the world and chairman of Telemex, Telcel and American Movil, at the Forbes Global CEO Conference at Sydney in Australia yesterday. Now in its 10th year, the New South Wales government and Australian federal government are hosting the conference that ends today.



Mahmudul Islam Chowdhury, president of International Business Forum of Bangladesh (IBFB), presents a souvenir to Mingpant Chaya, president of Thai-Bangladesh Business Council, following a meeting with the Thai delegation led by Chaya, at the IBFB office in Dhaka recently.

France to unveil tough budget cuts

AFP, Paris

French President Nicolas Sarkozy's government began two-days of budget announcements on Tuesday, including tough spending cuts designed to reassure markets and France's European partners.

The 2011 social security budget was to be unveiled on Tuesday and the state spending budget presented to cabinet on Wednesday, with both coming against a background of historic and growing deficits.

In France, overall welfare budgets are clearly separated and are considerably bigger than the central government budget.

Recession slashes remittance

STAR BUSINESS REPORT

Nearly 50 percent of migrant worker households suffered a fall in income due to the global crisis, a study revealed yesterday.

"It indicates a macro-micro mismatch. At macro levels, you can see a rosy picture of an increase in inward remittance. But at micro levels, many families of migrant workers suffered from the global financial crisis," said Selim Raihan, who teaches economics at Dhaka University.

Raihan made the observation at the International Organisation of Migration (IOM) office in Dhaka, sharing findings of the study on the impact of global economic crisis on migration and remittance in Bangladesh.

IOM and Asian Development Bank jointly conducted the research.

The economic crisis that began in late 2008 battered many economies

around the world and forced thousands, including migrant workers, out of jobs. Many workers, who did not lose jobs, faced pay cuts.

Bangladesh, a top remittance recipient country, however, registered a rise in inward remittance during and after the crisis, even though thousands of migrant workers returned home during the crisis.

Between fiscal 2007-08 and 2009-10, the remittance inflow surged 38 percent to \$10,973 million. The tendency of migrant workers to spend less and save more during the crisis was a reason for the rise.

A relatively lower impact of global recession on countries such as Saudi Arabia, an employer of nearly 20 lakh Bangladeshi migrants, also helped maintain an upbeat trend in remittance inflow, analysts said.

Raihan, who did the study for ADB and IOM, linked the fall in the income of remittance-earning households to

the job destination country. "Workers, who had jobs in the less affected countries like Saudi Arabia, did not suffer much," he said. "But workers with jobs in the countries that were affected more suffered a lot."

The study surveyed 217 migrant worker households from three upazilas in three districts -- Manikganj, Habiganj and Gazipur.

As per findings, families in Habiganj and Manikganj registered a fall in income. In Gazipur, the income rose.

To compensate for the decline in earnings, the families of the migrant workers had to work more. Some also used their savings and borrowed funds. The implication of the income dip was a cut in spending and savings.

The crisis also compelled some households to send money to the migrants. Before the crisis, only 1.2 percent of households sent money abroad, which increased to 3 percent during the crisis, according to the study.

IDCOL installs 3 biogas plants

STAR BUSINESS REPORT

The Infrastructure Development Company Limited (IDCOL) has recently installed three biogas plants at the National Zoo in the capital to power signal lights in the zoo area.

Officials of the company told the journalists who paid yesterday a visit to the zoo premises that elephant dung and human excreta would be used for the plants.

GTZ, the German technical cooperation organisation, extended support to implement this project.

ANM Zobayer, programme officer, Sustainable Energy for Development at the GTZ, gave a presentation on the plants on the zoo premises.

Earlier, IDCOL organised a workshop at the National Press Club in a bid to create awareness about biogas projects, where a number of media people participated.

"To disseminate proper knowledge and create awareness about biogas, we've arranged this programme," Islam Sharif, IDCOL's chief executive officer, explained.

Describing biogas as an important solution to cooking and power generation in rural areas,

Sharif said his company has already installed a considerable number of plants based on such kind of natural gas in different parts of the country.

M. Khalequzzaman, senior advisor of GTZ, presented a paper on 'promotion of biogas technology and GTZ initiatives in Bangladesh.'

He said biogas is a sustainable energy

solution that reduces odour and bacteria that endanger environment.

The GTZ official also stressed developing community-based biogas plants. "It is possible to install biogas plant in every vegetable market in Dhaka, but the city corporation has to come forward to implement such projects."

M Fokhrul Islam, bio-manure management adviser of the Bangladesh chapter of SNV (a Dutch development organization), dwelt on 'bio-slurry management and potential use.'

In his paper, Islam showed statistics of the amounts of cow dung, cattle feed waste, kitchen waste and poultry litter that are needed in any biogas project.

He described bio-slurry as very useful fertiliser.

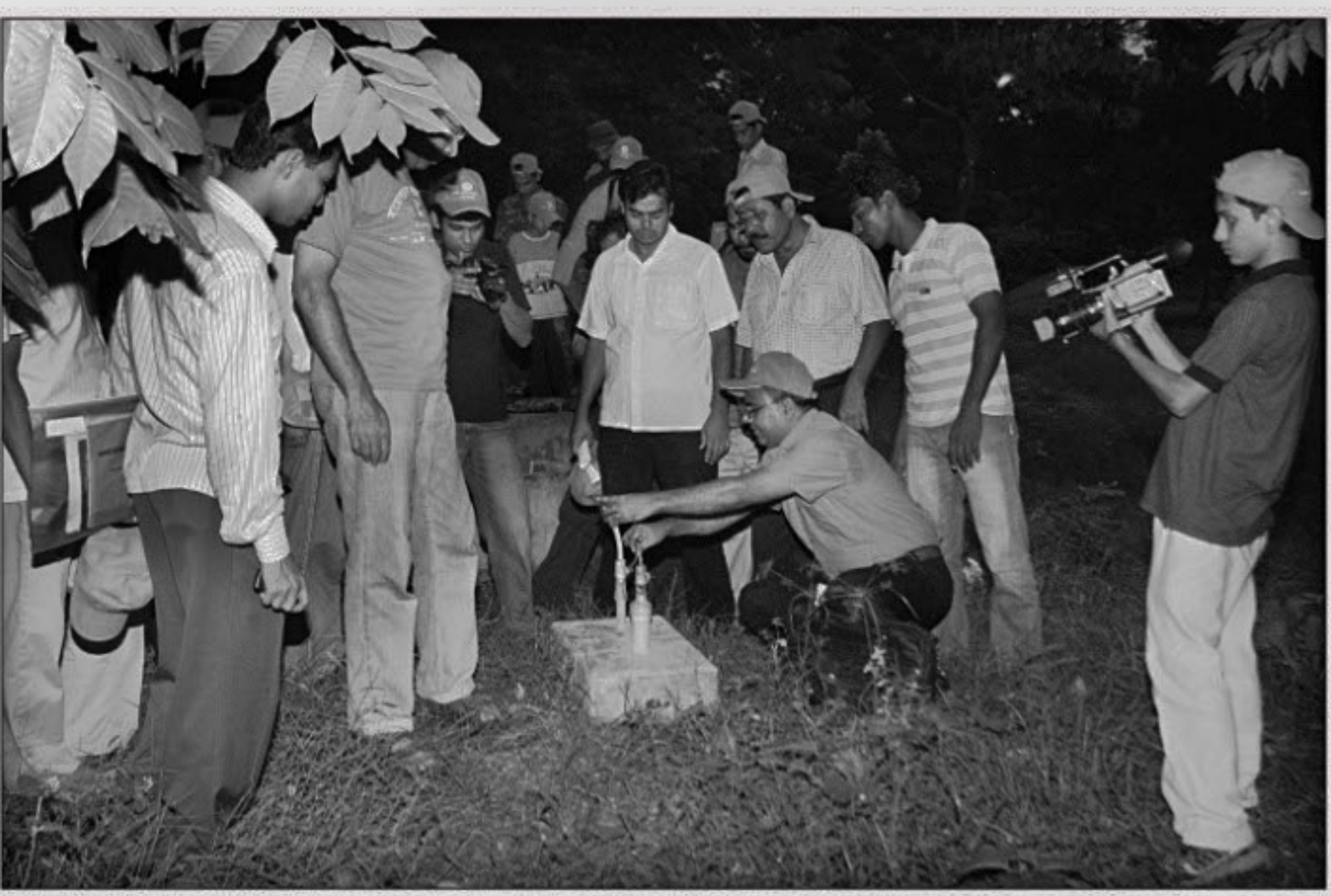
Two other papers were presented one on 'biogas technology and its importance in Bangladesh' by Wahidur Rahman and the other on 'national domestic biogas and manure programme' by Nazmul Haque Faisal of IDCOL.

SM Formanul Islam, director of legal affairs and company secretary, IDCOL, made an announcement that his company would reward the journalists contributing to promotion of green energy and green business.

Arun Karmokar, special correspondent of the daily Prothom Alo, delivered his speech at the workshop as a resource person.

He pointed to the fact that a separate ministry for environment was established because of the strong role played by the media.

"We've a role to play to popularise biogas across the country."



ANM Zobayer, programme officer for Sustainable Energy for Development of GTZ, briefs visitors about the biogas plant installed at Dhaka Zoo yesterday. The biogas plants were installed by IDCOL with support from GTZ.

Bhutan trade team meets DCCI

STAR BUSINESS REPORT

Leaders of the Dhaka Chamber of Commerce and Industry (DCCI) and a Bhutanese business delegation yesterday called for enhanced land, air and road links between the two nations to advance their business ties.

The remarks came at a meeting between the 17-member Bhutanese business delegation led by Dasho Sonam, secretary of the economic affairs ministry of Bhutan, and DCCI officials in Dhaka.

DCCI Senior Vice President M Shahjahan Khan called upon Bhutan to invest in Bangladesh's power, energy and tourism sectors, under public private partnership.

He emphasised reducing bilateral trade imbalances and increasing volumes of trade between Bangladesh and Bhutan.

"If required, the two flights a week can be increased to a daily flight for further business promotion," Sonam said.

Secretary General of Bhutan Chamber of Commerce and Industry Phub Tshering said Bhutan has offered incentives to foreigners to invest in his country.

He also expressed willingness to establish a chamber-to-chamber link.

UniCredit may replace chief from within

AFP, Milan

UniCredit may replace Alessandro Profumo from the inside, an informed source told AFP on Tuesday, a week after shareholders ousted the chief executive over Libya's growing stake in Italy's leading bank.

"The idea of an internal solution is gaining momentum," the source told AFP, without citing names.

UniCredit declined to comment, with a decision expected as soon as Thursday.

The financial daily Il Sole 24 Ore said the new boss might come from among the current four vice directors general.

Roberto Nicastro may be the best placed to succeed Profumo, while Federico Ghizzoni is said to be preferred by shareholders.

The hierarchy may be reorganised to install two directors general as shareholders want power to be less concentrated at the top.

Possible outside candidates include Andrea Orcel of Bank of America, but he is thought not to enjoy unanimous support.

Profumo, at the helm since 1997, was sacked after shareholders faulted him for not informing them that Libyan authorities had built up an almost 7.6 percent stake, making Tripoli the largest single shareholder in the bank.

But tensions were already simmering among shareholders because of the bank's poor earnings, with net profit in 2009 plunging 57.6 percent to 1.70 billion euros (2.29 billion dollars) while this year it has continued to struggle.

The board of directors is also expected Thursday to give a response to the Bank of Italy on the expected effects of Libya's position on Unicredit's future governance.

Italy's central bank wants to know whether the shares owned by Libya's central bank and the sovereign fund Libyan Investment Authority should be considered as a single stake.



Energypac Electronics Ltd has recently assigned Unitrend Ltd as its marketing and communication agency. Energypac Managing Director Humayun Rashid signed an agreement with his Unitrend counterpart Zulfikar Ahmed at a programme in Dhaka recently.

World Bank mulls investing in \$11b India fund

REUTERS, New Delhi

The World Bank is exploring whether to invest in an \$11 billion debt fund the Indian government will roll out by next year as part of a massive push to its infrastructure sector, the bank's India head said.

Roberto Zagha said India was making progress in tackling procedural hassles that have held back faster infrastructure growth but a major roadblock to more private investment was a shortage of bankable projects.

The World Bank was likely to lend around \$15 billion to \$20 billion to India's infrastructure sector in the next five years. Typically the bank's lending to the sector

ranges between 40-60 percent of the total annual lending.

The government has announced the \$11 billion debt fund as a part of a series of recent measures to overhaul India's creaking infrastructure, which has long been seen as hobbling faster growth in Asia's third-largest economy. A similar fund is also under consideration for the power sector.

"It is being explored," Zagha said in an interview as part of the Reuters India Investment Summit, when asked whether the World Bank would contribute to the fund.

"Our role is not entirely clear, whether there is a need for finance from the bank, or whether there is a need for expertise from the bank," he added.



Md Moyjuddin Ahmed, member for investment promotion of Bepza, and HSU Chien-Tsung, president of Yi Zhan Industrial (BD) Company Ltd, exchange documents after signing a deal in Dhaka recently. The company will invest \$7.452 million to set up a shoe manufacturing company at the Karnaphuli EPZ.