

SAMSUNG
New Galaxy S at Tk. 2,606*
For More Information: 8855366-8, 01712-665463
TRANSKOM DIGITAL
think electronics... think DIGITAL

Star BUSINESS

DHAKA MONDAY DECEMBER 27, 2010, e-mail: business@thedailystar.net

Bangladesh among best spots for IT outsourcing

STAR BUSINESS REPORT

Bangladesh has carved its place among the world's best destinations for IT outsourcing, largely thanks to its low cost, according to a study by a leading research and consulting firm.

Bangladesh usually offers an attractive cost proposition for the investors, as its low salary level and low-cost of living are ideal for jobs that are commoditised and have low risk, said the study conducted by Gartner in its annual listing of top countries for IT outsourcing globally.

"Bangladesh is an emerging country from an offshore location perspective, but ranks poorly in language, infrastructure and data and intellectual property security," the research said.

"Although it offers a good cost proposition, the government has to address many issues such as education, infrastructure and data security or IP protection in order to propel the top ranks," said Gartner, which has put Bangladesh on its list of top 30 destinations for global IT outsourcing for 2010-11.

This is the first time that Bangladesh has been listed in the top ranking by any global research company on IT outsourcing and has been placed on par with China, India, Indonesia, Malaysia, the Philippines, Sri Lanka, Thailand and Vietnam in Asia.

"The achievement is significant given the growing potential of Bangla-

des as an attractive IT outsourcing destination," said Mahboob Zaman, president of the Bangladesh Association for Software and Information Services (BASIS), at a press conference in the capital yesterday.

"However, it would require proper government policy support in addressing the shortcomings identified in the study to keep up the same rating," he added.

Bangladesh has debuted in the

Bangladesh: Outsourcing Rating

Criterion	Rating
Language	Poor
Government support	Fair
Labour pool	Fair
Infrastructure	Poor
Educational system	Fair
Cost	Very good
Political and economic environment	Fair
Cultural compatibility	Fair
Global and legal maturity	Fair
Data and intellectual property security and privacy	Poor

Source: Gartner

list along with eight other countries that have made it for the first time to the Top 30 of the Gartner ranking.

"The country offers an attractive cost proposition, given its low salary levels and low cost of living," said the study, which took into account ten separate criteria for rating the individual destinations.

The criteria include language, government support, labour pool, infrastructure, educational system, cost, political and economical environment, cultural compatibility,

global and legal maturity as well as data and Intellectual Property Security and Privacy.

Bangladesh has been ranked 'very good' in the criteria of cost, according to the Gartner findings while rating 'fair' in all criteria apart from the areas of language, infrastructure and data and IP security and privacy.

Noting that Bangladesh's cost of living is one of the lowest in the world, the report found that the median salary per annum of a software engineer or developer in Bangladesh is about \$5,070, while the median salary of a senior software engineer is \$7,300 and that of an IT manager is \$9,734.

"In recent years, the government has taken several bold steps in boosting the country's IT industry, which has been partly reflected in this rating," said State Minister for Science and ICT Yeafish Osman.

"Most recently, the office of electronic signature certifying authority has been set up for authorising a digital signature system, while a cyber security policy is going to be formulated and cyber tribunals are going to be formed to address the cyber crime issue," he added.

The Gartner report finds the country's PC penetration and teledensity 'low' and the overall English language competency 'poor' while stating that the essential infrastructure elements such as electricity, airways and rail networks are not up to the global standard.



From left, Vakur Erkul, Turkish ambassador to Bangladesh; Shafique Alam Mehdi, civil aviation secretary; and Sezgin Saglam, senior vice president of Turkish Airlines, pose for photographs at the launch of the carrier's Dhaka-Istanbul passenger flights at a function at Shahjalal International Airport in Dhaka yesterday. (Story on B3)

BB digs out fraud case

STAR BUSINESS REPORT

The central bank has detected a case of sending a fake circular to different banks using the name of Bangladesh Bank. The central bank has alerted the banks to the fraud case.

The fake circular "directed" the banks to take the subscription fees paid to international news agency Reuters by different local news agencies, in local currency instead of foreign currency.

It also said the "chief executive officer" (CEO) of Reuters in Bangladesh and the BB entered into an agreement that the fees against the services of the international news

agency should be paid in local currency.

The circular also said if the banks did not comply with the directive, action would be taken against them under anti-money laundering law.

The fake circular, issued on December 9, was sent to different banks by courier.

As the circular raised suspicion among the officials of the private banks, an official brought the matter to the notice of the central bank yesterday.

Bangladesh Bank Governor Atiur Rahman held a meeting with the high officials of the BB and directed them to take necessary steps, an official said.

SK Sur Chowdhury, executive director of the central bank, told The Daily Star that it is a "unique way" of cheating.

He said the central bank informed the banks yesterday that it was a fake circular and directed them to check with the Bangladesh Bank website if they receive any circular in future.

The central bank also informed the intelligence agencies to investigate the matter and find out who are involved with the forgery.

Contacted, an official of the Reuters Bangladesh office said the news agency does not have a CEO post in Dhaka, and there is no scope for such agreement.

BB to review Tk 200cr fund for shipbuilders

BSS, Dhaka

The booming shipbuilding industry may get a Tk 200 crore refinancing fund, as the Bangladesh Bank (BB) will review the scheme tomorrow at its board meeting.

The central bank is keen to start funding the industry under the scheme, said an official of the central bank yesterday.

The BB earlier sanctioned the fund to give a further boost to the sector, which is considered to be the country's second largest export industry after readymade garment.

Once approved, shipbuilders will get loan at a 10 percent interest rate. The other criteria of the scheme will be disclosed elaborately after the finance ministry's approval, the BB official added.

Industry insiders said the much expected refinancing is being delayed due to an apprehension that such funding may influence the rising inflation.

But people from the banking sector, dismissing the fear, said the fund is too small to impact inflation.

High financing cost is the only bottleneck in the growing industry, said Abdullahel Bari, president of Association of Export Oriented Shipbuilding Industries of Bangladesh.

Govt moves to curb sea fishing

SOHEL PARVEZ

After years of inertia, the government has moved to curb indiscriminate fishing by engine boats in the Bay of Bengal.

As part of the initiative, the Ministry of Fisheries and Livestock has sought help from the Attorney General's Office for quick disposal of temporary fishing related cases at the Appellate Division of the Supreme Court.

The ministry is also supplying evidence and documents to the Attorney General's Office so these can be presented in court.

Trawlers that are engaged in temporary fishing in the Bay on High Court orders will be at the heart of the legal battle.

"It's our top priority to protect the marine fish stocks for the future. We are supplying documents and evidence to get the verdict in our favour," said M Shamsul Kibria, joint secretary of the fisheries ministry.

Also, Bangladesh Marine Fisheries Association (BMFA), a body of the officially approved trawler owners, signed up as a co-petitioner to move against the High Court directive that allowed dozens of small trawlers to go fishing in the Bay.

Now 56 small trawlers fish in the sea based on a trial fishing permission. In addition, 113 officially approved trawlers and nearly 44,000 fishing engine and non-engine boats ply the sea regularly, threatening the sustainability of the marine fish stock.

Kibria said the government has taken the matter seriously. "We have taken a move to overturn permission for trial fishing," he said.

To fast-track the disposal of the appeals, an inter-ministerial meeting was held last month at the fisheries ministry where Attorney General Mahbubey Alam was present.

The latest government attempt comes in the wake of a steady rise in the number of trial fishing trawlers in the sea.

In the past, the Appellate Division heard these cases but they remained unsettled due to negligence of the government, insiders said.

The High Court on several occasions issued orders to the government to allow these trawlers into temporary fishing, which the government impounded during illegal fishing in Bangladesh's territory. The authorities later auctioned these trawlers on condition that they would not be reused for fishing.

But buyers of these seized trawlers, hiding the bonds of not to use these for fishing, sought directives from the High Court saying that they would face financial losses unless these trawlers were allowed to fish, they added.

Monowarul Hoque, vice president of BMFA, said the association decided to place arguments along with the government in a bid to stop trial and illegal fishing.

"Uncontrolled and illegal fishing has wiped out marine fish stocks in many countries. That's why we are worried."

The rise in uncontrolled and illegal fishing not only harms the existing stocks but also threatens investment, Hoque added.

sohel@thedailystar.net

HAPPY BANKING IN TEJGAON

The journey of our **104th branch** begins in Tejgaon, the industrial area of the capital.

Address: Rahman's Regnum Center, 191/B Tejgaon Industrial Area, Tejgaon-Gulshan Link Road, Dhaka. PH # 01730 705198

ALSO OPENING:

<p>105th Branch SONARGAON JANAPATH House 10, Sector 11, Uttara Model Town, Uttara, Dhaka. PH # 01714 167428 28 December 2010</p>	<p>106th Branch MAWNA Abdus Shahid Super View Mawna Chawrasta, Sreepur Road, Telihat, Gazipur. PH # 01714 167406 28 December 2010</p>	<p>107th Branch BIJAYNAGAR Al-Raji Complex (1st floor), 166/167 Shahid Syed Nazrul Islam Sharani, Bijaynagar, Dhaka. PH # 01714 167429 29 December 2010</p>
--	---	---

66th Branch @ Hasnabad, Keraniganj

www.mutualtrustbank.com

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

S Africa invited to join BRIC

AFP, Pretoria

South Africa has received a formal invitation to join the Brazil, Russia, India and China (BRIC) group of large emerging economies, Foreign Minister Maite Nkoana-Mashabane said Friday.

"China, in its capacity as rotating chairperson of the BRIC formation, based on agreement reached by the BRIC member states, invites South Africa as a full member into what will in future be called BRICS," Nkoana-Mashabane told journalists in Pretoria.

United Commercial Bank Limited
Corporate Head Office
Plot - CWS(A)-1, Road No - 34
Gulshan Avenue, Dhaka - 1212
Phone: 880-2-8852500
Website: www.ucbl.com

happy banking | **UCB**