

ESCAP projects 6.4pc growth

UNB, Dhaka
The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) yesterday projected the economy of Bangladesh to grow 6.4 percent in 2011.

"The expected growth is to be supported by improved growth in the agricultural sector, recovery in export growth with diversification into new markets, including the emerging economies, and an improved situation in power and gas supplies," said a survey by ESCAP styled Economic and Social Survey of Asia and the Pacific 2011.

The report was launched at an event at the Cirdap auditorium. The report was simulta-

neously published in 31 cities across the region.

Clovis Freire, one of the authors of the report, presented the report. Mustafa Kamal Mujeri, director general of Bangladesh Institute of Development Studies (BIDS), Kazi Ali Reza, officer-in-charge of United Nations Information Centre in Dhaka, also spoke.

Mujeri said the economy of Bangladesh demonstrated considerable resilience despite the global economic crisis, as its GDP grew by 5.8 percent in 2010 on top of the 5.7 percent growth achieved in 2009.

The survey also projected 9.5 percent GDP growth for China in 2011, 8.7 percent for India and a 2.8 percent for Pakistan.

According to the survey findings for Bangladesh, Mujeri pointed out some upcoming challenges that include turning sustained recovery into high economic growth; creating capacity to address multiple structural imbalances and large socioeconomic and development gaps; removing key infrastructural gaps and serious ecological imbalances; and gaining dynamism from inclusive growth.

The BIDS chief said like Asia and the Pacific region, Bangladesh also needs to continue to pursue economic reforms to improve productivity, strengthen public institutions, improve economic governance and build social safety nets to protect the more vulnerable

segments of the population.

He said the budget deficit situation may deteriorate in the current fiscal year, as the government attempts to tackle a complex array of problems, ranging from a shortage of power, gas and water.

The former chief economist of the central bank also cautioned the government to keep a look out, as there may be pressures on the current account balance and reserves.

Mujeri termed electricity as one of the biggest challenges for Bangladesh and several countries. He also said both short-term and long-term measures are needed to tackle the shortage.

Promotion of regional cooperation in the energy sector can benefit the participating coun-

tries enormously, he added.

He said providing subsidies, following the pattern of food stamps, electricity stamps or coupons, could be given to the poor to help pay electricity bills.

Freire said the Asia-Pacific developing economies are projected to grow at 7.3 percent in 2011, down from the 8.8 percent in 2010.

He said the survey considers how to improve regional connectivity and also indicates how the least developed countries can take advantage of this by increasing their productive capacities.

The Brazilian said due to higher food and energy prices, up to 4.2 crore people across the region may remain in poverty in 2011, in addition to the 1.9 crore people already affected.



JENNY'S
Nasir Khan, chairman of Jennys Group, and MA Quader, managing director, attend the launch of a new shoe shop of the company on New Elephant Road in Dhaka recently.

Stocks fall despite cash pumps

STAR BUSINESS REPORT

Stocks slumped yet again as panic sell-offs marked the trading session yesterday, while institutional investors remained inactive despite investments from the Investment Corporation of Bangladesh (ICB).

The benchmark general index of Dhaka Stock Exchange slumped 73 points, or 1.23 percent, to close at 5,899 points, while the selective categories index of Chittagong Stock Exchange lost 137 points, or 1.27 percent, to close at 10,593.

Khairul Hossain, chairman of ICB, said, "Market dropped as some big institutional investors adopted a wait-and-see policy."

The ICB will go for big buying of shares from the next week, he added.

Meanwhile, the Bangladesh Fund has begun pumping money into the sagging stockmarket with the purchase of a lot of 50 shares of government-run Titas Gas.

Md Fayekuzzaman, managing director of the ICB, said, "This fund will play a good role to keep the market steady." "We will buy good shares with sound fundamentals," he said.

Banks lost 0.42 percent yesterday, while non-banks 1.63 percent, telecommunication 0.64 percent, pharmaceuticals 1.56 percent, and fuel and

IBCF re-elects top brass

STAR BUSINESS DESK

Islamic Banks Consultative Forum has recently re-elected Abu Nasser Muhammad Abdus Zaher chairman and Md Nazrul Islam Mazumder vice chairman for 2011, the body said in a statement yesterday.



Abdus Zaher

The election took place at the head office of Islami Bank Bangladesh in Dhaka on April 28.

Chairman of Islami Bank Bangladesh, Zaher is a postgraduate in English from Rajshahi University. He is also the managing director of Ibn Sina Pharmaceuticals Ltd, chairman of Industrialists and Businessmen Welfare Foundation and vice chairman of Bangladesh Association of Banks (BAB).

Mazumder is a postgraduate in English from Chittagong University. He is the chairman of Exim

Crown Agents' CEO due in town

STAR BUSINESS DESK

Terence Jagger, chief executive of Crown Agents', is scheduled to arrive in Bangladesh tomorrow on a three-day visit, said a statement yesterday.

During his first tour to the Asian region, he will meet government officials, international financial institutions and other development partners to gain a deeper understanding of the region.

Jagger will also deliver the opening address at a seminar on public financial management, sponsored by Crown Agents Foundation, on May 9-10.

He also served Shell and American Express before joining Crown.



BRAC BANK
Mohammad Mamdudur Rashid, deputy managing director of BRAC Bank, and Azadul Kabir Arzoo, executive director of Jagorani Chakra Foundation, a microfinance organisation, have recently signed a deal at the bank's head office in Dhaka under which the bank will provide Tk 10 crore loan to Jagorani to disburse among farmers and small entrepreneurs in agro-based sector.



PEPSI
Khurshid Irfan Chowdhury, executive director of Transcom Beverages Ltd, hands a dummy key of a motorcycle to the winner of PepsiCo Friends Club 2010 retail programme raffle draw at Fantasy Kingdom in Dhaka recently.

Minister courts Indian investors

Indo-Bangla trade fair kicks off in Dhaka

STAR BUSINESS REPORT

Industries Minister Dilip Barua yesterday urged the Indian entrepreneurs to invest more in Bangladesh, saying that a liberal investment policy for the foreign investors prevails here.

Barua said this while addressing the inaugural session of the second India-Bangladesh Trade Fair-2011 at Sonargaon Hotel in Dhaka.

"Our vision is to make an industrialised Digital Bangladesh by 2021. In order to materialise our dream, we have been pursuing a liberal investment and industrial policy for the foreign investors with attractive incentive packages," the minister said.

"I firmly believe, the Indian investors will come forward to invest in Bangladesh, which is a suitable place for investment," he added.

India Bangladesh Chamber of Commerce and Industry (IBCCI) with the support of Indian High Commission in Dhaka is organising the three-day trade fair to showcase the products of the two neighbouring countries.

Barua also urged the Indian government to simplify visa regime for Bangladeshi busi-



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Women visit a furniture stall at the three-day Indo-Bangla Trade Fair at Sonargaon Hotel in Dhaka yesterday.

nesses and issue four-month multi-entry visa to help boost trade relations between the two next-door neighbours.

The industries minister proposed a 'free market zone' with zero tariff facility for the Saarc member countries and uphold the spirit of Safta for sustainable regional development and cooperation as well as for the better-

ment of the common people.

Addressing the function as a special guest, Mizoram's Minister for Industries S Haito said: "There is no insurgency in Mizoram. Bangladesh can safely invest there. Our government will ensure all-out support in this regard."

He said launching border trade would ensure trading to meet the requirements of both sides.

AKAzad, president of the Federation of Bangladesh Chambers of Commerce and Industry, said Bangladesh's export to Indian market did not increase as expected due mainly to poor negotiations from the Bangladesh side.

"It's our failure. We have failed to showcase our competitive commodities in a lucrative manner in the Indian markets. We'll

have to explore our opportunities there. Nobody will offer us a ready market."

He urged the Indian government to facilitate Bangladeshi entrepreneurs so that they can invest in Bhutan to produce hydro-electric power.

Rajeev Singh, director general of Indian Chamber of Commerce, said, "As Bangladesh suffers from electricity shortages, the government can persuade the Tripura government to sell 200 megawatt of electricity next year."

He said the recent decision of the Indian government to increase duty-free access of RMG products to India will boost Bangladesh's export.

Singh proposed the third edition of the trade fair be held in Kolkata, saying it is a nice place to host an event like this.

IBCCI President Abdul Matlub Ahmed said exports to India have started growing and he hoped that it would cross half a billion taka this year.

Forty stalls of different manufacturers and exporters from Bangladesh and India are showcasing their products at the three-day show that will remain open for visitors from 10am to 8pm with an entry fee of Tk 20.



BGMEA
Md Shafiul Islam (Mohiuddin), president of Bangladesh Garment Manufacturers and Exporters Association, meets Nasiruddin Ahmed, chairman of National Board of Revenue, at Ahmed's office in Dhaka yesterday.



APEX ADELCHI
Syed Manzur Elahi, chairman of Apex Adelchi Footwear, presides over the 21st annual general meeting of the company at Bangabandhu International Conference Centre in Dhaka on Tuesday. Syed Nasim Manzur, managing director; Adelchi Sergio, foreign director, and Samson H Chowdhury, independent director, were also present.

Ericsson, Aircel team up on mobile positioning systems

STAR BUSINESS DESK

Indian mobile operator Aircel has selected Ericsson to provide mobile positioning systems for its 2G and 3G subscribers, Ericsson said in a statement yesterday.

Aircel users can now get real-time tracking, navigation information and information services while on the move. As part of the three-year contract for supply and support, Ericsson will supply its mobile positioning centre to Aircel.

"There is huge potential in offering this value-added service to our customers. Most of the Indians who spend on average 90 minutes per day on the roads, location-based services will definitely increase efficiency and enhance the quality of their life," said