

Aid management comes under review

UNB, Dhaka

The government and the development partners yesterday met to review the progress made under the first year of the joint cooperation strategy (JCS) action plan.

The government and 18 development partners signed the JCS on June 2, 2010. This agreement focuses on creating new and more effective ways of working together to support development in Bangladesh.

It includes principles for joint working and specific actions to strengthen aid management.

Achievements in 2010-11 include the government's preparation for the upcoming sixth Five Year Plan with support from the development partners. Government and development partners have been meeting more regularly in joint working groups in key sectors, sharing ideas and information, developing strategic plans and joint programmes.

The JCS has helped to streamline development assistance through joint programming, promoting country-led, sector-wide approaches in areas like health and education, and conducting joint reviews of implementation progress.

"The JCS has helped reduce the transaction costs of dealing with multiple development partners, and has assisted Bangladesh to be on track in achieving the millennium development goals," said M Musharraf Hossain Bhuiyan, Economic Relations Division secretary and co-chair of the Local Consultative Group (LCG).

"Going forward, we will further enhance country ownership to ensure that aid is well-aligned with our priorities and vision."

The JCS puts greater focus on managing development results. In preparing the sixth Five Year Plan, the government is incorporating a development result framework, which will serve as a monitoring tool to ensure that implementation ultimately leads to achievement of goals.

"Aid commitments are at record levels in Bangladesh. To ensure that aid makes a maximum contribution to growth and poverty reduction, it must be used effectively."

Ellen Goldstein, LCG co-chair and country director of World Bank. "This will require a collabora-

tive effort by the government and partners to strengthen systems and capacities to monitor and manage for sustainable development results."

The JCS signatories include Bangladesh and 18 development partners are the Asian Development Bank, Australia, Canada, Denmark, European Union, Germany, the Islamic Development Bank, Japan, Republic of Korea, Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom, the United Nations, the United States and the World Bank.

ICC criticises G20 protectionism

STAR BUSINESS REPORT

The International Chamber of Commerce (ICC) has urged G20 leaders to keep markets open to trade, following worrying results from a recently released report that the elite group of industrialised nations is increasing protectionist measures.

More new trade restrictive measures have been implemented in the past six months than in any previously reported period, according to a May 24 joint report by the World Trade Organisation, the Organisation on Economic Co-operation and United Nations Committee on Trade and Development.

From October 2010 to April 2011 alone, G20 members implemented 30 new export restrictions, ICC said in a statement yesterday.

"This occurred despite the G20's reaffirmation at the 2010 Seoul Summit to resist protectionism until the end of 2013," it said.

G20 leaders had agreed early that year, at their Toronto Summit, to withdraw any protectionist measures in the pipeline, including export restrictions and WTO-inconsistent measures for stimulating exports. The WTO-OECD-UNCTAD report reveals that the exact opposite is taking place.

The joint report further confirms an ICC-commissioned study from the Peterson Institute for International Economics, which stated that all G20 countries have implemented protectionist trade measures since 2008. G20 countries applied discriminatory measures worth \$1.6 trillion, or 10 percent of all world trade, in 2008 alone.

"Given that the results of the WTO-OECD-UNCTAD report are based on self-reporting from G20 countries, and that they most likely reported only what was necessary, we can assume that trade protectionism is actually worse," said ICC Secretary General Jean-Guy Carrier.

"This worrying trend undermines policies for economic recovery and job creation, at a time when the world economy remains at risk."

Concerns in the global business community about this protectionist trend have prompted ICC to put into place its own indicator to monitor market openness. The Open Market Index will provide an annual ranking of the 50 top-trading countries by order of their openness to trade and investment, the statement said.

This private sector indicator to monitor protectionism will be launched ahead of the G20 Summit to be held in Cannes, France in November 2011.

"The G20 leaders must come together to ensure the successful conclusion of the Doha Round. This is more critical than ever given that protectionist measures, which they had committed to scaling back, have actually been increasing since the financial crisis began," said ICC Chairman Gerard Worms.

"A successful conclusion of the Doha Round in 2011 would inject crucial trade growth into the global economy, boosting business confidence and fueling the private investment that is the key to creating jobs," the ICC statement quoted Worms as saying.

Achieving the Doha Development Agenda will provide the world economy with a debt-free stimulus package, sustaining global economic growth, ICC said. Implementing what is already on the table would generate a \$68 billion annual increase in world exports, it said.

But, by some estimates, a final Doha Round agreement could eventually contribute as much as \$280 billion annually to global GDP, according to the statement.

Nokia on the ropes as analysts slash targets

REUTERS, Helsinki/London

Investors dumped shares in Nokia again on Wednesday, taking them to their lowest in more than 13 years, as analysts feared worse to come for the handset maker after Tuesday's profit warning.

Nokia shares fell as much as 10 percent, extending their previous day's 18 percent fall, and by 1111 GMT were trading down 7.4 percent at 4.40 euros in volumes nearly three times their 90-day daily average in four hours of trading.

Nokia said on Tuesday that mobile phone sales in the second quarter would be "substantially below" its previous forecast and abandoned its full-year outlook, blaming difficult conditions in China and Europe.

The company is moving to Microsoft Corp's Windows software from its own Symbian platform as part of an overhaul of its phone business set out three months ago by new Chief Executive Stephen Elop.

Mobile operators in Europe, who are key to the success or failure of devices on the continent because of the subsidies they provide, told Reuters that Nokia's new Symbian phones, a stopgap until the end of the year, were of little interest.

Google wanted to team with Facebook, now fierce rival

REUTERS, Palos Verdes, California/San Francisco

Google Inc confessed it tried unsuccessfully to team up with Facebook, as the search giant adapts to a shifting technology landscape and strives to maintain growth.

Google Executive Chairman Eric Schmidt told a conference on Tuesday that social networking site Facebook had rebuffed its entreaties to do a deal, while acknowledging he had not pushed hard enough to address the rising threat posed by Facebook during his tenure as CEO.

"Three years ago I wrote memos talking about this general problem. I knew that I had to do something and I failed to do it," Schmidt said.

"A CEO should take responsibility," he said. "I screwed up."

Schmidt, who ended his 10-year run as CEO in April and handed the reins to 38-year-old Google co-founder Larry Page, made the comments at the D9

No impact of microcredit on rural development Claims top government official

STAR BUSINESS REPORT

The idea of microcredit has hardly any impact on the rural development of Bangladesh although the country is a model for globally acclaimed microcredit concept, a top government official said yesterday.

"Farmers have to wait for months to reap crops. Conversely, according to the existing microcredit system, borrowers have to pay their loans in a week," said Mihir Kanti Majumder, local government, rural development and cooperatives secretary.

"As a result the farmers cannot get the benefits of microcredit operations although it is linked to poverty alleviation," he said.

The secretary also called for modernising the microcredit reimbursement system. He was speaking at the inaugural session of a workshop titled "Performance of Capacity Building of People's Organisation Project (CBPO)" at the CIRDP auditorium in the city.

The Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP) and Bangladesh Academy for Rural Development (BARD) co-organised the programme.

Majumdar said rural development depends on capacity building, family planning, nutrition programme, infrastructural development, microcredit,

health, policy and planning issues and participation of local representatives.

"Rural development should be more comprehensive as it could address the issues," he said.

The government official asked CIRDP and BARD to introduce a rural development model that could be replicable in Bangladesh as well as abroad.

Under the CBPO project, an evaluation study that included survey and focus group discussion method was conducted to measure its success.

The study revealed five reasons for loan defaulting: non-disbursement of future loan by project authority, financial crisis, negligence of field workers, lack of group savings-related information and possibility of wind-up of the project.

Respondents to the focus group discussion identified inadequate monitoring of the project authority and absence of field workers as the bottlenecks for the project.

The investigators made five recommendations including continuation of project activities and regular monitoring system to check proper utilisation of loan.

Ataur Rahman, director general of BARD, Comilla, Durga P Paudyal, director general of CIRDP, Mizanur Rahman, project director of CBPO, were also present at the inaugural session.



MONEYGRAM
Harsh Lambah, senior regional director of MoneyGram for South Asia, and Syed Mahubur Rahman, managing director of BRAC Bank, exchange documents of a deal under which the global money transfer company added the bank to its agent network, at a programme in Dhaka recently.

Bangladesh remains a strong player in poultry

Outlook bright despite effects of bird-flu: experts

STAR BUSINESS REPORT

Bangladesh's long-term outlook as a leading producer of poultry products remains bright despite the bird flu outbreak that has held off its potential, speakers at a meeting said yesterday.

The remarks came at a matchmaking event between a group of Thailand livestock equipment makers and Bangladesh's poultry sector people at Sonargaon Hotel in the city.

VIV Asia, a Thailand-based platform for the livestock sector that gathers the industry's technology and professionals around the world, organised the event.

Bangladesh is one of the key players in the South Asian livestock industry, especially in poultry industry, said Ladda Mongkolchaivivat, general manager of NCC Exhibition Organiser Company Ltd.

About 80,000 poultry farms and up to 20 poultry feed factories operate in Bangladesh. The industry has been growing at 20 percent annually in the past 15 years.

"Unfortunately, there is a current bird flu outbreak. This is a definite setback, but we all generally agree that Bangladesh's long-term outlook remains bright."

"There is an impressive growing local consumption on one hand and encouraging potential for export on the other hand," she said.

Mongkolchaivivat said VIV Asia Forum in Bangladesh is a superb platform for Bangladesh to explore business and investment opportunities.

The livestock sector is the integral part of the agro-based economy, said Partha Rathi Sarker, director of the extension of Department of Livestock Services.

He said there is a huge opportunity in the poultry sector that can not only give the much-needed nutrition to the general people, but also create employment opportunities.

The official however said the government alone will not be able to make most of the opportunities. "So the private sector needs to come forward and invest in new technology and research."

MM Khan, secretary general of Bangladesh Poultry Industries Association, said Bangladesh could follow Thailand in advancing its poultry sector.

He said the sector is going to be very

important for Bangladesh because of its vast population, and their rising income that warrant more eggs and meat. "With Thailand, we have many things to share with."

Bangladesh's 30,000-crore industry directly employs fifty lakh people, but Khan said the sector could employ more people and contribute to the economy if the government extends right policy support.

Khan said the sector could not be subjected to hypothetical decision on the issue of bird flu. "The number of poultry farmers has reduced to about 90,000 from 1.5 lakh due to 2007-08 outbreak of the bird flu scare."

He said despite the vast population the per capita consumption of meat is one of the lowest in the world. "There is a market and there is no alternative to the poultry products."

Khan, also the managing director of Advance Animal Science Company, said the sector is part of the agriculture industry, so the government should give required facilities to its stakeholders.

"By 2021, the poultry sector will be a 60,000-crore industry, employing one crore people."

He said Bangladesh requires cooperation from Thailand to flourish the poultry sector. "We are struggling despite the sector has a huge potential. We want practical help, not the hypothetical one that can kill off the industry."

Khan said credit facilities for the sector should be made available at 5 percent interest rate so that the industry can grow further.

More and more entrepreneurs are becoming interested about the poultry sector, said Kazi Zahedul Hasan, president of Breeders Association of Bangladesh.

He said Thailand has progressed a lot in the poultry sector in the last 15 years, but Bangladesh could not match their progress.

"We need highly sophisticated equipment and materials for growth," he said urging the Thai equipment makers to make the technology more affordable.

Cherdchai Sinsarn, president of Thai Livestock Equipment Association, and Panadda Kongma, project coordinator of NCC Exhibition, were also present.



MERCANTILE BANK
Md Abdul Jalil MP, chairman of Mercantile Bank, and AKM Shahidul Huq, managing director, attend a press meet on the occasion of the bank's 12th anniversary celebration at Ruposhi Bangla Hotel in Dhaka yesterday.

Rights activists demand 100-day job scheme for farm workers

STAR BUSINESS REPORT

Karmojibi Nari yesterday urged the government to keep allocations for a 100-day employment scheme for farm workers in the budget for fiscal 2011-12.

The women and labour rights campaigner said farm workers, including women, suffer lack of income opportunities during off-farming seasons. The result is, many are forced to migrate to urban areas to make ends meet.

"Farm workers in rural areas do not have work for at least 150 days a year on average," said Rahela Rabbani, coordinator of the nongovernmental organisation, in a written statement to a seminar at National Press Club.

Karmojibi Nari organised the programme seeking specific allocations in the budget for the farm workers. Women are opting to work as agriculture labourers increasingly as men are shifting to non-farm jobs in cities to increase income.

Agriculture, which accounts for 18.84 percent of gross domestic output, is the major employing sector.

The sector employs 43.6 percent of workforce, totalling 2.2 crore people, including women, according to Bangladesh Bureau of Statistics.

But the percentage of people depending on agriculture directly and indirectly will be higher. Despite high dependence, agriculture cannot provide jobs round the

year due to seasonality of crop production.

"Seasonality is a big factor. Job opportunity varies from region to region depending on crop patterns," said Sharmin Neelormi, who teaches economics at Jahangirnagar University.

"Cultivation is not required in haor (greater Sylhet region) and hill areas during rainfed-aman rice farming which cuts employment scope," she said. "On the other hand, income opportunities shrink in the south-western coastal belt also during the boro season."

"It is important to create job opportunities for farm labourers considering the differences in cropping pattern," said Neelormi.

The government implemented a 100-day employment generation programme in the current fiscal year but it did not collect data on how many male and female workers availed themselves of the opportunity, she said.

Neelormi demanded specific allocations for female farm workers in the budget. Karmojibi Nari also demanded an end to discrimination in wage rate between male and female farm workers, registration and ID cards for both the sexes. It also pressed for introducing rationing for agriculture workers to cushion them against high prices of foods.

Female farm workers have great contributions to agriculture, said Shirin Akhter, president of Karmojibi Nari.