

ADB, IFC offer help for Dhaka bourse demutualisation

GAZI TOWHID AHMED

The Asian Development Bank (ADB) and International Finance Corporation (IFC) have agreed to give technical support to demutualisation of the Dhaka Stock Exchange.

The committee for demutualisation of the premier bourse earlier requested the ADB and IFC to offer technical support to the process of demutualisation and the organisations responded positively, said a member of the committee.

The demutualisation of stock exchanges was also a major recommendation of the probe committee on January's stock debacle.

The Dhaka bourse authorities and a committee on demutualisation held a meeting on Thursday to review the works on much-talked demutualisation.

An ADB team will visit the premier bourse on Tuesday, said the committee member.

"We have decided to visit some demutualised stockmarkets such as Hong Kong, Singapore, Philippines and Australia bourses in September," he said.

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Demutualisation of a stock exchange transforms it from an entity owned by mostly brokerage-owning members into a for-profit company owned by shareholders. It ensures a sound corporate governance, alternative business models and operational efficiency.

A demutualised exchange can also freely trade on the market like any other public company.

Recently, Finance Minister AMA Muhith said there is no alternative to demutualisation and it must be completed within the tenure of this government.

Demutualisation is a must to increase transparency in the bourses' functions, the minister said.

The committee studied some international models on demutualisation to form a law to complete the process of demutualisation. They also appointed legal experts to finalise the law on demutualisation.

"We will also take suggestions from the ADB team," said the committee member.

Budget bypasses vision for Digital Bangladesh Say ICT sector leaders

STAR BUSINESS REPORT

The backbone of the government's 'digital Bangladesh' vision -- ICT sector -- has been neglected in the proposed budget, said the leaders of three associations in the sector at a joint press conference yesterday.

They said if the government wants to establish a knowledge-based society, it will have to take long-term initiatives for the ICT sector.

The leaders alleged that the ICT policy 2009 was not reflected in the proposed budget, and there are no clear directions, planning and allocation for the sector.

Bangladesh Computer Samity (BCS), Bangladesh Association of Software and Information Services (BASIS) and Internet Services Providers Association of Bangladesh (ISPAB) organised the press conference at CIRDAP auditorium.

The industry leaders said the government has announced that it will set up some software and high-tech parks both in Dhaka and outside, but there is no allocation to implement the projects.

The government did not allocate any money for the development of the industry, they added.

try, they added.

Earlier, an action plan under the ICT policy 2009 proposed a fund worth Tk 700 crore for the development of the sector, but the industry is yet to get any money, they added.

Still there is no code number for export of software and IT-enabled services though the three associations jointly requested the finance ministry and National Board of Revenue for such code numbers, which are necessary for products meant for export and import.

The government's proposal to hike import tax on fibre optic cable to 12 percent from existing 3 percent will certainly increase the cost of internet services, they said. Moreover 15 percent value added tax is still a barrier to internet use, they added.

The leaders in the ICT sector have also requested the government to reduce or exempt tax on import of big computer monitor, uninterruptible power supply device used for computers, digital camera, multimedia projector and flash card.

Presidents of BCS, BASIS and ISPAB Mostafa Zabbar, Mahboob Zaman and Akhtaruzzaman Manju spoke in the press conference.



Prime Minister Sheikh Hasina receives a crest from Mohd Safwan Choudhury, chairman of Bangladesh Tea Association, at her office in Dhaka on Thursday. A delegation of the association accompanied Choudhury.

BANGLADESH TEA ASSOCIATION



FLORIDA PROPERTIES
Syed Nuruzzaman Jamal, chairman of Florida Properties Ltd, and Razib Pervaz, director of Strategica Ltd, sign a deal in Dhaka recently under which Strategica will serve Florida as public relation services manager.

Bank accounts for beneficiaries of social safety net

STAR BUSINESS REPORT

Bangladesh Bank has directed public banks to immediately open accounts for people enjoying benefits under social security programmes run by the social welfare directorate.

In a directive yesterday, the central bank said people enjoying such benefits, including the elderly persons' pension and allowances for insolvent disabled and widows, can open bank accounts in their names by depositing Tk 10 against their national identity cards and pension payment orders.

Such bank accounts are aimed at making the distribution of allowance easier and hassle-free and ensuring transparency, the central bank said.

There will be no obligation for maintaining a minimum balance in these accounts, and no charge or fees could be charged, according to the central bank.

In cases where cheque books are inadequate, the transactions into these accounts can be done

New top brass for ceramic manufacturers' assoc

STAR BUSINESS DESK

Iftakher Uddin Farhad was elected president of Bangladesh Ceramic Wares Manufacturers' Association on Saturday.

The election took place at the association's ninth annual general meeting in Dhaka, said a statement yesterday.



Iftakher Uddin Farhad

China province keen to deepen ties with Bangladesh

DIPLOMATIC CORRESPONDENT

China's Shaanxi province has expressed interests to boost interactions with Bangladesh for economic development and benefits of the people of two regions.

Wu Dengcang, vice governor of Shaanxi, expressed optimism about Bangladesh during a meeting with Foreign Minister Dipu Moni.

Dipu Moni is now on an eight-day official visit to China to hold bilateral meetings with Chinese Vice President Xi Jinping, her counterpart Yang Jiechi and other senior leaders.

As part of the visit, Dipu Moni visited Xian, the capital city of Shaanxi, on June 17-18. During her stay, she visited the Shaanxi History Museum to have a first hand idea about the relics of ancient dynasties who ruled China for thousands of years, including the first Emperor Qin Shi Huang.

Later, the minister was taken to the famous Terracotta Army Museum that houses thousands of terracotta warriors and all other imperial relics.

Dengcang hosted a banquet in honour of the Bangladesh minister. They two also discussed mutual cooperation between the two regions.

He informed that Shaanxi province was rich in agriculture, chemical industries, tourism, education and hi-tech sectors.

Dipu Moni mentioned about the ancient Silk Route that had originated from Xian and was used by the Chinese travelers like Fa Hien and Hue En Tsang for traveling up to ancient Bengal.

"In the spirit of our relationship that goes back more than thousand years" cooperation between the two regions could be enhanced further, she said.

The vice governor also wished to increase interactions on common interests of economic development for the benefits of people of two regions.

London expo to showcase Bangladeshi cuisine

STAR BUSINESS REPORT

Non-resident Bangladeshis living in the UK will for the first time organise a catering exposition in London in October to promote Bangladesh's traditional foodstuff.

The three-day Bangladesh Catering Expo will be held at Waterlily on 69-89 Mile End Road in London between October 3-5, organisers said yesterday.

The event aims to promote Bangladeshi curries and other related products in the UK market and create a business link between the two countries, said MK Zaman Jewel, chairman of the exposition committee, at a programme at Ruposhi Bangla Hotel in Dhaka.

At present, there are 15,000 restaurants in the UK. Of them,

92 percent are owned by Bangladeshi-born British citizens, said Jewel.

"The customers in the UK now know about Bangladeshi cuisines, thanks to a promotional campaign," he said.

While presenting the keynote paper, Maria Davice, a British marketing consultant, said the Indians, Chinese and Germans are the main suppliers of curry materials although more than 90 percent restaurants are owned by Bangladeshi-born British citizens.

Bangladeshis are hardly supplying the curry materials to British restaurants, although there is a huge potential for business, she said.

"This is happening because, probably India, China and Germany have easy access to the UK, and many people in Bangladesh

are not aware of the UK market and products' demand," Davice said.

A research showed that the catering industry contributed five billion pounds to the British economy despite an economic downturn in recent years. The sector has continued to grow for years, Davice said.

"The exhibition will guarantee a turnout of up to one third of the total restaurateurs and the sales," she said.

Commerce Minister Faruk Khan said he would extend his cooperation as the Bangladeshi-born British have showed interests to establish a catering university in Bangladesh to create skilled human resources.

"We have a lot of business opportunity in the UK as the EU has already relaxed the rules of origin under the generalised

system of preferences," he said.

Kevin Ringham, head of trade and investment of the British High Commission in Dhaka, said Bangladesh exported goods worth 1.13 billion pounds to the UK in 2010, up 11 percent from a year earlier.

During the same period, Bangladesh imported goods worth 114 million pounds from Britain, which is 68 percent higher than in 2009.

Ringham said the UK has recently launched a new five-year strategy, Britain Open for Business, to win business overseas, attract inward investors and strengthen strategic partnerships.

He said the strategy also sets out plans how the government will provide practical support to exporters and investors to make

a significant contribution to realising the UK government's ambitions for growth.

"We are therefore keen as ever to explore further business opportunities with Bangladesh not only in garments and foods, but also in power generation and equipment, pharmaceuticals, transport, logistics and other emerging sectors," Ringham said.

Jalal Ahmed, vice chairman of Export Promotion Bureau, said the curry industry in Britain started its journey 400 years ago with a Bangladeshi-born man from Sylhet region.

"We are trying to grab the UK's curry market through inspiring local agro-products growers and suppliers," he said.

A Rouf Chowdhury, president of Bangladesh Edible Oil Refiners Association, also spoke.



PHOENIX FINANCE

Deen Mohammad, chairman of Phoenix Finance and Investments Ltd, presides over the company's 16th annual general meeting at Officers' Club in Dhaka on Thursday. The company declared 35 percent stock dividends for 2010. SM Intekhab Alam, managing director, was also present.



DCCI

World Intellectual Property Organisation in cooperation with Copyright Office of Bangladesh and with assistance of European Union organised a two-day workshop on copyright and collective management at Dhaka Chamber of Commerce and Industry in the capital yesterday.