

ADB stresses better coordination in project implementation

UNB, DHAKA

Better coordination between donors and executing agencies are needed for successful implementation of projects, analysts said yesterday.

They emphasised reducing start-up delays, speedy selection of project directors as well as approval of development project proposals and the government's responsiveness.

They spoke at a seminar, Sharing Good Practices in Project Implementation, from the implementation of the Emergency Disaster Damage Rehabilitation Sector Project, organised

by the Asian Development Bank (ADB) at its resident mission.

Masud Ahmed, a member of the Planning Commission, other senior officials, heads of agencies, project directors and development partner representatives attended the seminar.

Stefan Ekelund, unit head of the portfolio management of ADB, said start-up delays are one of the major reasons for the low utilisation of funds. "It takes an average 15 months from loan approval to first disbursement of funds."

Mohammad Nazrul Islam, a project officer, made a presentation on the background and outcomes of the Emergency

Disaster Damage Rehabilitation Sector Project.

He showed that prompt response had helped restore socioeconomic activities of 25 million people in 51 districts affected by the flood disasters in 2007.

ADB provided \$116 million assistance for the \$280 million project in 2008 following devastating floods and a cyclone in late 2007.

Japan International Cooperation Agency, the Canadian International Development Agency, the OPEC Fund for International Development and the Embassy of the Netherlands co-financed

the project with \$125 million and the remaining \$39 million was provided by the government.

The project funds were used to repair about 2,000 kilometres of roads, 6,600 metres of bridges and culverts, 337 kilometres of embankments, 49 kilometres flood protection works, 15 flood shelters, 10 cyclone shelters and 96 kilometres of drains were either constructed, repaired and or rehabilitated.

Mentioning reasons for successful implementation of the project, Stefan cited early approval of DPP, excellent government coordination mechanism, early engagement of consultants,

random spot checks, strong supervision, performance audit, flexible and simple project design drove the project to success.

Citing the implementation experience of the project, the ADB unit head hoped that the executing agencies and the development partners would be able to succeed jointly in case of other projects.

"So, let's replicate some of the lessons from this project," he added.

Ahmed Faruq who made a post-implementation evaluation on the project said the economic benefit of the project was high.



Rupali Chowdhury, managing director of Berger Paints Bangladesh Ltd, attends the prize giving ceremony of the company's latest promotion, *Notun Rong a Hasbe Bari, Asbe Shathe Notun Gari*, in Dhaka yesterday.



Zaid Amin, head of Citibank's global subsidiaries group for Bangladesh, and SK Mukhopadhyay, chief financial officer of Airtel Bangladesh, sign an agreement at a programme in Dhaka on Monday. The mobile operator will execute payments across the country through Bangladesh Electronic Fund Transfer Network using CitiDirect, Citibank's award-winning electronic banking platform.

Pran launches milk product

STAR BUSINESS DESK

Pran, a leading food processor, has launched instant full-cream milk powder 'Milk Man' in the local market, the company said in a statement yesterday.

Milk Man is directly imported from New Zealand and processed through the spray-dried method, according to the statement.

The product is available in 25gm, 400gm and 500gm packs, priced at Tk17, Tk

Eurozone crisis a menace to global financial stability: IMF

AFP, Brussels

The eurozone's debt mountain poses a threat to global financial stability, the IMF warned on Tuesday, putting pressure on European banks to boost their capital to survive the crisis.

The IMF sounded the alarm in a world economic report that sharply lowered the IMF's growth projections for the 17-nation eurozone to 1.6 percent in 2011 and 1.1 percent in 2012, down from 2.0 percent and 1.7 percent in a June forecast.

"Should the periphery's debt crisis continue to propagate to core euro area economies, there could be significant disruption to global financial stability," the IMF said in its "World Economic Outlook."

European banks are "heavily exposed" to countries facing rising borrowing costs and lenders should make efforts to increase their capital following holes revealed by recent "stress tests" on the sector, the IMF said.

"A concern is that capitalisation of euro area banks is relatively low, and they rely heavily on wholesale funding, which is prone to freezing during financial turmoil," the report said. "Trouble in a few sovereigns could thus quickly spread across Europe. From there it could move to the United States -- by way of US institutional investors' holdings of European assets -- and to the rest of the world."

After previously rebuffing IMF calls for a recapitalisation of Europe's banks, the European Commission admitted on Tuesday that the sector may need more capital and would extend measures allowing states to rescue their banks.

"Sadly, as the sovereign debt worsens, more banks may need to be recapitalised, on top of the nine signalled in the July stress tests," Almunia said in a speech, referring to tests that most European banks passed.

With European banks struggling to raise dollars from US lenders wary of their exposure to the debt crisis, the world's top central banks leapt into action last week to inject dollars into the sector.

Experts suggest easy arbitration laws



Hasan Ariff, former attorney general, and Mahbubur Rahman, chairman of Bangladesh International Arbitration Centre, attend a dialogue at Ruposhi Bangla Hotel in Dhaka yesterday.

STAR BUSINESS DESK

Arbitration laws must be simplified and the process should be speeded up without the involvement of courts particularly for trade disputes to bring confidence among foreign investors, said former justice Awlad Ali.

Ali spoke at a dialogue on "Arbitration as an out-of-court dispute settlement tool: Global Experience and Implications for Bangladesh" at Ruposhi Bangla Hotel in Dhaka yesterday. Bangladesh International Arbitration Centre (BIAC) organised the programme.

The former justice also suggested an international agreement to implement trade-related arbitration hurriedly.

"Institutional arbitration is vital for generating confidence," said Nina Machova, representative from the World

Bank Group in Washington. So, she hoped that BIAC would be developed to meet that pressing need in Bangladesh.

"Arbitration tribunals should not be an extension of the courts; otherwise there would be losses in time and procedural impediments," said Hasan Ariff, former caretaker government adviser and former attorney general.

He suggested that the law for arbitration be amended to meet the needs of the investors.

Mahbubur Rahman, BIAC chairman, said there are roughly 25 lakh cases pending before the lower judiciary and about 3.5 lakh cases before the Supreme Court. Many business-related cases can be disposed of through arbitration, relieving the pressure on the judicial system and helping business move speedily, Rahman added.

Lufthansa will miss 2011 profit target

AFP, Frankfurt

German flag carrier Lufthansa said on Tuesday its profit targets for the current year were no longer achievable, following weaker-than-expected results in August and given ongoing economic uncertainty.

"At its meeting on Tuesday, the executive board adjusted its earnings forecast for the current financial year to the latest developments," the air-



Mishaal Kabir, director of Hyundai Motors Bangladesh Ltd, hands a ticket of Formula1 Singapore Grand Prix Corporate Box to one of the winners of its "Tickets to F1" promotion at a programme in Dhaka recently. The best five write-ups on F1 Grand Prix won five such tickets under the promotion.

Global accolade for Axiata

STAR BUSINESS DESK

Axiata Group has recently been named one of Asia's Best 50 Publicly-Traded Companies for 2011 by Forbes Asia magazine, the company said in a statement yesterday.

According to Forbes Asia, 50 companies, including Axiata, were picked from 1,073 to the latest Forbes Asia's Fabulous 50 list.

The Fabulous 50 list takes into account companies with at least \$3 billion in revenue or market capitalisation and five-year track records for revenue, operating earnings, return on capital, recent results, share price movements and outlook.

Axiata was the only Malaysian company that made it to this year's list.

The group has controlling interests in mobile operators in Malaysia, Indonesia, Sri Lanka, Bangladesh and Cambodia with significant strategic stakes in India, Singapore and Iran.

Forbes Asia said almost half of Asia's best companies were from China. Twenty-three Chinese companies made it to the list, up from 16 last year.

Axiata Group owns 70 percent of Robi Axiata Ltd,

Huawei to serve Telenor Global Services

STAR BUSINESS DESK

Global ICT solutions provider Huawei has recently announced that it has been selected by Telenor Global Services (TGS), a leading provider of quality global interconnection services, as the sole partner for the latter's voice and internet protocol (IP) network renovation in 10 countries.

"We are proud that TGS has selected Huawei to develop and maintain its IP network across 10 countries," Jay Zhang, vice president of Huawei's Telenor business unit, said in a statement on Friday.

"This partnership demonstrates our ability to seamlessly integrate our managed service offering and deliver customised and flexible solutions that meet the evolving needs of our customers and create maximum value for their business."

Huawei will provide TGS with a comprehensive one network and IP core solution and managed services for five years to countries including, Norway, Singapore, Hong Kong (China), United Kingdom, Germany, the Netherlands, Pakistan, Bangladesh, Thailand and Malaysia.

With the services, TGS will be enabled to deliver advanced voice, video, data and IP services to 170

Nokia Siemens Networks brings Liquid Net

STAR BUSINESS DESK

Nokia Siemens Networks (NSN) yesterday launched Liquid Net, a new way to deliver broadband that allows an operator to set up its network to self-adapt to meet capacity and coverage requirements based on demand.

NSN said the new approach also aims to significantly improve the quality of broadband services worldwide. "With Liquid Net, operators can unleash the full potential of their existing business assets and create new revenue sources," NSN said in a statement yesterday.

"Capacity in today's conventional networks is typically frozen in separate places; at individual base station sites, in parts of the core network that manage voice and data services, or in the optical and IP transport networks," said Marc Rouanne, head of Network Systems at NSN.

"For example, as much as 50 percent of a conventional core network's capacity can be dormant. Instead, Liquid Net unleashes frozen network capacity into a reservoir of resources that can flow to fulfill unpredictable demand, wherever and whenever people use broadband."

Liquid Net channels traffic in the transport network along the path of least resistance and lowest cost



Tanvir Ahmed, director of Platinum Suites, a sister concern of Sheltech, sign a deal with Fahad Alam Rad, director of Women's World, at Banani in Dhaka recently. Members of both organisations will enjoy special discounts.



Shykh Siraj, director of Impress Telefilm and an agriculture specialist, and Ali Reza Iftekhar, managing director of Eastern Bank, present a cheque for Tk 1.5 lakh to a farmer at the launch of "EBL Krishi Rin", a new loan product of the bank for farmers, in Savar on Monday.



Kamaluddin Ahmed, chairman of Social Islami Bank, inaugurates the 68th branch of the bank at Mohakhali in Dhaka yesterday. Muhammad Ali, managing director, was also present.