

AmCham spots hurdles to US investment

US trade show begins tomorrow

STAR BUSINESS REPORT

The amount of US investment in Bangladesh is still poor due to four major impediments, although the country is a potential destination for the American entrepreneurs, said a major trade body chief yesterday.

The impediments include a lack of transparency, unpredictability, delays in decision making and weak infrastructures, said Aftab ul Islam, president of American Chamber of Commerce in Bangladesh (AmCham), at a press conference at Ruposhi Bangla Hotel in Dhaka.

Islam, while briefing journalists on the upcoming US Trade Show-2012 in Dhaka, said the total investment by the US entrepreneurs in Bangladesh is just above \$1 billion now.

The US investment in the country should be much higher as America is one of the biggest trade partners of Bangladesh.

"But, corruption, delays in decision making by bureaucrats, uncertainty in project implementation and weak infrastructures are acting as major impediments to increased US investment in the



Aftab ul Islam, president of American Chamber of Commerce in Bangladesh, speaks at a press meet for the upcoming US Trade Show-2012, at Ruposhi Bangla Hotel in Dhaka yesterday. The chamber and the US Embassy in Dhaka are co-organising the show from tomorrow at the hotel.

country," Islam said.

Bangladesh needs to quickly address the shortage of power and gas, increase transportation facilities and build up efficiency to attract more US investment, he said.

"Bangladesh has enormous potential

and opportunities," he said. But, exports from the US doubled in 2011, he added.

According to data from AmCham, Bangladesh exported goods worth \$4.59 billion in 2011 and imported goods worth \$1.09 billion.

In 2010, exports to the US were

recorded at \$4.30 billion, while imports from the US were \$577.5 million, according to the data.

The amounts were \$3.70 billion and \$434.6 million in 2009.

A Gafur, executive director of AmCham Bangladesh, said the chamber and the US Embassy in Dhaka are co-organising the 21st version of the trade show from tomorrow in Ruposhi Bangla Hotel.

He said a total of 68 exhibitors will showcase their products at 116 booths. The three-day fair will remain open from 10am to 8pm with an entry fee of Tk 20 per person.

However, students in uniform and with other identity cards will be exempted from the fee, said Gafur.

Commerce Minister GM Quader is scheduled to inaugurate the event as the chief guest, he said.

Products including automotive, consumer and lighting products to educational services and renewable energies will be showcased at the fair, he added.

"More and more US companies are coming to Bangladesh. This is a reflection of our strong bilateral relationship," said Alexander Gazis, economic and commercial officer of US Embassy in Dhaka.



Nasir Khan, chairman of Jenny's Group, and Abdullah Al Mosaddak, managing director, inaugurate the company's new showroom at Mouchak in Dhaka yesterday.

Bangladesh to send more workers to Qatar

DIPLOMATIC CORRESPONDENT

Bangladesh looks forward to providing more skilled, semi-skilled and unskilled workers and professionals for the socio-economic development of Qatar, especially for the World Cup 2022 in Qatar, said Dipu Moni.

The foreign minister spoke at a meeting with Abdullah Al Atiyah, deputy prime minister and chairman of administration and transparency of Qatar, in Doha on Monday, according to a message received from Doha yesterday.

Dipu Moni is now on a bilateral visit to Qatar. During the two-day trip, she will also join the third ministerial meeting on "Advancement of women of the non-aligned movement".

The deputy prime minister of Qatar, who is also the chair of the climate change summit COP-18 scheduled to be held in Doha, assured Bangladesh of all out cooperation on climate change challenges.

In another meeting, Dipu Moni also met Khalid bin Mohamed Al Attiyah, state minister for foreign affairs of Qatar and chair of the NAM ministerial meeting, where the foreign minister discussed the bilateral relations between the two countries.

Plastic fair starts tomorrow

STAR BUSINESS REPORT

The seventh international plastic fair begins in Dhaka tomorrow to showcase plastic products.

At the four-day event, around 350 local and foreign firms will display their plastic products at Bangabandhu International Conference Centre.

Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA) and Chan Chao International Co Ltd, an industrial exhibition arranger, are jointly organising the show.

This fair will enable local plastic goods manufacturers showcase their diverse range of products, said Shamim Ahmed, president of the association, at a press meet in the capital yesterday.

Exhibitors from 15 countries, including China, India and Taiwan, will also showcase their latest machine and technologies, he added.

The show will remain open for all from 10am to

CPD holds trustee meeting

STAR BUSINESS DESK

The Centre for Policy Dialogue (CPD) yesterday held the 37th meeting of the Board of Trustees to review its activities for the period from October to January this year, the think-tank said in a statement yesterday.

The Board reviewed CPD's initiatives such as research, publication and dialogue activities and expressed satisfactions over the performance.

The Board also approved CPD's annual accounts for 2011 and the budget for 2012 at the meeting, according to the statement.

The Board endorsed its plan for research, dialogue and publications-related activities for 2012. These will cover a wide range of research studies and other activities related to food security, governance, climate change and environment, energy and regional trade.

Professor Rehman Sobhan, chairman of CPD,

Ten to contest for DSE directorship

FROM PAGE B1

The last date for submitting nomination papers is February 19, and the last date for withdrawing nominations is March 1.

The 10 candidates who got NOCs yesterday are: AS Shahidul Huque Bulbul of Bulbul Securities, Minhaz Mannan Emon of BLI Securities, Kazi Firoz Rashid of Kazi Firoz Rashid Securities, Abdul Haque of Royal Green Securities, Md Fakhru Islam of Md Fakhru Islam Securities, Md Sajedul Islam of Shaymol Equity Management, Sharif Anowar Hossain of Md Sahidullah Securities, Md Shahjahan of Jahan Securities, Md Hanif Bhuiyan of Rapid Securities and Habib

Mostafa Kamal, managing director of Meghna Group of Industries, and Niaz Rahim, chairman of Rahimafrooz Renewable Energy, sign a clean energy deal at the corporate office of Meghna Group yesterday.

Meghna, Rahimafrooz sign clean energy deal

STAR BUSINESS DESK

Two local conglomerates yesterday joined hands to sign a clean development mechanism (CDM) service agreement for developing carbon emission reduction projects in the country.

Mostafa Kamal, managing director and chairman of Meghna Group of Industries, and Niaz Rahim, chairman of Rahimafrooz Renewable Energy Ltd, signed the deal at the corporate office of Meghna Group.

The deal was signed to earn carbon credit incentive for the development of waste heat to energy generation projects at the industrial facilities of the companies, according to a statement of Rahimafrooz.

Bangladesh Carbon of Rahimafrooz Renewable will act as specialised CDM project developer and help ensure carbon revenues from various carbon emission reduction initiatives taken by Meghna Group.

Sohel Ahmed, general manager and head of business of Rahimafrooz Renewable, and Md Luthur Rahman, general manager of Unique Power Generation Company, were also present.

Mohammed Hanif, sponsor director of Dhaka Bank, inaugurates the bank's new branch in Jatrabari recently. Khondker Fazle Rashid, managing director, was also present.

DHAKA BANK

High lending rates hurt entrepreneurs: Barua

Three-day SME fair kicks off

STAR BUSINESS REPORT

High lending rates and collaterals are nipping many potential small and medium enterprises in the country in the bud, said Industries Minister Dilip Barua yesterday.

"The lack of necessary finance is a key problem for SMEs. Many do not feel encouraged to take loans due to high interest rates. Offering collaterals also pose real problems. As a result, many enterprises fall flat following inception," he said.

"Therefore, I have been demanding loans for the small and medium sized entrepreneurs at lower interest rates and on easy conditions since the government came to power three years ago."

The minister said this while speaking at the opening ceremony of the National SME Fair 2012 at Bangabandhu International Conference Centre.

SMEs from 19 districts are showcasing their handicrafts, leather goods and footwear, agro-processed products, herbal and cosmetic stuff, bou-

ties, designs and fashion wears and light engineering and electronic goods at the 110 stalls of the fair.

Barua said that the SME sector is a major driving force for economic development and that sustainable development of the sector ensures heavy industries of the future.

"Many industrialised countries started their industrialisation through the development of the SMEs. The sector however has not flourished robustly in Bangladesh."

"But hope lies in the fact that we have understood the important role of the sector. The contribution of the SMEs is being increasingly felt in the process of national development."

He said most banks and financial institutions have come forward to finance SMEs. As a result, the credit flow to the SMEs has been increasing.

The minister said Bangladesh Bank has taken steps under its refinancing scheme to assist entrepreneurs with loans at lower interest rates. "Under the programme, banks and finan-

cial institutions are providing loans to women entrepreneurs at 10 percent interest rates."

"Besides Bangladesh Bank, the Asian Development Bank and the World Bank have jointly formed a revolving fund. Under the fund, Tk 1,925 crore has been lent so far. The amount of the fund will go up for the sake of entrepreneurs in future."

Barua said the financial institutions should be further flexible in providing women entrepreneurs with loans between Tk 7 lakh and Tk 25 lakh without any collateral.

He said steps should be taken to set up industries in various parts of the country considering the available advantages and potential a region has for industrialisation.

"Besides, initiatives have been taken to expand the 40 old industrial towns of BSCIC (Bangladesh Small and Cottage Industries Corporation). Once implemented, the new entrepreneurs will get plots there. Women entrepreneurs will also get plots on priority basis."

He asked the SME Founda-

tion to organise fairs at district and upazila levels.

Mahbubur Rahman, president of the International Chamber of Commerce-Bangladesh, said the SME could play an important role in creating jobs and eradicating poverty.

He also called for increasing credit facility for the sector and developing infrastructure and quality of the products.

Speaking on the occasion, Akter Hossain Khan, an entrepreneur from Syedpur who has set up a stall at the fair, said lack of adequate capital is a major problem for small entrepreneurs. "We want loans at lower interest rates."

Molika Chakma, who came from Rangamati, said they do not get bank loans as they cannot provide collaterals. "We will be able to do more if we receive assistance."

The objective of the exposition is to expand the markets of SME goods at home and abroad, and help build bridges among the SME entrepreneurs, said Syed Rezwana Kabir, managing director of SME Foundation.



Rupali Chowdhury, managing director of Berger Paints, and Umesh Singh, regional director for South Asia of Hempel, sign an agreement in Dhaka recently. Berger will exclusively market and distribute the products of Hempel, a leading brand in marine coatings.

Construction firms call for price adjustment

STAR BUSINESS REPORT

The leaders of Bangladesh Association of Construction Industry (BACI) yesterday urged the government to include the "price adjustment clause" in public procurement rules.

The prices of construction materials increased by around 40 percent since the association signed deals with the government for some development projects, said SK Md Rafiqul Islam, executive member of BACI.

The government should adjust the prices with the recent ones with the inclusion of the price adjustment clause in the procurement rules, Islam added.

He spoke at a press meet at the National Press Club in the city.

Islam said most of the construction firms will go bankrupt if the government continues to follow the previous market prices.

He said the price of rod surged 17.50 percent, cement 15.79 percent, brick 25 percent, stone 13.04 percent, bitumen 42.86 percent and diesel 8.93 percent in the last three months that affected the industry very roughly.

The recent surge of landing rate of banks and depreciation of taka against dollar also affected the industry, he said.

Most of the constructors put an end to their running projects due to the price hike, he said.

TV ad spending shoots up in 2011

FROM PAGE B1

Ryans said 1,328 advertisers or companies gave television advertisements to attract consumers for their brands.

Multinational firm Unilever topped the list of firms in terms of frequency of advertisements, airing time and expenses. Pran-RFL Group, a manufacturer of processed foods and plastic goods, finished second among top 10 firms that accounted for 50 percent of the total expenses in the industry last year.

The remaining top companies in terms of expenses are Grameenphone, Orascom, GlaxoSmithKline, Axata Bangladesh Ltd, Abul Khair Group, Square Group, Globe Pharmaceuticals Group and Alkij Group, according to Ryans.

Channel i broadcasted the highest number of advertisements, followed by RTV and NTV last year.