

Canada urged to invest in Bangladesh

Analysts speak at seminar at Canada Showcase

STAR BUSINESS REPORT
Canada should explore more business opportunities and invest in Bangladesh as the country offers the most liberal trade regime in South Asia, speakers at a discussion said yesterday.

They said Bangladesh has adopted many business-friendly policies in the last four decades. All of them cater to private businesses, both local and foreign.

They spoke at a seminar styled "Business Development Opportunities in Bangladesh" on the sidelines of Canada Showcase 2012 at Sonargaon Hotel in the city.

Although the relation between Canada and Bangladesh dates back to 1971, the North American country has only invested US\$300 million so far.

Last year, Canada invested \$2.5 million in Bangladesh, which is 0.5 percent of its total foreign investment, although the FDI regime in Bangladesh is one of the most liberal in South Asia, said Khondaker Golam Moazzem, senior research fellow of Centre for Policy Dialogue (CPD).

The two-way trade however increased sharply in recent years, more than doubling to \$1.6 billion

in 2011 from \$648 million a year before, with the balance tilted towards Bangladesh.

Moazzem said Bangladesh's policies meet the demands and needs of investors especially foreign ones.

"The country has the most liberal trade regime in South Asia region. It offers incentives and supports for investment in priority sectors."

The analyst said investment in terms of GDP in Bangladesh has been stuck at 25 percent for a decade, which offers Canada immense opportunity to invest in the country.

"Bangladesh offers one of the lowest tariff rates in the region in raw material and intermediary goods imports. Besides, Bangladesh's domestic market is also equally important."

"The export-import activities have doubled from \$16 billion in 2002 to \$43 billion last year," he said.

"The economy is gradually opening up, creating more business opportunities."

He urged the government to diversify both export basket and export destinations instead of being confined to a few products

like RMG and a few countries such as the USA and EU.

Amjad Khan Chowdhury, president of Metropolitan Chamber of Commerce and Industry, Dhaka, said Bangladesh offers a competitive production base due to its geographical position.

"Bangladesh's middle class is growing fast, offering a market for producers. In the same way, surrounded by India, it also offers market opportunity for countries like Canada."

Steve McLellan, chief executive of Saskatchewan Chamber of Commerce in Canada, said they want to cross the \$2.0 billion trade milestone between Bangladesh and Canada soon.

He said sharing knowledge about each country is important to boost trade. "We need to know what you offer and know the products you are good at. The link between people is also important to accelerate bilateral trade," he said adding that the chamber should explore business opportunities.

Asif Ibrahim, president of Dhaka Chamber of Commerce and Industry (DCCI), said Bangladesh offers an unparallel investment climate compared to the

other South Asian economies.

"Bangladesh is a place for investment. As the future lies with Asia, the country will be an economic tiger in the future."

The young businessman said the country offers broad non-partisan political support for market-oriented reform and the most investor-friendly regulatory regime in South Asia.

"We have trainable, enthusiastic, hard-working and low-cost (even by regional standards) labour force suitable for any labour-intensive industry," he said.

Ibrahim said the geographic location of Bangladesh is ideal for global trade, with very convenient access to international sea and air routes.

He said Bangladeshi products enjoy duty-free and quota-free access to almost all the developed countries. "This access to the global market is further helped by the fact that the policy regime of Bangladesh for foreign direct investment is by far the best in South Asia."

"Though on a limited scale, Bangladeshi products have already found their access with lower duty in the markets of Thailand, India and Pakistan. Talks are

underway with China, Russia, Malaysia and other neighbouring countries in this regard."

Canadian businesspeople can invest in Bangladesh's energy, agro-processing industries, food, transportation, paper and pulp from Jute, fertilizer, textiles, leather and leather goods, ceramics, pharmaceuticals, electronics, light engineering, steel, hospitals, education, tourism and hotels and shipbuilding.

Aftab ul Islam, president of American Chamber of Commerce in Bangladesh, said many investors have admitted that Bangladesh offers the most return on investment.

Mahbubur Rahman, president of International Chamber of Commerce Bangladesh, who moderated the seminar, said, "We need FDI and investment."

"Bangladesh also needs to produce more to export to countries like Canada," he said.

Heather Cruden, high commissioner of Canada to Bangladesh, and Masud Rahman, president of Canada Bangladesh Chamber of Commerce and Industry, also spoke at the seminar co-organised by the DCCI and the Saskatchewan Chamber of Commerce.



ROSE VIEW HOTEL
Robert Winnington Gibson CMG, British high commissioner to Bangladesh, is welcomed by Nasimul Ghani, general manager of Rose View Hotel, on the first visit of the envoy to Sylhet recently.

New chief for Barvida

STAR BUSINESS DESK

Md Abdul Hamid Sharif has recently been appointed as the president of Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida), the association said in a statement yesterday.

Barvida also appointed Md Rayhan Azad Tito as its secretary general, according to the statement.

Prior to the appointment, Sharif was the secre-



Md Abdul Hamid Sharif

Ministry seeks list of BO accounts, losses

STAR BUSINESS REPORT

The finance ministry asked the Investment Corporation of Bangladesh (ICB) to provide a list of beneficiary owner accounts and losses of investors affected by the recent stock market debacle.

The finance ministry has sent a letter to Md Fayekuzzaman, managing director of ICB, asking for the list along with the losses.

The decision came yesterday following the finance minister's meeting with the Securities and Exchange Commission (SEC) and stakeholders on Sunday to finalise the special scheme for the financially affected investors.

The finance ministry issued a circular yesterday, suggesting a 50 percent waiver on the margin loan interest to small investors.

Lenders, including merchant banks and brokerage houses, would bear the losses on account of the interest to be waived, Muhith said on Sunday.

Bangladesh Bank will later decide on how some compensation can be made to the merchant banks



IJSJG
Xu Ji Xiang, chairman of China Bast and Allied Fibre Textile Association (CBLFTA), and other members of the body pose with Bhupendra Singh, secretary general of International Jute Study Group (IJSJG), after a meeting in Dhaka yesterday. The CBLFTA and Zhejiang Golden Eagle Co of China joined IJSJG as associate members.



NCC BANK
Prime Minister Sheikh Hasina hands a cheque for Tk 4.8 lakh as financial assistance from NCC Bank to Rowsan Ara Begum, wife of late lieutenant colonel Lutfur Rahman, a martyred army officer killed in the BDR carnage at Pilkhana, at Gono Bhaban in the capital recently. The bank's Chairman Md Nurun Newaz Salim was also present.

Singapore to grant mandatory day off for maids

AFP, Singapore

Singapore will from next year require a mandatory weekly day off for maids, the government said Monday, in a move that will affect more than 200,000 domestic helpers in the affluent city-state.

"The new weekly rest day requirement will apply to (foreign domestic workers) whose work permits are issued or renewed from 1 January 2013," the ministry of manpower said in a press release

Non-governmental groups and the governments of the countries the maids come from had been waging a campaign over the past decade for Singapore to grant them a weekly day off, a right already enjoyed by domestic helpers in Hong Kong.

Ctg port turnaround time on the decline

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"The frequency of workers' movement like protest, demonstration in the port has come down. The port is now more active than before," said Nasir Uddin Chowdhury, first vice president of Bangladesh Garment Manufacturers and Exporters Association.

"We now get delivery of our imported raw materials earlier than before," he said. "It has become favourable for us to meet lead time."

The port handled 1,392,104 TEUs (twenty equivalent units) of containers in 2011, up 3.62 percent from the previous year. Cargo handling also rose in the same period, according to port data.

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Bangladesh: next hotspot for outsourcing business

Analysts suggest local big businesses come to the emerging sector

STAR BUSINESS REPORT

Local big business players should follow the examples of companies like GPIT and Samsung and enter the information technology business in Bangladesh, said a top analyst in software services yesterday.

The country's business-people could also follow in the footsteps of Tata or Birla, Indian business giants that came to the IT and outsourcing business a long ago, said Mahboob Zaman, president of Bangladesh Association of Software and Information Services (BASIS).

Zaman spoke at a seminar on "Outsourcing outlook for Bangladesh" on the sidelines of Canada Showcase 2012 at Sonargaon Hotel in Dhaka yesterday.

Outsourcing, also known as business process outsourcing, is a way of doing business through a third party. Different companies, including financial institutions, banks, telecom companies and airlines, offer such services.

There is no other sustainable employment than outsourcing business for Bangladesh, said Gurujot Singh Khalsa, chief executive officer of US-based WorldBridge Global Inc.

The country has the potential to create over 200,000 direct and 50,000 indirect jobs and earn \$5 billion a year in the next decade through outsourcing, Khalsa said.

The Indian market was a 'zero' when it started outsourcing business there, he said. But the country earned \$50 billion from the business last year, he said.

He said there is a market for around \$500 billion in the US, India, Philippines, Sri Lanka, Brazil, South Africa and Pakistan are doing good outsourcing business with the US, he said.

WorldBridge plans to invest \$150 million in Bangladesh in the next five years, which will create 10,000 direct and 3,000 indirect jobs and help people earn \$100 million a year, Khalsa said.

The investment will draw attention of other global companies to invest in Bangladesh, he added.

The Bangladesh government should facilitate tax holiday in the sector for the next 10 years, business visas for five years to the foreigners and provide quality internet at competitive prices comparing with the neighbouring countries, he said.

Khalsa also said the government

should build well IT and communication infrastructure and backup international submarine cable to let outsourcing business grow in Bangladesh.

The country failed to perform well in outsourcing although the business began in Bangladesh in 2008, said Ahmadul Hoq Bobby, president of Bangladesh Association for Call Centre Outsourcing.

Outsourcing business is struggling in Bangladesh for a backup cable, he said.

The kind of outsourcing business Bangladesh provides with the help of voice or call centres occupies only 10 percent fields of the business, he said.

Zaman of BASIS said 41 Bangladeshi IT firms are now taking part in two fairs in Europe to get outsourcing business.

In Bangladesh, 65 percent of the population are under 25, he said. The time difference with the west is a unique opportunity for the country for outsourcing business, he said.

IT will be the lifeline of Bangladesh economy in the next five to seven years, he said.

Anir Chowdhury, adviser to the Access to Information (A2I) programme, presided over the seminar.



ESQUIRE ELECTRONICS
Mofazzal Hossain, chairman of Esquire Electronics, attends the company's Dealers Conference 2011 at Sonargaon Hotel in Dhaka recently. Ehsanul Habib, managing director, was also present.



BRAC BANK
Mohammad Mahmudur Rashid, deputy managing director of BRAC Bank, and MA Yousuf Khan, deputy managing director of Mercantile Bank, exchange documents of a deal signed in Dhaka recently. The customers of Mercantile Bank will enjoy instant online remittance services through the member banks of El Dorado network.

NOTICE FOR LOTTERY OF ALLOTMENT OF SHARES (IPO)

It gives immense pleasure to **GPH Ispat Ltd.** to announce that the lottery for allotment of initial Public Offering (IPO) of shares will be held on Wednesday, March 07, 2012 at 10.00 AM at "The King of Chittagong", Panchlaish, Chittagong. All concerned are earnestly requested to attend the event.

GPH ispat Ltd.
COMMITTED TO STRENGTH

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