

# UK minister praises Bangladesh garments

## Alistair Burt visits Dhaka Export Processing Zone

STAR BUSINESS DESK

Bangladesh is a strong selling point for British customers, said the visiting UK Foreign Office Minister for South Asia Alistair Burt yesterday.

He spoke while visiting a garment factory in the Dhaka Export Processing Zone, to see for himself the role played by British investment here.

Managing Director of Satexco Iqbal Hossain explained to the minister the benefits of the EPZ and discussed the garment industry and investment climate in Bangladesh.

Satexco, a UK-Bangladesh joint venture, has customers, including the British Army and police forces, for which it produces waterproof jackets, webbing and fire-retardant clothing.

Talking about the opportunities for UK investment in Bangladesh, Burt said: "UK customers like the British Army come to



**Second from right, Alistair Burt, UK Foreign Office minister for South Asia, visits the factory of garment maker Satexco in Dhaka Export Processing Zone yesterday.**

Bangladesh for quality and Satexco provides that."

The ability to produce such quality goods is attractive to

overseas investors, he said.

"The UK is one of the largest investors here, with British companies investing about £2 billion

in the Bangladesh economy.

Around 70 British firms operate successfully across the country."

The UK is also the third largest

export market for Bangladesh, he said, adding: "Such trade and investment can drive both our economies forward. The right climate for investment is therefore important for this to continue."

Burt aims to reinforce the strong bilateral relationship and interests shared by the UK and Bangladesh, including supporting democracy, strong people-to-people links, development, trade and investment, and climate change.

He was appointed the UK's Parliamentary Under-Secretary of State at the Foreign and Commonwealth Office in 2010.

His foreign policy responsibilities cover Afghanistan, South Asia, counter-terrorism, and counter-proliferation, North America, Middle East and South Africa.

Burt is the Member of Parliament for North East Bedfordshire.



**GREAT WALL MOTORS**  
Great Wall Motors takes part in an auto-show in Beijing where the company exhibited 20 new and old model vehicles, including Haval SUV and Great Wall Passenger Car.

## NBR strikes against underinvoicing

BSS, Dhaka

The National Board of Revenue (NBR) will upgrade the UNCTAD software by September next year to make the system more robust against underinvoicing in external trade, NBR officials said.

Underinvoicing is an illegal practice to dodge the correct duty on imported products by quoting an incorrect price.

The move comes in response to a claim from a former central bank governor that the country was incurring huge revenue losses due to NBR's failure to detect under-invoicing.

## Two state textile mills sold at low prices

BSS, Dhaka

The government has accepted bids much lower than its valuation from the private sector for the sale of two state-owned textile mills, Magura Textile Mills and Rangamati Textile Mills.

The highest bid for Magura Textile was Tk 28.50 crore, lower than the government's valuation of Tk 59.71 crore. Rangamati Textile raised Tk 28.10 crore, around Tk 27 crore less than the government's estimation.

Both textile mills were marked for privatisation in April 2007. "The decision was taken as the low bidding rates coupled with dithering delayed the privatisation of the public sector industries for nearly a year," said Mirza

## H&M wary of Bangladesh

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But Bangladesh has been plagued by political turmoil, with violent street protests erupting last month following the disappearance of a leading opposition figure, the report added.

In addition, working conditions remain poor, with substandard lighting, overcrowding and long working hours being common.

In 2010, 21 workers were killed by a fire at a factory making products for H&M and other retailers. Furthermore, apparel workers have no real collective force in Bangladesh.

"The situation is highly fragmented," Helmersson said. "There are about 56 garment and textile workers' unions."

H&M said it aims to use its influence to apply pressure on its suppliers in Bangladesh to improve working conditions.

In 2011, it held talks with government representatives, unions, and the biggest suppliers about its expansion plans and the surrounding issues.

"We told them how we would like to grow in Bangladesh, but that the ongoing instability in the country makes it difficult for us to plan production and makes us wonder if we dare grow there," Helmersson said.

She added H&M wants suppliers to set up democratic labour committees that can negotiate wages and working conditions with factory owners, and a programme will be rolled out and tested this year and next.

"We are big buyers in Bangladesh and we want to take greater responsibility for working conditions there," Chief Executive Karl-Johan Persson said. "And we reward the suppliers who take the greater social responsibility with more business, larger orders and longer contract," the report said.

## Exporters seek safeguard

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"Our export growth to the new destinations is remarkable. So, we have recommended the government for continuation of the package in the upcoming budget," said Monoj Kumar Roy, an additional secretary in the commerce ministry.

"Before formulation of the budget the government should analyse the impacts of global financial slowdown. The budget should be robust to the external factors affecting exports," said Jahangir Alamin, president of Bangladesh Textile Mills Association.

Shahidul Karim, secretary to the Bangladesh Jute Spinners Association, demanded withdrawal of 15 percent tax on 10 percent cash incentives on export given by the government.

"We want an export oriented budget for the next fiscal year," said Abul Bashar, an official of Bangladesh Frozen Food Exporters Association.

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**Second from left, Mahabub Hossain, executive director of BRAC, poses with a low-cost solar light at its launch at BRAC Centre Inn in Dhaka yesterday.**

# BRAC comes up with low-cost solar lights

STAR BUSINESS REPORT

Low cost solar lights can be a good source to lighten up the homes of the marginalised people without access to the national power grid.

BRAC yesterday launched such solar products that are safe for health and can play an important role in education and agricultural activities at night.

"This initiative will help rural poor with an alternative low-cost light source to kerosene lamps and reduce the health risks related to kerosene," said Mahabub Hossain, executive director of BRAC.

"We believe this will also contribute in meeting the growing demand of electricity in Bangladesh."

He spoke at the launch of D.light Design solar lights organised by the Agriculture and Food Security Programme (AFSP) of BRAC, at BRAC Centre Inn in the capital.

The prices of the products range from Tk 750 to Tk 2,600, according to the development organisation.

Initially, BRAC imported 30,000 solar lights from D.light Design, an US company, which will reach the 10 lakh mark in the next five years, Hossain said.

He said his organisation will market three types of solar lights: d.light S1, d.light S10 and d.light S250.

"These products are strong, designed

for maximum flexibility and are equipped with high-quality, efficient solar panels that are weather-resistant," he said.

Additionally, d.light S.250 can serve as a mobile phone charger and has multiple brightness settings, he said.

Sudhir Chandra Nath, head of AFSP of BRAC, said they will market the solar lights through its extensive network in different districts, including Dhaka, Chittagong, Comilla, Mymensingh, Kishoreganj, Rajshahi, Rangpur, Dinajpur, Bogra, Jessore, Gopalganj and Jhalokathi, through dealers.

"Our network will reach the poor in hard-to-reach areas who will be able to pay in installments for the products. And this system will create a positive distributional impact, which will help to change the scenario of the rural Bangladesh in the long run."

These lights will also be available in Bagerhat, Khulna, Satkhira, Borguna, Potuakhali and Pirojpur.

D.light design is a social enterprise started out in Palo Alto, California in 2006 fathered by a socially-motivated team of business people and engineers, including Sam Goldman, Ned Tozun, Gabriel Risk, Xianyi Wu, and Erica Estrada.

D.light is operating with a mission to enable households living without reliable electricity to attain the same quality of life as those with electricity.



**Bank Asia**  
Aminul Islam, deputy managing director of Bank Asia, inaugurates the bank's Motijheel Model High School and College booth in the capital yesterday. Mohammad Borhanuddin, executive vice president, was also present.

# Investors urge regulator to prop up stockmarket

STAR BUSINESS REPORT

A group of retail investors staged protests in front of the Dhaka Stock Exchange, urging the Securities and Exchange Commission to intervene in the market for the sake of stability.

They demonstrated for the 12th time this year, protesting an unusual fall in share prices.

Small investors, under the banner of Bangladesh Share Investors' Association (BSIA), took to the streets, seeking a final solution to the stockmarket troubles.

The benchmark General Index of Dhaka Stock Exchange finished the day at 4,645 points, after falling 70 points or 1.48 percent.

Investors urged the SEC to take action to stop directors' aggressive sell-offs. They also asked the regulator to give one month to sponsors and directors to comply with the mandatory share holding directive of SEC.

Mizanur Rashid Chowdhury, president of BSIA, said the regulator should remove those directors, who have shares below 2 percent, from the boards of their companies.

"It is apparent that participation of investors dropped significantly, as they

were apprehensive about the ongoing writ petition issues on minimum shareholding and adopted a 'wait-and-see' approach," IDLC Investments said in its daily market commentary.

Turnover rose 6.16 percent to Tk 183 crore, compared to the previous day. A total of 0.059 lakh trades were executed with 3.9 crore shares and mutual fund units changing hands on the Dhaka bourse.

Lafarge Surma Cement continued to be the most traded stock for the second consecutive session with a turnover of Tk 16.49 crore followed by Grameenphone with Tk 88.9 crore in turnover.

Purabi General Insurance was the biggest gainer of the day, as it posted an 8.25 percent rise.

First Security Islami Bank featured among the top ten losers after the adjustments made for its record date on Sunday.

Of the 258 issues that traded on the DSE, 200 declined, 35 gained and 23 issues remained unchanged.

All sectors declined: non-bank financial institutions lost 2.79 percent, banks 1.16 percent, power 1.31 percent, pharmaceuticals 1.09 percent, and telecoms 0.74 percent.



**FSIBL**  
Syed Waseque Md Ali, deputy managing director of First Security Islami Bank, opens the Halishahar branch of the bank in Chittagong on Sunday.



**GP**  
Houlin Zhao, deputy secretary of International Telecommunication Union, and Zia Ahmed, chairman of Bangladesh Telecommunication Regulatory Commission, pose with art works made by the students of Grameenphone supported Online School of Bangladesh, at Jaago Foundation's Tongi branch on Friday.



**UCB**  
M Shahidul Islam, additional managing director of United Commercial Bank (UCB), and Md Khalilur Rahman, additional managing director of Industrial and Infrastructure Development Finance Company (IIDFC), sign a Tk 55 crore loan agreement in Dhaka recently. Md Shahjahan Bhuiyan, UCB managing director, and Md Asaduzzaman Khan, IIDFC managing director, were also present.