

ADB signs \$50m for eco-friendly brick kilns

STAR BUSINESS DESK

The Asian Development Bank will lend \$50 million to Bangladesh to help improve the environment by financing more energy-efficient brick kilns, the ADB said in a statement yesterday.

Iqbal Mahmood, senior secretary of Economic Relations Division, and M Teresa Kho, ADB's country director, signed an agreement at a ceremony at ERD in Dhaka.

The ADB will provide the funds in local currency to Bangladesh Bank which will re-lend the funds to participating financial institutions. The financial institutions will then provide loans to brick makers seeking to upgrade their existing kilns to cleaner kilns or to build the cleaner kilns for the first time.

"Brick-making is one of the industries that generate a large amount of carbon dioxide and other greenhouse gasses," Kho said.

"By helping brick makers to switch to cleaner kilns, the air in Bangladesh will be cleaner and people's health much improved," she said.

The brick sector contributes around 1 percent of the economy, but it is highly polluting, burning at least 6 million tonnes of coal and emitting about 9.8 million tonnes of carbon dioxide every year.

Most of Bangladesh's estimated 5,000 brick fields use the highly polluting fixed chimney kilns, according to the statement. A fixed chimney kiln uses 240 tonnes of coal and emits 582 tonnes of CO2 per million bricks produced. This compares with the cleanest tunnel chimney which uses only 100-120 tonnes of coal and produces 291 tonnes of CO2.

Bangladesh has already ruled that no new yearly licences for fixed chimney kilns will be renewed after September 2012 and all such kilns will be banned from September 2013.

Govt to set up mutual fund for Bangladeshi expats

UNB, Dhaka

The government yesterday decided in principle to form a 'mutual fund' to encourage Bangladeshi expatriates to invest in.

The decision was taken at the first meeting of the National Council for Industrial Development, chaired by Prime Minister Sheikh Hasina at her office.

PM's Press Secretary Abul Kalam Azad briefed reporters after the meeting.

Hasina has directed the people concerned to develop the local market alongside the initiative to grab the international market with Bangladeshi products.

The government will set up seven special economic zones in seven divisions for massive industrial development of the country.

Azad said elaborate discussions on the overall industrial situation as well as creating an investment-friendly environment to attract local and foreign investments were held at the meeting.

The prime minister said some lands have been reclaimed through river dredging and industries could be set up there.

Cabinet panel approves 50,000 tonnes wheat import

STAR BUSINESS REPORT

A cabinet panel yesterday approved a proposal for importing 50,000 tonnes of wheat at a rate of Tk 22.52 a kg.

New Delhi-based Emmsons International Ltd became the lowest bidder in a tender by the Directorate General of Food. The government will buy the wheat at \$273.73 a tonne.

The cabinet committee on public purchases also approved an additional Tk 14 crore for construction of two yards at Mawa and Janjira points. The total cost will now cross Tk 73 crore.

The Bridges Division said the cost shot up as earth at the yards were washed away by waves.



Alphonse Hennekens, Dutch ambassador to Bangladesh; Md Abul Quasem, deputy governor of Bangladesh Bank; and Ali Reza Iftakhar, managing director of Eastern Bank, attend a programme on sustainable business environment and social developments, organised by EBL at a city hotel on Tuesday.

Govt should track safety net benefits

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"As per the objectives of the millennium development goals (of the United Nations), we have to graduate the extreme poverty threshold from 31.5 percent to 29 percent. But we can broaden the ambition and make it within 10 percent only if we can make the systems effective."

Binayak Sen, research director of Bangladesh Institute of Development Studies, stressed ensuring efficiency in the safety net projects.

"We need to know about the outcome of the expenditure in the programmes. We need to know about the constraints too," he said, adding that the government should increase allocation for such programmes.

Mohammed Farashuddin, former Bangladesh Bank governor, put emphasis on employment generation programmes to make the idea of creating social protection a success.

"And for that, the government should increase spending on education. The government has to redesign the education system also," he said.

Mahabub Hossain, executive director of development organisation BRAC, said an effective use of allocation is important to help the poor.

He stressed the need for ensuring the quality of these safety net programmes, so the beneficiaries are able to achieve a qualitative change in their lives.

AKM Nurun Nabi, a professor of population sciences at the University of Dhaka, said the growing number of population will create more vulnerability in future, as the mortality rate has declined in recent years.

He suggested the government vocationalise the education system and enhance skills of migrant labourers, which will help them get better wages abroad and alleviate poverty of the country.

The government has around 90 such programmes, and is spending 2.5 percent of the country's GDP on them.

Matiur Rahman, editor of the Prothom Alo, gave an introductory speech at the discussion moderated by Abdul Quayum, joint editor of the daily.



Md Fazlul Hoque, president of Bangladesh Employers' Federation (BEF), attends a press conference on the recent labour unrest at the RMG factories held at the BEF conference hall yesterday.



Nirmol Chandra Bhokto, general manager of Bangladesh Bank, and MM Haikal Hashmi, deputy managing director of Trust Bank, attend a meeting with rural entrepreneurs on processing and marketing of bio-fertiliser organised by Trust Bank in Joydevpur recently.

Employers' Federation demands control on house rents in Ashulia

STAR BUSINESS REPORT

Bangladesh Employers' Federation yesterday urged the government to regulate house rent rate in the Ashulia industrial belt, citing it as one of the compelling factors for the ongoing garment labour uproar.

"House rents in Ashulia go up every 3-4 months, which is one of the reasons behind the unrest," said Md Fazlul Hoque, president of the federation.

Seeing great demand for houses in the labour-intensive belt, landlords are exploiting the situation, the BEF chief said in a press briefing in Dhaka.

"If there are industries, there will be disputes from time to time. But, there must be a mechanism in place to contain and resolve them in a civilised way," added Hoque.

"Our legal framework has adequate provisions to settle industrial disputes," said Hoque.

The federation chief said the whole episode might exacerbate the export performance of the sector already hit by the Eurozone economic crisis.

"We urge the garments workers to show patience and start negotiating with a realistic point of view, maintaining procedures that do not affect the industry and its growth," said Hoque.

"After all, destruction of this sector means destruction of themselves, and destruction of the economy," he adds.

Conversely, the federation also requested the garments owners to be more sympathetic towards the workers' plights, given the price hike of daily necessities, Hoque said.

"We believe that through discussions with concerned parties everything can be solved sensibly," he said.

Currently, over 4 million people are working about 5,000 manufacturing units. In the first 11 months of the outgoing fiscal year, readymade garments sector earned \$21.97 billion of export revenue, about 7 percent more than the previous year.

Telco officials meet Muhith over tax cut

STAR BUSINESS REPORT

Top officials of mobile operators yesterday urged Finance Minister AMA Muhith to consider some tax related issues in the next fiscal year.

They requested Muhith to waive the current Tk 600 SIM (subscriber identity module) tax.

They also called upon the minister to review the proposal of increasing supplementary duty from 20 percent to 30 percent on import of SIM cards, and the proposal of raising duty from 3 percent to 30 percent on software import.

The officials also demanded review of the proposal of imposing 2 percent tax at source on mobile bill.

Mahmudur Rahman, executive vice president of Robi, said the minister has assured them of considering some of the issues.

Earlier the finance minister had said the government might review the 2 percent tax at source on mobile bill as such tax would affect the low-

Singapore overtakes Hong Kong as home to Asia's wealthy

REUTERS, Singapore

Singapore overtook Hong Kong as home to Asia's wealthy last year as declining stock markets hit the former British territory a lot harder than its Southeast Asian rival, according to Capgemini and RBC Wealth Management.

Hong Kong, whose stock market capitalisation slumped 16.7 percent last year, saw a sharper drop in the ranks of people with more than \$1 million to invest as a larger proportion of that wealth was locked in equity.

Southeast Asia also shows stronger signs of resilience to global turbulence than the rest of Asia as buoyant domestic spending offsets struggling exports.

The number of high-net-worth individuals in Hong Kong fell 17.4 percent to 83,600 last year, compared with a decline of 7.8 percent to 91,200 people in Singapore, RBC Wealth's head of emerging markets Barend Janssens told reporters in Singapore on Wednesday.

Hong Kong had leapfrogged Singapore in 2010 after falling behind in 2008.

Faster-growing Asia had for the first time more millionaires than North America last year, according to Capgemini and RBC Wealth's latest world wealth report released on Tuesday.

The report did not provide estimates on the number of wealthy people in Singapore and Hong Kong.

Singapore, home to more Indonesian millionaires than Jakarta, has in recent years also attracted many rich people from around the world, including Facebook co-founder Eduardo Saverin who earlier this year gave up his US citizenship.

Safety audit into air operators begins today

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Apart from strengthening strict enforcement of regulation and supervision on air operators, the Caab has also appointed around 25 inspectors, placed a new organogram to the civil aviation ministry and presented a draft to the ministry concerned for amendment to its rules, Caab officials said.

They also said Caab may face questions from the ICAO experts as most of the newly recruited manpower of the Caab lack expertise on relevant field and due to a slow pace in approval of the organogram and amendments to the rules.

"As an operator, we have made significant developments in different safety instructions, so we are not scared of the visit of the audit team," said Sheikh Nasiruddin Ahmed, acting managing director of Biman Bangladesh Airlines.

"We have faced problems in operating flights on New York route, but if we can graduate from the SSC list we can do that," he said.

Grameen Schneider Electric launches social business

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Grameen Schneider Electric aims, by 2013, to equip nearly 200,000 households with home solar systems, based on the solutions already implemented by Schneider Electric in Senegal, Nigeria, India or Madagascar.

Subsequently, the company will build on Schneider Electric and Grameen Shakti teams to conceive innovative and adapted solutions for water pumping or renewable off-grid power generation.

In this initiative, Schneider Electric and Grameen Shakti are supported by the Schneider Electric Energy Access Fund, which aims to support the development of entrepreneurial initiatives around access to energy and have an impact on people's lives at the base of the pyramid.

As global specialists in energy management with operations in more than 100 countries, Schneider Electric offers integrated solutions across multiple market segments, including leadership positions in utilities and infrastructures, industries and machine manufacturers, non-residential buildings, data centres and networks, and in residential blocs.

Focused on making energy safe, reliable, efficient, productive and green, the Group's 130,000 plus employees achieved sales of 22.4 billion euros in 2011, through an active commitment to help individuals and organisations.

Grameen Shakti is the country's pioneer social business dedicated to bringing accessible renewable energy solutions to the poor. Since its inception in 1996, it has installed 864,149 solar home systems, 496,244 improved cook stoves and 22,662



AAM Zakaria, managing director of First Security Islami Bank, inaugurates the bank's Keshobpur branch in Jessore on Tuesday. Kazi Md Amanullah, head of general services, was also present.



Nasir A Choudhury, managing director of Green Delta Insurance Co Ltd, hands over a cheque for Tk 970,000 to a Shashtha Seba Kendra at Badda in Dhaka recently.



Dilip Das Gupta, senior general manager of Commercial Bank of Ceylon, attends the signing ceremony of a participation agreement with Bangladesh Bank under JICA-assisted financial sector project for the development of small and medium enterprise financing, in Dhaka recently.