

Business models must keep poor farmers in mind

Experts speak at DCCI seminar

STAR BUSINESS REPORT

Bangladeshi entrepreneurs should develop business models keeping the poor farmers in mind, experts said yesterday.

An inclusive business approach would extend choices and opportunities to the poor as producers, consumers and wage earners, said Hossain Zillur Rahman, chairman of Power and Participation Research Centre, a research organisation.

"I therefore suggest all entrepreneurs to engage poor farmers in their business plans. Both parties will benefit from it," he added.

Rahman spoke at a discussion on sustainable development, part of the two-day conference on presenting Bangladesh on the world stage, at Sonargaon Hotel in the capital.

The conference was organised by the Dhaka Chamber of Commerce and Industry, Katalyst and Bangladesh Association of Software and Information Services.

Meanwhile at the discussion, three companies -- CP Bangladesh Company, Banglalink and Lal Teer Seed -- gave their accounts of inclusive business models.

CP Bangladesh, a multinational food sourcing company, buys the maize cultivated by farmers on the 63,599 acres of land the company has provided, according to the company's business manager Mirza Karim Baig.

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Asif Ibrahim, second from right, outgoing president of Dhaka Chamber of Commerce and Industry (DCCI); speaks at the conclusion of a conference on "Positioning Bangladesh: branding for business" at Sonargaon Hotel in Dhaka yesterday. AKM Fahim Mashroor, president of BASIS; MA Sabur Khan, newly elected president of DCCI; and Tanjil Chowdhury, vice-chairman of Prime Bank; were also present.

Branding Bangladesh: time to go for an integrated policy

DCCI conference stresses efforts from all sectors

STAR BUSINESS REPORT

Bangladesh should go for an integrated branding policy, instead of taking piecemeal steps, as the country is at the crossroads towards higher growth trajectory.

The call came at the conclusion of a two-day international conference on Positioning Bangladesh: Branding for Business at Sonargaon Hotel in Dhaka yesterday.

"Brand is not just a logo. There must be concerted efforts from public and private sectors to articulate a proper branding strategy," according to the recommendations of the conference.

Bangladesh should mitigate the consequences and try to adapt to the new scenario arising out of climate change, to brand itself to the world.

More than 30 such recommenda-

tions came up from seven working sessions of the conference, organised by Dhaka Chamber of Commerce of Industry, in association with BUILD, Katalyst and BASIS.

Business Initiatives Leading Development (BUILD) works as the government's key strategic partner in private sector development, while Katalyst is a market development project. Bangladesh Association of Software and Information Services (BASIS) is the national trade body for software and IT-enabled services.

Asif Ibrahim, the outgoing president of the Dhaka Chamber, said Bangladesh is now at a crossroads and the outcomes of the event will help the country change its perception and reposition itself in the world.

Ferdous Ara Begum, chief executive officer of BUILD, Tanjil

Chowdhury, vice-chairman of Prime Bank, Sabur A Khan, the newly elected president of the DCCI, and Farida Husain, communications director of Katalyst, also spoke.

"The country should fully exploit the young, dynamic, hard-working and entrepreneurial labour force, which is seen as the biggest resource to take the economy to the desired destination," according to a recommendation of the event.

Investment in branding the nation must be long-term and the effect must be lasting throughout numerous channels.

"The brand must be built on this premise engaging the government, businesses and individuals to gain further credibility," according to the conference outcomes.

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Govt may get IMF loans next month

STAR BUSINESS REPORT

International Monetary Fund yesterday said it may release the second instalment -- \$141 million -- of its \$1 billion loans by January.

But before that, the board and management of the lender will have to agree with the understandings between the government and an IMF team on the conditions tagged with the loan promise.

The IMF mission wrapped up its 10-day visit to Dhaka yesterday.

The chief of the team, David Cowen, in a statement said: "Performance so far has been generally sound. Quantitative targets are broadly on track, with all performance criteria met at end-June 2012."

After a meeting at the Finance Division, Cowen at a press conference said, "Progress has also been made on structural measures, notwithstanding additional time needed to build policy consensus and several key reforms."

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EU envoy stresses safety standards in RMG factories



William Hanna

STAR BUSINESS DESK

European Union Ambassador William Hanna yesterday urged Bangladesh garment makers to improve safety standards in their factories.

"We all know what must be done. The EU is already working with the BGMEA to assist. We will continue to do so," he said.

"All must play a part -- including government services, producers, workers representatives and buyers -- to ensure decent working standards in the RMG sector in Bangladesh."

The ambassador spoke at a meeting with the officials of Bangladesh Garment Manufacturers and Exporters Association, according to a statement of the European Union.

The meeting reflected the renewed concern in Europe about factory safety in Bangladesh, following the news of the fire tragedy at Tazreen Fashions in Ashulia, the EU said.

Fifty-seven percent of all Bangladesh's exports go to the EU, according to the statement.

In the aftermath of the fire, the EU- and German-funded "Promotion of social and environmental standards in industries" project released Tk 20 lakh for the fire victims and the affected families, it said.

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Inflation rises again, after four months

STAR BUSINESS REPORT

Eid spending contributed to a rise in inflation in November -- for the first time in five months.

Inflation rose by 0.19 percentage point to 7.41 percent in November from the previous month.

Food inflation stood at 6.45 percent, up from October's 5.57 percent, while non-food inflation came down to 9.31 percent from 10.46 percent in October, as per Bangladesh Bureau of Statistics (BBS).

A BBS official said the prices of rice, flour, lentil, fish, meat, spices and milk went up in November due to Eid-ul-Azha. The inflation data, however, is according to the old base year of 1995-96.

As per the new base year of 2005-06, November's overall inflation was 6.55 percent, down from October's 5.86 percent.

Both food and non-food inflation dropped in November in the new method of calculation.

Food inflation in November and October were 3.94 percent and 2.51 percent respectively, and the non-food inflation in the two months was 10.68 percent and 11.28 percent.

Next choice for outsourcing

Australian expert says Bangladesh should showcase its capabilities to the world

ABDULLAH MAMUN

Bangladesh can become a significant part of the outsourcing industry expected to be worth \$124 billion by 2016, said a foreign analyst in the ICT sector.

Business process outsourcing (BPO) deals in 2010 were worth \$45 billion, of which 46 percent were for IT-enabled services.

"The share of IT-enabled services is projected to be 58 percent in 2016, and Bangladesh should aim for this part of the BPO industry," Martin Conboy, president of Australian Business Process Outsourcing Association, told The Daily Star.

Conboy, who is in Dhaka to attend the Digital World 2012 conference, said Bangladeshi talents are better suited for visual communications such as graphic and web designing, animation, and so on.

Also, the demand for this field of work is on the rise as front office outsourcing declines.

"Bangladesh has the resources to become a serious player in the outsourcing industry."

He said there is a market of \$4.6 billion for the BPO business in Australia, while another billion-dollar market is in the offing.

A number of new institutions are in the pipeline and all these companies will have to develop their web pages through outsourcing.

Bangladesh can play a big role here, Conboy said.

He said India has developed its



Martin Conboy

BPO market with the capability of customer interaction (42 percent), finance and accounting (22), knowledge service (18), vertical-specific BPO service (14), procurement and Logistics (1), human resources outsourcing (2), and others 1 percent.

The Indian market is ready for

the non-voice services but the Philippines' market may fall in problems if the call centre market shrinks. A bigger segment of the market in the Philippines was developed for voice service or call centres, he said.

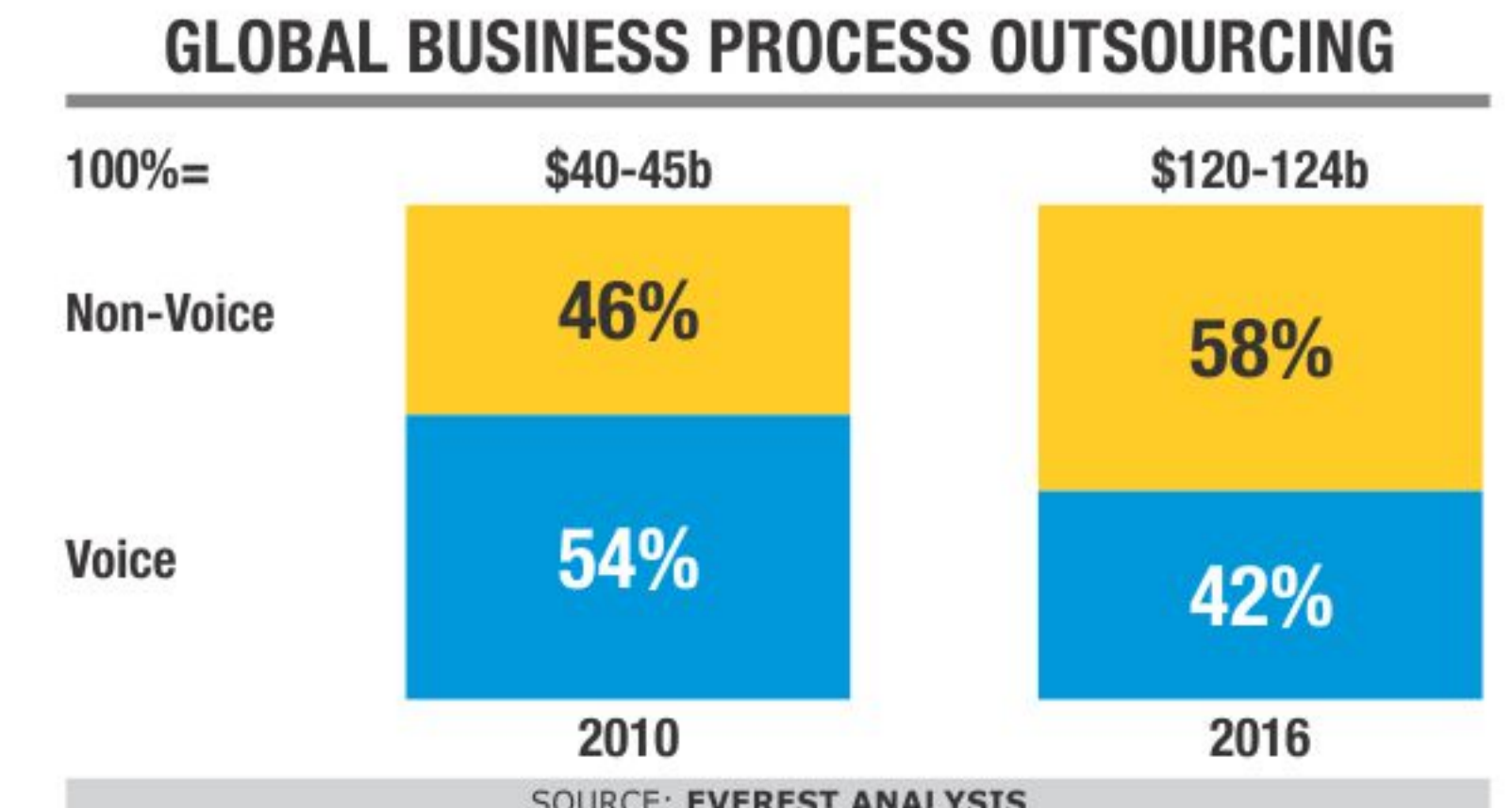
Bangladesh should concentrate on the non-voice IT-BPO sector before any other country takes the chance.

As English language is a barrier for the Bangladeshi people, non-voice can be the target, Conboy said. For the job, Bangladesh will have to showcase its capabilities to the other countries.

"I am extremely bullish about the opportunity that is in front of Bangladesh with respect to ICT-BPO."

Conboy said the Bangladesh government should have a BPO-ICT ministry that will work to raise the industry's voice to the executive level.

Some countries that are strong players in the sector have such ministries, he said.



Make uniform fire safety checklist: official

STAR BUSINESS REPORT

The Department of Fire Service and Civil Defence yesterday suggested the government introduce a standardised fire-safety checklist for factories for ease of inspection.

"At present, the checklists vary across the sectors, making the job harder for us," the fire department's Director General Abu Nayeem Shahidullah told reporters after a meeting at the commerce ministry on social compliance in the readymade garment sector.

At the meeting, Commerce Minister GM Quader instructed the factory owners to put at least 25 percent of the workers on fire safety training immediately, a senior official of the ministry said.

The training has to be continued every month, the minister added.

The minister also asked the factory owners to set up closed-circuit televisions to monitor the safety measures.

The minister, however, declined to comment after the meeting.

Five Wal-Mart vendors made clothes at Tazreen factory

BLOOMBERG, New York

Wal-Mart Stores Inc, which has acknowledged one of its suppliers used the Bangladesh factory where more than 100 people died in a November 24 blaze, worked with at least five suppliers there this year, documents found in the ruins by a labour-rights group show.

Wal-Mart said the Tazreen factory near Dhaka, Bangladesh's capital, was no longer authorised to produce merchandise for the company and that it had cut ties with one supplier that kept using the facility. It's not clear if any other suppliers continued to use the factory, which Wal-Mart had de-authorised before the blaze, the company said.

Purchase orders, shipment statements, inventory reports and other documents show that two New York-based suppliers for Wal-Mart and a third in California had sourced merchandise from Tazreen. Two companies in Bangladesh also manufactured apparel there for Wal-Mart, the records show. As recently as September, five of 14 production lines at the factory were making shirts and pajamas for Wal-Mart, an income report shows.

Kevin Gardner, a Wal-Mart spokesman, declined to discuss supplier relationships and to comment on whether additional suppliers to the company had used the factory.

There was a "period in 2012 where the factory was active," though it was "de-authorised months before the fire," Gardner said in a telephone interview.

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