

Five-day BSCIC fair starts amid high hopes

STAR BUSINESS REPORT

Suraiya Parveen displays an array of handicrafts like cushion, bed cover, curtain, and clothes at a small stall at the BSCIC exhibition in the city.

She is one of 60 entrepreneurs who are participating in the five-day fair organised by Bangladesh Small and Cottage Industries Corporation on the building premises in Motijheel.

After completing courses on boutique work, block and screen print in 2002, Parveen started a venture, named Sunny Handicraft and Fashion, in the city with an initial investment of Tk 1 lakh.

The training she received from BSCIC gave Parveen a chance to become a successful entrepreneur with the small investment.

During the last ten years, Parveen worked hard and made her business into a success. She now has a factory at Nakhla para in Tejgaon, employing around 40 people.

"My average sales are around Tk 5 lakh a month, across the country and mostly at

wholesale level," Parveen said.

She supplies her products at the different markets including New Market, Islampur, and Chandi Chauk and has also customers from Sylhet and Rangamati.

BSCIC has provided training to 27,096 people like Parveen in 12 categories, including block and screen print, boutique, packaging, pottery, jute and leather goods, bamboo and cane items until June 2013.

"We conduct regular training programmes both for young and senior people, anyone who is interested in becoming entrepreneurs," said SM Samsuddin, chief designer of BSCIC.

"We want to create a linkage between entrepreneurs and the customers through the fair," said Shyam Sunder Sikder, chairman of BSCIC at the inauguration of the exhibition.

BSCIC organises the three-month training programmes to sharpen the design skills of the participants at a lower cost, he said, adding that after completion of each batch the institute arranges the quarterly exhibition.

The exposition is open to all from 9am-5pm.

Design studio and display centre for students of BUFT

STAR BUSINESS DESK

American & Efirid (Bangladesh) Ltd in partnership with BGMEA University of Fashion and Technology (BUFT) has recently launched a design studio and display centre for the final year students of BUFT at Uttara in Dhaka.

At the state-of-the-art design studio, students can learn and work with different fabrics, threads and stitches, according to a statement of American & Efirid Inc (A&E), one of the largest premier industrial sewing thread suppliers in the world.

A&E (Bangladesh) Ltd has also sponsored a display centre where students can display their innovative and creative designs on different mannequins.

Furthermore, A&E (Bangladesh) will conduct technical seminars to enlighten the students more about design and development and also award the best performing student of the year at the annual graduation ceremony.

Dan W Mozena, US ambassador, was present as the chief guest at the inaugural ceremony.

Robert Lardner Hallett, vice president for international development of American & Efirid (LLC); Angelo Leanlage, managing director of A&E (BD) Ltd; Muzaffar U Siddique, chairman of trustees of BUFT; Syed Masud Husain, vice chancellor of BUFT; and SM Mannan Kochi, vice president of BGMEA, were also present.

Established in 1891, A&E is a global business consisting of 31 state-of-the-art manufacturing facilities and 76 distribution points located in 41 countries.

Anti-cancer drug sales growing fast

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Karim said the locally produced anti-cancer medicines are at least 20-30 percent cheaper than the imported ones.

He cited the example of paclitaxel, the drug used to kill diving tumour cells. One course of Taxol, the paclitaxel version made by Pfizer in the US, costs Tk 39,000, whereas its local variation, Xelpac, costs only Tk 12,000.

"We always priced our products considering the socio-economic condition of our patients," said Ishtiaq Ahmed, technical adviser of Techno Drugs, which has a 14 percent market share.

Ahmed suggested the government give duty waiver on import of oncology raw materials to better serve the local market.

In 2012, a total of 15 lakh cancer patients were diagnosed, up from 2011's 12 lakh, according to the National Institute of Cancer Research and Hospital.

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NBR to gauge Ctg port bottlenecks

STAFF CORRESPONDENT, Ctg

The National Board of Revenue will survey the Chittagong Customs House in September for bottlenecks that delay the release of imports from the port.

The survey will try to identify bottlenecks at different stages from the arrival of vessels with imported consignments to the delivery of its goods from the port, Md Farid Uddin, an NBR member, said at a seminar yesterday.

The seminar focused on 'Time Release Study: A Step towards Trade Facilitation' organised by the NBR in the port city.

"After identifying the problems it will be easy to eliminate such bottlenecks and the time needed to make value assessment of goods and delivery from the port will be reduced significantly," he said.

The clearing and forwarding agents will have to fill up questionnaires prepared according to the direction of World Customs Organisation for the survey.

Assessment of around 72 percent of the import and export consignments could be done within a day in 2007 but performance has not improved since then despite initiatives like automation, he said.

Farid urged all involved to properly declare their goods for proper assessment.

The NBR will also sign agreements with the customs authorities of different countries in seven months to be able to take their help regarding any dubious consignments.

Chittagong Chamber of Commerce and Industry President Mahbubul Alam and Chittagong Customs House Commissioner Md Masud Sadiq were also present.



A Rouf Chowdhury, chairman of Bank Asia, speaks at the bank's half-yearly business review conference for 2013 at Chittagong Club in Chittagong on Saturday. AM Nurul Islam, vice chairman, was also present.



Dan W Mozena, US ambassador, poses at the inauguration of a design studio and display centre, jointly opened by American & Efirid (Bangladesh) Ltd and BGMEA University of Fashion and Technology (BUFT), at Uttara in Dhaka recently. Robert Lardner Hallett, vice president for International Development of American & Efirid (LLC); Angelo Leanlage, managing director of A&E (BD) Ltd; and Muzaffar U Siddique, chairman of BUFT trustees, were also present.

Large-cap companies weigh down stocks

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The Q2 earnings per share of Grameenphone slipped to 0.43 from 3.31. Grameenphone lost 4.76 percent today.

"It's safe to say that the big drop by the large companies was a correction. It is nothing to worry," Zahid added.

Grameenphone's low earnings weighed heavily on investors' sentiments, said Md Moniruzzaman, managing director of IDLC Investments, adding that some investors went on selling shares to pocket profits.

"Once the favoured oil marketing companies took a heavy beating, the other large-cap stocks declined with equal velocity," said LankaBangla Securities in its analysis.

Investors are still looking for tangible cause of this fierce fall, when the money market scenario is relatively calm, the stockbroker said.

Turnover, the most important indicator for the market, declined 22.77 percent to Tk 607 crore, compared to the previous day.

Of the 288 issues that traded on the DSE floor, 41 advanced, 225 declined and 22 remained unchanged.

A total of 1.22 lakh trades were executed, with 10.42 lakh shares and mutual fund units changing hands on the Dhaka bourse.

Power sector accounted for 29.87 of the total market turnover and telecoms 12.58 percent.

Almost all the major sectors declined on the day, with travel and leisure 6.41 percent, engineering 5.55 percent, telecoms 5.37 percent and power 5.29 percent.

Meghna Petroleum topped the trading chart with its transaction of 21.92 lakh shares worth Tk 63.42 crore.

JMI Syringe and Medical Devices was the biggest gainer of the day, posting a 9.94 percent gain, while Progressive Life Insurance was the worst loser, plunging by 19.55 percent.

The Chittagong Stock Exchange also declined yesterday: its selective categories index, CSCX, closed the day at 8,091.47 points after dropping 228 points or 2.74 percent. Losers beat gainer by 161 to 21, with 11 issues remaining unchanged on the port city bourse that traded 1.12 crore shares and mutual fund units with Tk 49.88 crore in turnover.

Mobile migration deadline unrealistic

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Michael Kuehner, chief executive officer and managing director of Robi, said some of the conditions, such as the deadline, of the MNP are not "realistic". No country could implement the MNP in seven months; it is technically impossible, he said.

"You need to develop a system, sign agreements with all the parties, install a 'clearing house', which would be a new company, and decide on the equipment and import those. These all would require at least 18 to 24 months," he said.

Vivek Sood, the chief executive of Grameenphone, said they need to talk more on the issue with the regulator.

Sunil Kanti Bose, chairman of Bangladesh Telecommunication Regulatory Commission - the regulator, said the MNP is an obligation, which was tagged with the licensing conditions of the operators, and is practised globally.

He, however, said if necessary, they are ready to give the operators more time to implement the directive.

Mahmud Hossain, chief regulatory affairs officer of Grameenphone, said, "The concept of MNP is good but it will have to be implemented properly; otherwise the subscribers won't get the desired benefits."

The MNP entails a complex mechanism, which is related to technology upgrade and considerable investment, he added. Analysts also warned of sizable risks if the process is not completed properly -- as SIM registration is not done correctly in Bangladesh, people may commit crimes taking advantage of the system. Launching the service in 2006, Pakistan discontinued it last year on security grounds, they said. The service stumbled in India too.

The extra expenditure for the MNP services will also burden the operators and the customers will have to pay for it at the end, the analysts said.

The Association of Mobile Telecom Operators of Bangladesh has requested the BTRC to sit in a discussion to find a viable solution, according to its Secretary General TIM Nurul Kabir.

Hybrid rice boosts farmers' income

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ACI has sold 180 tonnes of seeds ahead of aus and aman season, Shafiqul Aktar, business manager of ACI Seed, said.

"Hybrids provide us with more benefits. We can harvest early and grow another crop like maize. It enables us to earn more," said Mohammad Kashed, a farmer at Chuadanga.

"Besides, we do not have to irrigate fields regularly during the rainy season. The requirement of fertiliser also remains lower than boro."

No plan now to bring EPZs under new labour law

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The government will soon start formulating rules and regulations in the light of the new labour law, he added.

Shipar also said arrangements have been made to appoint 60 factory inspectors in the next two to three months and the rest 140 will be appointed gradually.

About the tripartite declaration in May for Better Work Programme, he said Bangladesh is engaged with the ILO since the beginning and the government is committed to implementing it.

On upgrading the Department of Labour into a directorate, Shipar said the proposal is now at the public administration ministry for consideration.

Presently, the department has 314 posts and the number would be raised to 2,200 once it becomes a directorate, he added.

Dipu Moni said the government has welcomed the US roadmap to provide a

basis for retaining the Generalised System of Preferences (GSP) benefits in the US market.

However, she said: "We will review the roadmap." The government has actively been engaged with all stakeholders to improve the working environment and labour standards in the country, she said.

The foreign minister blamed the GSP suspension on three factors -- the Rana Plaza collapse, the propaganda campaign of Opposition chief Khaleda Zia, and Nobel laureate Prof Muhammad Yunus' remarks in various forums.

Dipu Moni said Yunus was not seen talking about labour issues in the past, but his recent remarks in various forums might have influenced the US to cancel Bangladesh's GSP.

The minister also said she does not think the GSP suspension was a failure of the government. Commerce Secretary Mahub Ahmed and Additional Foreign Secretary Mustafa Kamal were also present.

GB employees riled by commission report

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The protest comes after it came to light that the three-member commission would retain almost all the recommendations that it made in the interim report, which came out in February this year to widespread criticism.

Foremost among the recommendations made by the commission involves restructuring the microcredit organisation, which, the board, employees and supporters of Grameen Bank say, would give the government a controlling stake in the bank. The interim report also called for fixing a minimum educational qualification for the nine elected board members of the bank.

The commission even suggested the government suspend the licence of Grameenphone, which is owned by

Norwegian telecommunication company Telenor and Bangladesh's Grameen Telecom.

Moreover, the topics the commission had prepared for discussion at a workshop also caused uproar. The workshop, however, never took place.

The government set up the commission last year to review the operation of Grameen Bank and the associated organisations founded by Nobel laureate Prof Muhammad Yunus, and to make recommendations about their future structures. Mohammad Shahjahan, acting managing director of Grameen Bank, was present during the sit-in.

Grameen Bank has 26,000 employees at its 2,555 branches, 266 area offices, 40 zonal audit offices, 40 zonal offices and headquarters, managing a client base of 8.4 million.

Will China's slowing growth lead to unrest?

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China's new leadership is betting that progress on these fronts will outweigh the downside risks they'll face as job losses tick up in the face of slower growth.

From a global perspective, there is a strong case to be made that China's slowing growth rate is actually a good sign. The fact that Beijing hasn't just reflexively pumped capital into the system to keep growth rates up shows that it is willing to begin undertaking modest economic reforms. It is, in effect, letting bubbles shrink rather than grow until they pop. This approach is characteristic of the new leadership that took charge in March of this year. They are less risk averse and they have a more long-sighted handle on the necessary economic changes that China will have to undertake.

The new president himself is a cause for optimism. Xi Jinping has a more assertive, off-the-cuff style. He is a more spontaneous, charismatic leader than his predecessors, and early reviews in China's blogosphere suggest a favorable first impression. Xi is using this boldness to work to consolidate his support within the Communist Party. And the extent to which he is successful will mean even more capacity for even more reform over time.

All of this doesn't mean that China's stability should be taken for granted, or that there aren't looming problems on the horizon. The very fact that China doesn't face significant near-term instability could lead to complacency and give it wiggle room to delay necessary reforms. China still needs long-term and significant economic and political transformations to get it from "developing" to "developed." It has too many changes coming to its demographics, manufacturing costs, and environmental needs to get away with ignoring them in perpetuity. (The US can sympathise.)

While it's a good sign that the current leadership is allowing lower growth rates in order to implement some economic reform, thus far all changes are happening inside the system, not to the system itself. Easy growth was the low-hanging fruit for China over the past thirty years. Now the government is reaching a bit further up the tree. But they still have a very long way to go to get to the upper branches.

China's other major threat is the stratification that any developing country has to navigate. As I've written in the past, the growth of the Chinese economy has created a new middle class that has different demands from the largely rural population that China is still trying to lift out of poverty. In the near term the new government's tolerance for slower growth is actually positive for helping to address some of these concerns. But eventually, Beijing will have to reconcile two increasingly divergent populations. This, again, is a long-term issue. But as these issues go unaddressed, and as more Chinese become rich enough to prioritize new sorts of rights and privileges, the chances of unrest will rise.

Don't believe the idea that China is a ripe victim for this wave of developing world protests, or that China's slowing growth rate is a sign of an imminent hard landing. China's near-term picture looks surprisingly bright. But after that, the larger question still looms: Can Xi Jinping and his government handle the looming storm clouds while they are still a good way off?

Ian Bremmer is the president of Eurasia Group, the leading global political risk research and consulting firm. Bremmer created Wall Street's first global political risk index, and has authored several books, including, The End of the Free Market: Who Wins the War Between States and Corporations?, the national bestseller.



Mikail Shipar, labour and employment secretary, and Quazi Mohammad Shahed, chief human resource officer of Grameenphone, pose with five victims of the Rana Plaza tragedy, at Sonargaon Hotel in Dhaka on Thursday. The mobile phone operator handed Flexiload SIM and two mobile sets each to 300 victims of the accident to start their own business. Md Atiqul Islam, president of Bangladesh Garment Manufacturers and Exporters Association, was also present.



Sara Zaker, media personality, speaks at the launch of Nando's Ramadan platter and bundle meals at an iftar party for underprivileged children from various children's homes, at its Gulshan outlet in Dhaka on Friday.