

Easy credit access will spur women into business

BWCCI calls for effort to relax loan process

STAR BUSINESS REPORT

The complex loan application procedure discourages women to apply for institutional finance, Selima Ahmed, founder president of Bangladesh Women Chamber of Commerce and Industry, said yesterday.

"Different requirements by different banks create difficulty for women entrepreneurs in accessing loans," she said.

Women-dedicated desks are not active in many banks and some are yet to establish such desks, she said.

The BWCCI chief requested bankers to cooperate more with women to make loan-processing free from hassles.

Selima spoke at a seminar on Promoting Women Entrepreneurship in Bangladesh organised by BWCCI and Asian Development Bank at Bangabandhu International Conference Centre.

Bangladesh Bank with finance from ADB started a project to support women entrepreneurs in September 2010.

BWCCI was assigned as the imple-

menting agency to enhance capacity of women entrepreneurs and associations to fully access the financial resources and services earmarked for women SME enterprises under the ADB loan programme, Selima said.

The chamber trained 900 women entrepreneurs at micro and SME levels from six districts, including Khulna, Rajshahi, Barisal, Sylhet, Rangamati and Gazipur.

After the training, women are more encouraged and capable of seeking institutional finance, said Sangita Ahmed, president of BWCCI.

"Women are now informed on bank requirements, necessary documents and are able to prepare them better," Sangita said.

The Bangladesh Bank is giving the utmost emphasis on women empowerment by creating easy access to finance, said Sukamal Sinha Choudhury, general manager SME and special programmes department of the central bank.

"We have set a dedicated desk for taking complaints from women entre-

preneurs and to help them," he said.

Women now constitute over 10 percent of the total business entrepreneurs in the country, compared to negligible numbers of a few years ago, said M Teresa Kho, country director of ABD to Bangladesh Resident Mission.

"We are glad that ADB help BWCCI in 'Technical Assistance' project to ensure easy access of finance for women," Kho said.

Development is not possible without the development of women as half of the total world population is female, she added.

"If we want to develop our country, first we should empower our women," said AMA Muhith, finance minister. "We are also doing well in human development."

The bankers should be cordial in dealing with women, said Meher Afroz Chumki, state minister for women and children affairs.

The government has also allocated grants of Tk 100 crore for women entrepreneurs in the new budget.

Western Marine starts ferry construction for BIWTC

STAR BUSINESS DESK

Western Marine started the construction of a Ro-Ro ferry for the Bangladesh Inland Water Transport Corporation (BIWTC) by holding a keel-laying ceremony at its shipyard in Patiya on Sunday.

It is the second ferry that Western Marine is building for BIWTC. The vessel will operate on Padma river from Chandpur to Shariatpur, Western Marine said in a statement.

The 60-metre long ferry worth Tk 25 crore will have a carrying capacity of 340 passengers and 27 trucks. Built under class Germanischer Lloyd (GL),

the ferry will be able to sail at a speed of 10 knots with 1.52m loaded draft, powered by two 750BHP main engines.

The shipyard is scheduled to deliver the ferry in 18 months.

Western Marine delivered the first Ro-Ro ferry to BIWTC in July 2011, which operates on the Charjanajat-Mawa route. It was the first ever locally built Ro-Ro ferry for domestic use.

Previously, Bangladesh used to import these ferries from Denmark.

The government has taken the initiative to get more ferries for inland waterway transportation.

One Bank Ltd will be the financial partner for Western Marine.



NINA HOLDINGS
Reaz Uddin Al-Mamoon, managing director of Nina Holdings Ltd, and Arturo Massa, country manager of Philip Morris Services India SA, attend a programme recently where the companies signed a lease agreement for a commercial building, NINAKABBO.

Danone reports profit slip

AFP, Paris

Food group Danone, a world leader in dairy products, reported a 4.2-percent fall in net profit in the first six months, saying on Monday that the business climate in Europe was "very difficult".

Although expansion in emerging markets was dynamic it was also volatile, the group which is pushing hard into these fast-growing markets, also said.

Reporting that in its home markets France and more broadly Europe conditions had shown signs of slight improvement in the second quarter, the group said net profit for the first six months reached 873 million euros (\$1.16 billion).

However, when the figures were adjusted on a comparable asset basis with performance in the same period of last year, the net figure fell by 1.3 percent.

Retailers urged to take Bangladesh deal further

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In the past, retailers and brands have not taken sufficient action to tackle the problems highlighted by such inspections, according to Maher. "There is a definite need for the industry in each country to come together and work with different stakeholders to change things," she said.

But Maher said factory safety agreements in other countries could not just be cut and pasted from the deal in Bangladesh. "We don't want cheap knock-off accords. The key principles are legal influence, the involvement of workers' representatives and full building inspections -- but that has to be looked at in the context of each country."

Arvind Ramakrishnan, an analyst at Maplecroft, agreed that political and social differences meant that fire safety might be more important in some countries whereas forced labour, low wages or freedom to develop unions might be a priority elsewhere.

He said deals which meant retailers faced legal consequences in their home country were necessary to drive real change in countries such as Pakistan and Bangladesh, where factory owners are a powerful lobby. Because they earn a high proportion of export income and often contribute to the major political parties they are able to lobby against workers rights moves which they believe could dent profits.

"Wages are desperately low in India and Bangladesh but manufacturers have quite a lot of political clout," he said.

Bourses get valuation

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A demutualised bourse can also freely trade on the market like any other public company.

Bangladesh's stock exchanges are now non-profit cooperative organisations owned by the exchange members, who are usually stockbrokers.

"We made our best efforts to prepare the demutualisation scheme, taking the experience of regional and international markets into account," CSE President Al Maruf Khan said, after submitting the scheme.

Appointing a chairman to a demutualised stock exchange will be a challenge, as the top official must be capable of operating the bourse commercially, Khan said.

On the other hand, he said, the regulator will face challenges in setting up a clearing corporation and commodities exchange and introducing derivatives and future markets.

"Unless the diversified or multi-products are introduced, the stock exchanges may not be commercially viable after demutualisation."

"The deadline set for us was very challenging, and we are very pleased to have complied with the law in every respect," said Ahasanul Islam, president of DSE.

Make full disclosure on Rana Plaza: activists

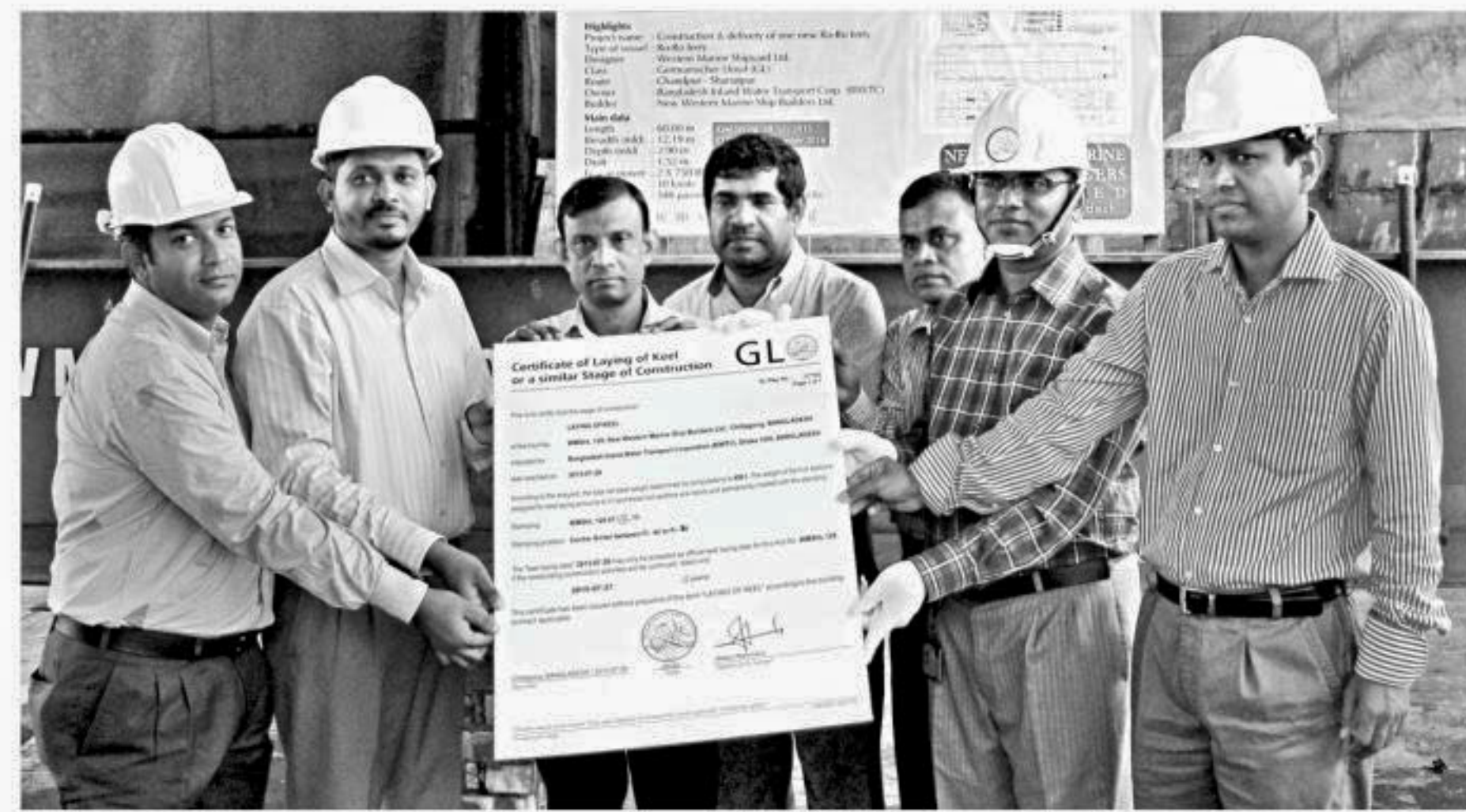
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Nasim Akhtar Hossain, professor of Jahangirnagar University, said BGMEA protects the interest of the owners and the government colludes with the trade body giving them impunity and immunity.

Rescuers at the Rana Plaza also expressed their solidarity with the demands of the group, urging BGMEA and relevant authorities to address the pleas of victims.



STANCHART
Jim McCabe, CEO of Standard Chartered Bank Bangladesh, inaugurates a business development office of the bank at Adamjee Export Processing Zone (EPZ) recently. Abdul Azizur Rahman, general manager of Adamjee EPZ, was also present.



WESTERN MARINE
Arifur Rahman Khan, technical director of Western Marine Shipyard, and Abdur Rahim Talukder, project director of Bangladesh Inland Water Transport Corporation (BIWTC), attend the keel laying ceremony of a Ro-Ro ferry the shipyard is building for BIWTC, in Patiya on Sunday. The ferry will operate on Padma river from Chandpur to Shariatpur.

Small Indian retailer locked in trademark fight with Gap

AFP, New Delhi

An Indian recycling company which uses junk to create accessories is fighting a legal trademark suit launched by US clothing giant Gap Inc demanding that the firm change its name.

Green the Gap, an Indian company which runs three stores in the country, mainly sells accessories and home decor items made out of waste including beer cans, rubber tyres and fruit cartons.

Vimlendu Jha, founding owner of the firm, which also sells clothing for other brands, accused Gap in an interview last Friday of seeking to "bully" a small Indian company.

In March, the owners were slapped with a legal notice by Gap asking them to change their name and remove any reference to the company from their labels within 14 days.

A month later, the US retailer told the

Indian firm it could keep its name for registration purposes but must remove any mention of Gap in their labelling and on their website, Jha said. "Gap said our company is infringing upon their branding and that we are riding on their goodwill to create confusion in the minds of buyers," Jha told AFP.

"We were shocked and angered that a company of that size and stature and supposed respectability is getting threatened by a small business," he said.

The legal notice, a copy of which was seen by AFP, said Gap was "seriously concerned" about the adoption of its "well-known trademark" by the Indian entity.

K&S Partners, the law firm that issued the notice on behalf of Gap, was not immediately available for comment.

But Gap said it "does not comment on pending litigation" in response to an email query from AFP.

Desperate race to check factory safety

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"This whole process is painstakingly slow," said Jyrki Raina, general secretary of the Switzerland-based IndustriALL union that is overseeing the plan. He said the group would complete only initial safety checks within 9 months, and will take around 5 years to make repairs, conduct final inspections and declare all factories safe.

North American retailers like Wal-Mart and GAP formed their own alliance and are confident of fully checking the 500 factories that supply their members by July 2014. They are hiring third-party agencies to inspect factories and not re-inspect those that have already been passed fit, said Nate Herman, vice president for international trade at the American Apparel and Footwear Association, which is part of the alliance. He said the inspections would begin from November.

At a building safety conference in Dhaka earlier this month, government agencies, the powerful Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh University of Engineering and Technology (BUET), reached no agreement on how to coordinate safety checks.

Reuters spoke to five officials who attended the meeting and found they had overlapped inspecting some factories and not shared their findings.

"We have to independently verify the buildings and anyway the association cannot be held responsible for the lack of co-ordination. The government needs to look at it," said Shamsul Haque, the BGMEA's additional secretary.

The BGMEA, which has 10 inspectors, said it has checked 400 factories and shut 20 of them. The plan is to complete visual inspections of all 2,500 member factories by December -- an ambitious average of 12 inspections a day based on teams of 3-4

inspectors taking at least 3 hours to finish each check.

Results of initial visual inspections that raise a red flag are passed on to BUET, the country's premier engineering university, for closer scrutiny.

While BUET has the expertise to carry out structural inspections, it lacks both the manpower and the gear.

"We need more sophisticated equipment and if we double our staff strength from 30 we can aim to finish a thorough preliminary assessment on all factories in 18 months," said Mohammad Mujibur Rahman, head of the university's civil engineering department - which is in talks with the government for permission to hire more people.

On a recent tour of the Bengal Indigo factory, cracks on the walls had been covered with fresh paint and plaster before BUET Professors Mehedi Ahmed Ansary and Raquib Ahsan arrived. "It looks like the owners have tried to cover the cracks, but it's still visible," said Ahsan, who like other professors conducts inspections in addition to his full-time teaching job.

The two professors raised concerns about the weight of machines and clothing on the top floor, and noted the building deviated from design blueprints. They asked the company to submit to a voluntary secondary assessment, which will take more than two months as engineers check the plant's column strength and study steel, concrete and cement samples.

Full inspections on all factories will take up to 7 years, and plans for that are being discussed with the government and the International Labour Organisation, said BUET's Rahman.

"The post-collapse impetus to inspect factories has slowed and it's definitely proving to be a challenge to make sure this whole effort doesn't fizzle out," he said.

Regulator goes ahead with 3G auction plan

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A total of 40 MHz spectrum will be sold to private operators through the auction scheduled for September 2.

Also, BTRC Chairman Sunil Kanti Bose had earlier said that if the operators purchase more than two blocks, each block containing 5 megahertz of spectrum, in the auction, they will get discount on the third block.

The operators may also see different base prices in different phases of the auction, according to the draft auction procedures.

Another BTRC official said they have more saleable spectrum than the demand. "So the regulator wants to create an artificial crisis to earn more from the auction," the official said seeking not to be named.

Zakiul Islam, senior director of Banglalink, said, "We believe the regulator will ensure competitiveness among the operators in the auction." "The three phases of the auction will not ensure competitiveness," he said.

Mehboob Chowdhury, chief executive officer of Citycell, said, "We are examining the process and will give our opinions on Wednesday."

Md Abdus Samad, commissioner (legal and licensing) of the BTRC, told journalists yesterday that the regulator will soon give an explanation to the operators on the auction procedures.

However, the operators have demanded extending the application submission deadline.



IBBL
Md Nazrul Islam Mazumder, vice chairman of Islamic Banks Consultative Forum, attends a seminar on Shariah banking organised by the forum at Sonargaon Hotel in Dhaka on Saturday. Mohammad Abdul Mannan, managing director of Islami Bank Bangladesh, presented the keynote paper.



APOLLO HOSPITALS
Shagufa Anwar, general manager for business development of Apollo Hospitals Dhaka, and ASM Sakib Sikder, head of legal at Airtel Bangladesh, exchange documents of a priority corporate benefits and medical services deal in Dhaka recently for the latter's employees and their dependants.



CITYCELL
Officials launch the special service event of Citycell -- Customer Service Week -- at a programme recently. The mobile operator comes up with various attractive offers for its users throughout the week starting from July 28.