Banglalink to offer new surfing experience

Chief Executive Ziad Shatara says 3G packages will fit the lifestyles of all users

Ziad Shatara

ABDULLAH MAMUN

BANGLALINK will bring high-speed wireless internet through the 3G technology so the users can get the same surfing experience both at home and outside, Banglalink Chief Executive Officer Ziad Shatara has said.

"And we will provide them with the mobility of high-speed internet just like the Wi-Fi they enjoy at office," he told The Daily Star in an interview.

Wi-Fi is a popular wireless service that provides high-speed internet both indoors and outdoors.

Shatara also said coverage, service consistency and pricing are the three key factors to the success of 3G.

Banglalink will offer different packages for different users depending on the volume of data they want to use, such as e-mail, Facebook, multimedia, mobile television, video streaming or cinema.

"The packages should fit the lifestyles of the users rather than 1, 2 or 3 gigabytes of download capacity."

Services will be launched in the dense metro areas and gradually be expanded to other areas, depending on demand, he said.

In addition, the country needs contents in Bangla as there are a huge percentage of people who cannot read or write in English; mobile operators are there to just provide internet connectivity.

At an auction on September 8, Banglalink, Robi and Airtel each took 5 MHz of spectrum, while Grameenphone took 10 MHz to roll out 3G services.

At this point, Banglalink does not see the necessity to purchase 10 MHz, as 5 MHz is enough to provide quality services; the operator will rather invest on network rollout, Shatara said.

Banglalink already has huge 2G networking sites in urban areas due to density, so 5 MHz is good enough to provide quality services, he said.

With enough sites, it is possible to give quality services with low spectrum, he added.

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Tanners demand relaxed land rules

STAR BUSINESS REPORT

TANNERY owners yesterday urged the government to relax land use rules for setting up factories in the Savar leather estate.

"A significant portion of land will be left unutilised if the DAP [Detailed Area Plan] rules have to be complied with," said Md Abdul Hai, general secretary of Bangladesh Tanners Association. "We want the land use rule relaxed."

According to DAP, owners will have to leave at least 35 percent of total land area as free space to set up a factory.

"The proportion of free space per plot leaves too little for the factory structure as leather factories need more space to set up the heavy machinery," said Mohammad Abu Taher, chairman-elect of Bangladesh Finished Leather, Leathergoods and Footwear Exporters' Association.

Bangladesh Small and Cottage Industries Corporation (BSCIC) has already developed the leather estate with spacious roads and adequate fire fighting capacities and equipment, he added.

The government should reduce the free area ratio of land to 15-20 percent, he said.

The leather industry stakeholders spoke at a seminar on 'Relocation of Leather Industry to Savar Tannery Estate: Way Forward for MoU Signing' co-organised by the Asia Foundation and South Asian Network on Economic Modelling (SANEM) at The Daily Star Centre.

The leather city's master plan is to be implemented over 1,528 square kilometres with the DAP indicating every structure, lake, canal, wetland, retention pond, road, open space and all topographical features, and outlines as per the authorised land use plan.

Tannery owners said they are ready to sign a deal with BSCIC to relocate the hazardous tanneries

STAR

From left, **MA Majed, executive director of Apex Tannery; Mohammad Abu Taher, chairman-elect of Bangladesh Finished Leather, Leathergoods & Footwear Exporters Association; Syed A Al-Muti, programme director of the Asia Foundation; and Tipu Sultan, managing director of Bengal Leather Complex, attend a seminar on tannery relocation, co-organsied by the Asia Foundation and South Asian Network on Economic Modelling, at The Daily Star Centre yesterday.**

from Hazaribagh in Dhaka to Savar.

"Factory owners have already agreed to bear 20 percent of the project cost as we want to start relocating immediately, for our own survival and environment conservation," Taher said.

Tannery owners also urged the government to allow them the freedom to use their land in Hazaribagh after shifting the factories to Savar.

"We are the owners of the land in Hazaribagh. So, the government should not impose any regulation on its use," said Hai of Bangladesh Tanners Association.

They also stressed the need to setup a modern central effluent treatment plant (CETP) for the relocated tanneries.

"We don't want any compromise on the quality of the CETP as the future of the leather industry will depend on it," said Tipu Sultan, managing director of Bengal Leather Complex Ltd.

BSCIC should set up an expert committee with representatives from the leather associations to oversee the effluent plant's construction and operation, he said.

"We plan to finish construction of the CETP within a year," said SN Paul, deputy project director of the BSCIC Leather Estate in Savar.

The government will provide Tk 250 crore as compensation to the tannery owners, he said.

An inter-ministerial meeting will be held on October 9 to set policy guidelines on how the government will provide compensation and how much money each tanner will receive for factory relocation, he said.

The industries ministry has already allocated more than 205 plots on 200 acres to 155 tannery owners through BSCIC, a wing of the ministry.

The project, which took off in 2003 at an approximate cost of Tk 175.75 crore, came to a standstill over a decision on who would bear the lion's share of the cost and get the contract for a CETP.

Initially, it was planned that the 155 tanneries would finance 60 percent of the cost and the government the rest.

However, it was decided that the government would bear 80 percent of the core project cost of Tk 829 crore, as per the second revised proposal passed by the executive committee of the National Economic Council in August.

Since launch, the total project cost has shot up to Tk 1,079 crore, including the Tk 250 crore in compensation to be paid by the government to the tanneries.

The government now intends to complete relocation by 2016.

The Asia Foundation is working as a facilitator between the government and private sector to complete the relocation process as soon as possible, said Syed A Al-Muti, programme director of the foundation.

Abu Eusuf, associate professor of development studies department at Dhaka University, and MA Majed, executive director of Apex Tannery Ltd, also spoke.

Gulf dreams turn to dust for Nepal migrant workers

AFP, *Kathmandu*

AS he recalls the 12-hour days, blistering temperatures and lack of drinking water on a construction site thousands of miles away in the Gulf, Purna Bahadur Budhathoki makes a solemn vow.

"I will never go back to Qatar," said the 29-year-old, now back home in Nepal. "So many young people leave the country for work but I just want to go back to my village."

Like hundreds of thousands of his compatriots, Budhathoki was lured to the Gulf by the prospect of earning the kind of money he could only dream of in his impoverished homeland.

After stumping up 120,000 Nepali rupees (around $1,200) to a licensed employment agency, he landed a job as a bulldozer driver with a salary large enough to provide for his wife and four children.

But things started to go wrong soon after he began work on a building project in the capital Doha, when the construction company confiscated his passport and refused to issue a work permit.

When he spoke up, the manager of the firm threatened to have him beaten.

"He ordered me to just shut up and work. I felt scared, and that I had no option but to get back to work," he told AFP.

Around a million Nepalese work abroad, with Southeast Asia or the Gulf states such as Saudi Arabia a frequent destination.

But in recent years, there has been an explosion in the numbers heading to the tiny emirate of Qatar where a construction boom is gathering pace as it prepares to host the 2022 football World Cup.

The remittances go a long way in Nepal and there is no shortage of men willing to take out big loans for the airfare and other start-up costs. The government in Kathmandu says there are around 300,000 Nepalese workers currently in Qatar.

But a recent report by Britain's Guardian newspaper, which

AFP

Nepalese migrant workers arrive at the entrance to Tribhuvan International Airport in Kathmandu.

detailed how 44 Nepalese migrants died over the summer when temperatures can go beyond 50 degrees, has highlighted the grim living conditions.

In an interview with AFP in Kathmandu days after his return, Budhathoki recounted how he and his colleagues would work from dawn to dusk, often without protective helmets or gloves.

They had to hide when police visited the site for ID inspections. He did not want the name of the construction site revealed.

Rameshwar Nepal, who recently carried out an investigation in Qatar for Amnesty International, described the working conditions as akin to "bonded labour" with many labourers going for weeks without pay.

He said the biggest problems stemmed from the controversial Kafala system, in which workers are required to get permission to leave the company or go home and allows employers to confiscate their passports.

"This is similar to the bonded labour because without the employers' permission, workers can't move to companies that paid them better.

"We visited a camp in Doha where we found that about 50 labourers had been living without food for more than a week," he said.

"The majority of the workers were Nepali who lived in crammed rooms, sleeping in bunk beds. There was no power, so the heat was unbearable."

Budhathoki lived in a room measuring eight by ten feet with seven other men. Their building "had cracks everywhere and felt like it could crumble any minute".

Increasingly desperate, he finally managed to get help from Nepal's embassy in Qatar, which pressured his employer to return his passport, allowing him to return home after five months.

The father of three young daughters and a nine year-old son is planning to head to his home village in Salyan, western Nepal, in the next few days -- back to a life of toil on a farm but at least his own man.

Many others are not so fortunate.

An average of two coffins carrying the bodies of migrant workers arrive daily in Kathmandu's international airport and their deaths mean disaster for their families.

When Dol Bahadur Khadka landed a job as a welder in Qatar his wife Durga Devi Khadka hoped it would be the family of seven's passport out of poverty.

But when her husband fell to his death on a building site, she not only lost her husband but was also saddled with the cost of repaying the $1,200 loan which took him to the Gulf.

"We have lost everything because he was our only hope for a better future," the 44-year-old told AFP in a phone interview from the village of Pala, some 230 kilometres (140 miles) west of Kathmandu.

Durga Devi was one of Khadka's two wives -- polygamy is common in rural Nepal -- and the family includes four teenage daughters and a 14-year-old boy.

Khadka who began his job in Qatar at the start of the year, had managed to send back around 13,000 rupees before his death.

Although Khadka's employers did pay the family some 700,000 rupees in compensation, his widow says that money was almost entirely swallowed up by the costs of his repatriation and funeral.

As rupee hits hard times, India cajoles and woos offshore currency players

REUTERS, *Hong Kong/Mumbai*

STUNG by the rupee's recent collapse, Reserve Bank of India (RBI) is taking a carrot-and-stick approach to curb trade in the offshore forwards market that is seen as a key source of wrenching currency volatility.

However, with no viable alternative to trading in non-deliverable forwards (NDF) involving the rupee, the strategy is likely to have only a limited impact.

REUTERS

A private money trader counts Indian rupee currency notes at a shop in Mumbai.

The RBI recently met with a handful of foreign banks and asked them to stop acting as market-makers for rupee NDFs, according to three bankers involved in the discussions.

At the same time, it has held out the promise of easing restrictions to allow greater participation in the onshore forex market by overseas participants.

"They are saying that if you are a big pension fund or a large hedge fund, come to India and we will provide you with all the dollar liquidity that you need rather than going to the NDF markets," said the head of trading at a U.S. bank in Hong Kong, who did not want to be named.

Still, those promises have remained largely unfulfilled, and faced with an economy growing at a decade-low speed and a yawning current account deficit, traders have often turned to the offshore market to bet against the rupee.

While Indian regulations forbid offshore rupee trading by local entities, the rules are easily skirted.

For example, a company with overseas operations can take opposing rupee positions on and offshore -- the latter beyond the purview of the RBI but perfectly legal overseas.

Global funds cannot rebook a forward contract onshore once cancelled, and foreigners are not allowed to trade in local currency futures despite a promise in February to let them in.

New RBI chief Raghuram Rajan, who took office Sept 4, said the bank will look to ease restrictions once the rupee stabilises.

"We have to make sure that we provide deep and functioning markets so there is no need to establish a parallel market outside," he said last week, without providing specifics.

The offshore market in the partially convertible rupee has flourished, with average daily trading volumes rising to about $5 billion a day earlier this year from a few hundred million dollars in 2006, traders say. That puts the offshore trade on par with India's restrictive onshore market, where daily spot volumes are around $5-$6 billion.

Bearish bets on the rupee in offshore markets have been cited by traders as a key cause of the rupee's recent harrowing plunge, when it slumped to a series of record lows, losing as much as 20 percent in 2013 to 68.85 to a dollar in late August.

It has recovered 11 percent since then, helped by the central bank's move to attract more inflows and the U.S. Federal Reserve's decision to hold back on tapering its extraordinary stimulus.

During the depths of the rupee's weakness, the 1-month NDF was an unusually wide 2.5 percent weaker than the onshore spot rate, as overseas investors bet heavily against the currency.

In one of many efforts to crack down on such arbitrage, the RBI in July imposed higher margin limits for banks trading in the onshore exchange-traded currency futures market.

Offshore rupee volumes have fallen by roughly half since then, some traders said, while the rupee has also stabilised somewhat. Volumes in other emerging market NDFs have also fallen amid recent emerging market weakness.

India's restrictions have come at a cost, reducing local trading liquidity and making it more expensive for companies such as oil refiners that have heavy forex requirements.

"We do not have a 24-hour market and money is fungible," said Abhishek Goenka, chief executive at India Forex Advisors, a forex consulting firm.

"NDF volumes won't fall a lot."