

# Chambers team up for sustainable mechanism for regulatory reforms

STAR BUSINESS DESK

Three leading chambers have recently formed the BUILD Trust to make Business Initiative Leading Development (BUILD) an independent institution to continue its efforts as a research backed platform for public private dialogue.

Since its inception in October 2011, BUILD has been working proactively with the private sector and government to carry out research on policies, practices and regulations affecting businesses in Bangladesh with the objective of developing recommendations and advocating for their reform.

BUILD receives technical assistance from the Bangladesh Investment Climate Fund, which is managed by the International Finance Corporation in partnership with the UK Government and the European Union.

Rokia Afzal Rahman, president of Metropolitan Chamber of Commerce and Industry



**Seated from left, DCCI President Md Sabur Khan, MCCI President Rokia Afzal Rahman and CCCI President Mahbulul Alam sign the trust deed for Business Initiative Leading Development (BUILD), at the Westin Dhaka recently. Asif Ibrahim, chairman of BUILD, was also present.**

(MCCI); Md Sabur Khan, president of Dhaka Chamber of Commerce and Industry (DCCI), and Mahbulul Alam, president of Chittagong Chamber of Commerce and Industry (CCCI),

signed the trust deed at the Westin Dhaka.

In years to come, BUILD will identify the most important regulatory issues, constraining the private sector's growth in Bangladesh,

BUILD said in a statement yesterday.

It will also work with the private sector and the government in carrying out necessary reforms to unlock the private sector's true growth potential, according to the statement.

"BUILD represents a unique platform which brings regulators (government agencies) and users of regulation (businesses) on the same table to discuss bottlenecks to private sector growth."

Various regulatory processes in Bangladesh have been simplified following BUILD's research and recommendations, which include the bonded warehouse licence issued by the Customs Bond Commission and import and export registration certifications issued by the Office of the Chief Controller of Imports and Exports.

Representatives and dignitaries from partner organisations, including past presidents of DCCI and MCCI, directors of the three chambers, chairman and CEO of BUILD also attended the programme.

## Labour ministry opens office to help Rana Plaza victims

STAR BUSINESS DESK

An office for the coordination unit for rehabilitation of Rana Plaza victims was launched at the Centre for Disability in Development at Ulail bus stand in Savary yesterday.

National Skills Development Council secretariat under the labour and employment ministry opened the office to launch the operation of the coordination unit.

The key objectives of the unit is to collect and analyse information from all stakeholders to report the needs, services provided and current status of all the victims of the building collapse.

The unit, which consists of a coordinator, data analyst, social worker and liaison officer, will also act as a point of contact for the victims to receive information on their rights and services available.



**Toufique Rahman Chowdhury, vice chairman of NRB Commercial Bank, opens the bank's fifth branch at Agrabad in Chittagong on Wednesday. Dewan Mujibur Rahman, managing director, was also present.**

## Matia launches Fertiliser Recommendation Guide

STAR BUSINESS REPORT

Agriculture Minister Matia Chowdhury yesterday warned of heavy metal contamination risk in compost fertiliser made from urban solid waste.

There has been a rise in the trend of making compost manure using urban wastes, Matia said.

She also warned of the risk of environment pollution when polythene enters into the soil due to following improper ways to make compost from such waste.

The developed countries would not burn away so much waste if it was so good as fertiliser, she said.

The minister made the comment at the launch of Fertiliser Recommendation Guide (FRG), at Bangladesh Agricultural Research Council (BARC) in the capital.

The FRG-2012, sixth of its kind, is developed for field level agriculture extension officials to prescribe on the required amount of fertiliser needed for individual crops.

The new guide made 157 recommendations for different cereal, fibre, pulse, oilseed, root, tuber vegetables, spices, fruits, plantations, flowers and fodder crops.

The inclusion of suggestions for fertiliser for flower and fodder crops is new to the guide for agriculture officials, because of growing demand of flowers and expansion of dairy farming in the country.

Fertiliser recommendation for some traditional



**Kamal Quadir, chief executive officer of bKash, and Manjur Ahmed, deputy managing director of Bangladesh Krishi Bank (BKB), sign a deal at a programme on Wednesday. People can now open bKash account and receive cash in and cash out service in all BKB branches.**



**Chris Tobit, managing director of Airtel Bangladesh, attends a programme to launch the company's products and prices of 3G services, at its head office in Dhaka yesterday. Sandipan Chakraborty, chief technical officer, was also present.**

## Banks lead stocks' rally

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The banking sector yesterday grabbed the highest share of total market turnover at the Dhaka Stock Exchange for the first time in 2013, crossing the Tk 100-crore mark.

Banks showed better than expected quarterly earnings in July-September, commented LankaBangla Securities in its daily analysis.

"The rebound in the banking sector supports the market to make a smart move throughout the week."

It is worth pointing out that despite political uncertainty, the market gained approximately 233 points this week, the stockbroker added.

The market crossed 4,200 points for the first time in the last three and half months, after surging 2.16 percent or 88.84 points.

"A continuous gain in indices as well as a healthy level of turnover solidified investors' confidence and drove the market gauge over a psychological level of 4,200 points, for the first time in the last three and a half months since July 18 last," said IDLC Investments in

its daily market commentary.

The gain was fuelled by market wide appreciation with above 100 scrips gaining more than 3 percent, the investment banker said.

Turnover, the most important indicator of the market, advanced 21.45 percent from the previous day to reach Tk 474 crore.

Gainers took a strong lead over the losers as out of 289 issues traded, 221 advanced, 52 declined and 16 remained unchanged on the DSE floor.

A total of 1.26 lakh trades were executed with 15.1 crore shares and mutual fund units changing hands on the Dhaka bourse.

Amid the major sectors: life insurance gained the most by 5.8 percent, followed by non life insurance 3.52 percent and bank 3.48 percent. However, cement declined 0.41 percent and tannery 0.41 percent.

Grameenphone was the top turnover leader with 11.22 lakh shares worth Tk 22.68 crore changing hands.

First Lease Finance and Investments was the day's highest gainer, posting a rise of 9.89 percent, while National Polymer was the

## Change all, from individuals to countries

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"But now microcredit operations are being copied in most countries, including the US. I hope the same will happen to social business."

Fatima al Balooshi, social development minister of Bahrain, said her country has targeted social business as a means to empower its marginalised section of society -- socially, economically and politically.

She said despite being an oil-rich country, more than 1,700 people have taken microloans from microlenders. "We are helping people start home-based business."

She also said social business could be a model for most Middle Eastern countries to sort out their social ills and ensure social cohesion.

Richard Branson, founder of Virgin Group, through video-conferencing said: "We believe businesses can make the world better. Still, two billion people are living below the poverty line. Social business is a perfect tool to help them come out of poverty."

Saskia Bruysten, chief executive of Yunus Social Business in Germany, said they are helping young entrepreneurs with training and networking and financial support so they can make their dream a reality.

She said Yunus Social Business has already launched projects in seven countries, including 20 projects in Haiti, Albania, Tunisia and India.

Nurfirani Daing, chief executive of Youth Trust Foundation (myHarapan), said social business is the best solution suited to the ideas and thoughts of the youth with which they can contribute to the community.

Eric Lesueur, project director of Grameen Veolia, which is running a water project for a poor community in Bangladesh, said the success of the project would help them replicate the venture in other parts of the country as well as other parts of the world.

The social system Europe had built after

World War II is not working properly, he said. "Social business is one of the major solutions that can be used to review the model."

Rogério Oliveira, co-founder and country director of Yunus Social Business in Brazil, said the country is interested in introducing social business to protect its vast Amazon forests.

Brazil could be the best place for social business, as South America's largest economy is bubbling with social issues, he added.

Hans Reitz, founder of Grameen Creative Lab, said creating a creative movement was at the core when the global social business movement began.

Reitz is the brain-child behind the idea of social business cities and villages. "The next big thing will start in a small way. If you cannot change your street, how will you change the world?"

Prof Hiroto Yasuura, vice executive president of Kyushu University, said social businesses are fast spreading among students, not only in his university but also in other universities. Yasuura helped introduce microcredit and social business in Japan.

At the day's session, a deal was signed with the Veracruz government. In addition, an announcement was made on Grameen Creative Lab's partnership with Berlin.

Aarti Wig, country director of Yunus Social Business India; Bhaskar Chatterjee, director general of Indian Institute of Corporate Affairs; Antonio da Conceicao, commerce, industry and environment minister of East Timor; Gilbert Mbeshherubusa, a vice president of African Development Bank; Erin Pham Steinhauer, head of corporate responsibility Asia Pacific of Visa Inc; and Jimmy Wales, founder Wikipedia (virtual address), also spoke.

Grameen Creative Lab, Yunus Centre and Youth Trust Foundation (myHarapan) organised the summit.

## Specialised bank like Grameen nears reality

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The bank's board of directors will consist of 15 members and the secretary of the Rural Development and Cooperatives Division will be its ex-officio chairman.

Seven directors will be selected from the shareholders, with the government appointing the other eight. The managing director can be appointed from the board or from outside of it and he/she would be allowed to serve in the position until 65 years of age, in contrast to maximum age of 60 for Grameen Bank MDs.

The activities of the specialised bank, in

many aspects, would also resemble those of Grameen Bank. Like Grameen Bank, it will collect deposits and lend to its members.

The bank will provide small loans with the aim to alleviate poverty and get the rural poor into the habit of saving.

But Palli Sanchay Bank will differ from Grameen Bank in that it would also conduct general banking activities for its members.

The "One House, One Farm" is a project under the Annual Development Programme, the first phase of which started in 1997. The second phase of the project started after the present government assumed power.



**Md Shahjahan, deputy managing director of Southeast Bank, attends a training course on Islamic banking service desk, organised by the bank at its training institute in Dhaka recently. HM Mahedi Hasan, course coordinator, was also present.**



**Deen Mohammad, chairman of Appollo Ispat Complex Ltd, attends the company's draw for initial public offering in Dhaka yesterday. Md Ansar Ali, managing director, was also present.**

## Political chaos sends default loans soaring

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"Businesses can't run as normal in this political climate, so its chain effect is being felt on the banking sector. It is very worrying for us bankers."

The Pubali Bank MD, however, is hopeful that the political turbulence will pass soon and the economy will bounce back.

Private commercial banks (PCBs) registered the highest number of default loans between July and September, of Tk 2,697 crore, followed by specialised banks at Tk 1,028 crore, foreign commercial banks (FCBs) Tk 365 crore and state-owned commercial banks (SoCBs) Tk 321 crore.

Of the four SoCBs, Sonali's classified loans increased 4.4 percentage points, Janata's 3.29 percentage points and Agrani's 4.51 percentage points. Rupali, however, experienced a drop in classified loans, of 9.53 percentage points.

As for the 37 PCBs, 24 saw their classified loans increase between 0.05 to 2.88 percentage points, while 6 recorded decrease of 3.69 to 5.60 percentage points.

Meanwhile, seven of the nine FCBs saw their default loans rise in the range of 0.03 and 20.85 percentage points, while the other two recorded drops of 0.25 to 1.69 percentage points.

Among the four specialised banks, Bangladesh Development Bank's classified loans crept up 6.23 percentage points and Basic's 9.05 percentage points.

## Correction

In a report headlined "Political unrest upsets tour operators" published on Sunday, it was mentioned that Association of Travel Agents of Bangladesh will organise Eastern Bank Bangladesh Travel and Tourism Fair 2013 on December 12 in Dhaka. Actually, Tour Operators Association of Bangladesh will organise the show. We regret the mistake.