



Finance Minister AMA Muhith inaugurates BASIS's One Bangladesh Campaign, Radisson hotel in Dhaka yesterday.

Software, IT vendors aim for \$1b exports

STAR BUSINESS REPORT

Software and IT service providers yesterday rolled out an ambitious roadmap to earn \$1 billion from exports—10 times higher than the current level—and create 1 million professionals in five years.

In addition, Bangladesh Association of Software and Information Services (BASIS) aims to make the internet available to one crore new users a year and to contribute 1 percent to gross domestic product from the software and IT sector by 2018 under the One Bangladesh campaign.

ICT opened an opportunity to speed up the process of development, Finance Minister AMA Muhith said as he inaugurated the campaign as chief guest at Radisson Hotel in Dhaka.

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Safety net plans come under fire

STAR BUSINESS REPORT

Policymakers yesterday came down heavily on the proposed National Social Protection Strategy that advocated for covering half of the population under social safety net schemes.

"The country's poverty rate is now below 30 percent, then why should 50 percent of the population be eligible for social transfers?" said Atiur Rahman, governor of Bangladesh Bank.

Safety net programmes should be designed for one third of the population, he said.

"Resources would be much better served by increasing the transfer size to the poorest than by distributing it to such a large number of non-poor people."

Rahman's comments came at a dialogue on the draft National Social Protection Strategy of Bangladesh, organised by General Economics Division (GED) of the planning commission at the auditorium of National Economic Council at Sher-e-Bangla Nagar.

Finance Minister AMA Muhith also echoed the governor's view. "Coverage of the social safety net

KEY PLANS

Pension system for the elderly

Tk 800 in disability benefits a month for aged 19-64

National Social Insurance Scheme for private enterprises

Food programmes, except school feeding and OMS, will be converted into cash schemes

Unemployment, maternity and accident insurance for working-age population (19-64)

Childcare for all formal employees

schemes should be fixed in line with the current poverty rate," he said, citing the country's extreme poverty rate to be 11 percent and poverty rate 26 percent.

Muhith went on to underscore the need for giving emphasis on social protection, pension scheme and social security for all in the proposed strategy.

The draft policy also came under fire from Planning Minister AHM Mustafa Kamal, who said the draft seems to be "copied from the Rwanda model". "But why should we copy such a model?"

The BB governor also opposed the proposal to introduce mixed methods for targeting beneficiaries, while calling for the Bangladesh Bureau of Statistics to be given the responsibility to select the beneficiaries.

It is best to have agencies who select beneficiaries be separated from those who implement the transfers as this reduces chances of leakage, he said.

The proposed social protection strategy will focus on expanding coverage of core schemes for the most vulnerable members of the society, which includes children, elderly and the disabled.

The aim is to identify the high priority schemes and make the system more inclusive by incorporating a higher proportion of poor and vulnerable people within it, said GED member Shamsul Alam, who presented the highlights of the draft policy. The policy's implementation is likely to start in July 2015.

Exports buoyant

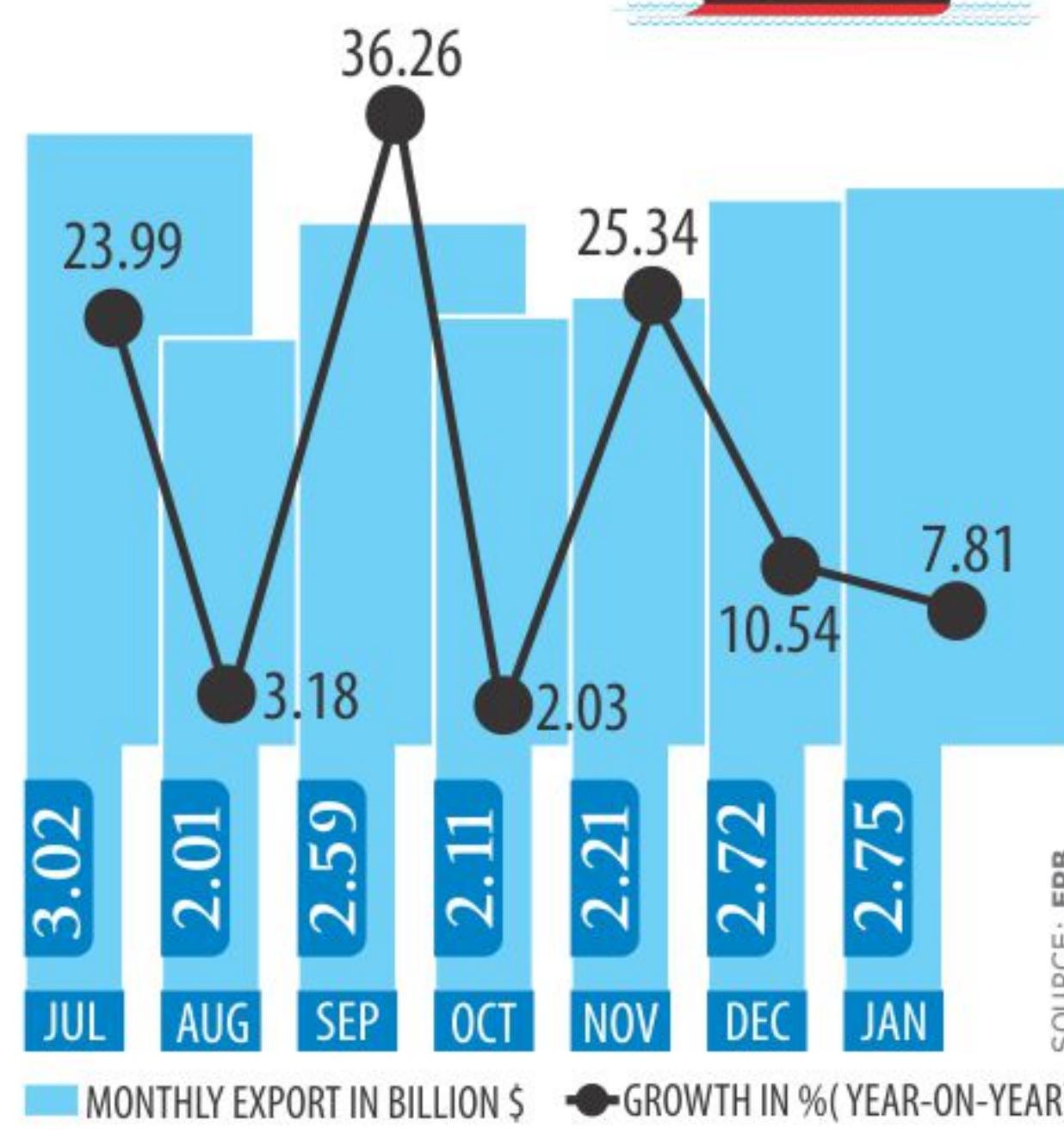
STAR BUSINESS REPORT

Exports continued to soar in January, showing no signs of hangover from the political instability of the past three months.

In January, exports raked in \$2.75 billion, an increase of 7.81 percent year-on-year, and 0.73 percent over December's takings, according to data from the Export Promotion Bureau. Last month's export receipt is also 2.62 percent above the month's target of \$2.68 billion.

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EXPORT PERFORMANCE



HC seeks explanation on plastic bottles

STAR BUSINESS REPORT

The government faces a High Court order to explain why it should not be directed to withdraw plastic bottles from the markets, which are used to preserve water, medicines and food products.

The court also sought an explanation on why the government should not be ordered to set up a monitoring cell to stop manufacturing of plastic bottles and preserving food items in it.

The health, law, food and environment secretaries, the Directorate General of Health Services, Bangladesh Standards and Testing Institution and Department of Environment will have to reply to the rule in four weeks.

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Transcom wins PepsiCo award



From left, NK Bhowmik, general manager of Transcom Beverages Ltd; Prateek Sabharwal, country manager of PepsiCo; Latifur Rahman, chairman of TBL; Rahul Dravid, former Indian cricketer; Golam Quddus Chowdhury, managing director of TBL, and Arshad Walir Rahman, director, pose at a programme where TBL was recognised as Bottler of the Year by PepsiCo on January 27 in New Delhi.

PEPSICO

STAR BUSINESS DESK

Transcom Beverages Ltd (TBL) has been recognised as the Bottler of the Year for 2013 at the annual commercial conference of PepsiCo India Region.

The programme took place at JW Marriott Hotel in New Delhi on January 27, PepsiCo said in a statement yesterday.

Transcom Beverages has won the award for the fifth time since taking over the bottling operation in 2000.

TBL also won the Asia, Middle East, Africa Bottler of the Year and PepsiCo International Bottler of the Year awards for 2009.

Latifur Rahman, chairman of Transcom Beverages; Arshad Walir Rahman, director; Golam Quddus Chowdhury, managing director and CEO; and Prateek Sabharwal, PepsiCo's country manager, were present at the event.

Transcom Beverages is the sole franchisee of PepsiCo International for bottling, distributing and marketing of Pepsi, 7up, Mirinda, Mountain Dew, Slice, Diet Pepsi, 7up Light, Sting and Aquafina in Bangladesh.

Second subsea cable to boost internet Bangladesh to sign deal on Mar 7 in KL

ABDULLAH MAMUN

Bangladesh will sign a contract with a consortium on March 7 in Kuala Lumpur to install a second submarine cable that will increase internet bandwidth by seven-fold.

The SEA-ME-WE-5 cable that will connect about 20 countries in the Asia-Pacific and Europe is expected to be installed in 22 months from the date of signing.

Bangladesh will be one of the consortium members as we sign the contract with an objective to get 1,400 gigabits per second of internet bandwidth for the country," Hossain said.

For internet connectivity, the country depends largely on the lone undersea cable SEA-ME-WE-4, which was installed eight years ago, with a capacity of 200 Gbps. Separately, six more private international terrestrial cables are connected to global cables through Indian links.

The second cable will serve as a backup for the previous undersea cable as well. The single backbone fibre optic network will link Southeast Asia, Middle East, East Africa and Europe, according to the company's annual report.

The cable's landing station will be at Kuakata in the southern district of Patuakhali. The first undersea cable's landing was at Cox's Bazar.

Submarine Cable Company will have to spend around Tk 560 crore to acquire the 1,400 Gbps capacity. The company will get Tk 240 crore in loans from Islamic Development Bank, while the rest will come from the company's own resources, Hossain said.

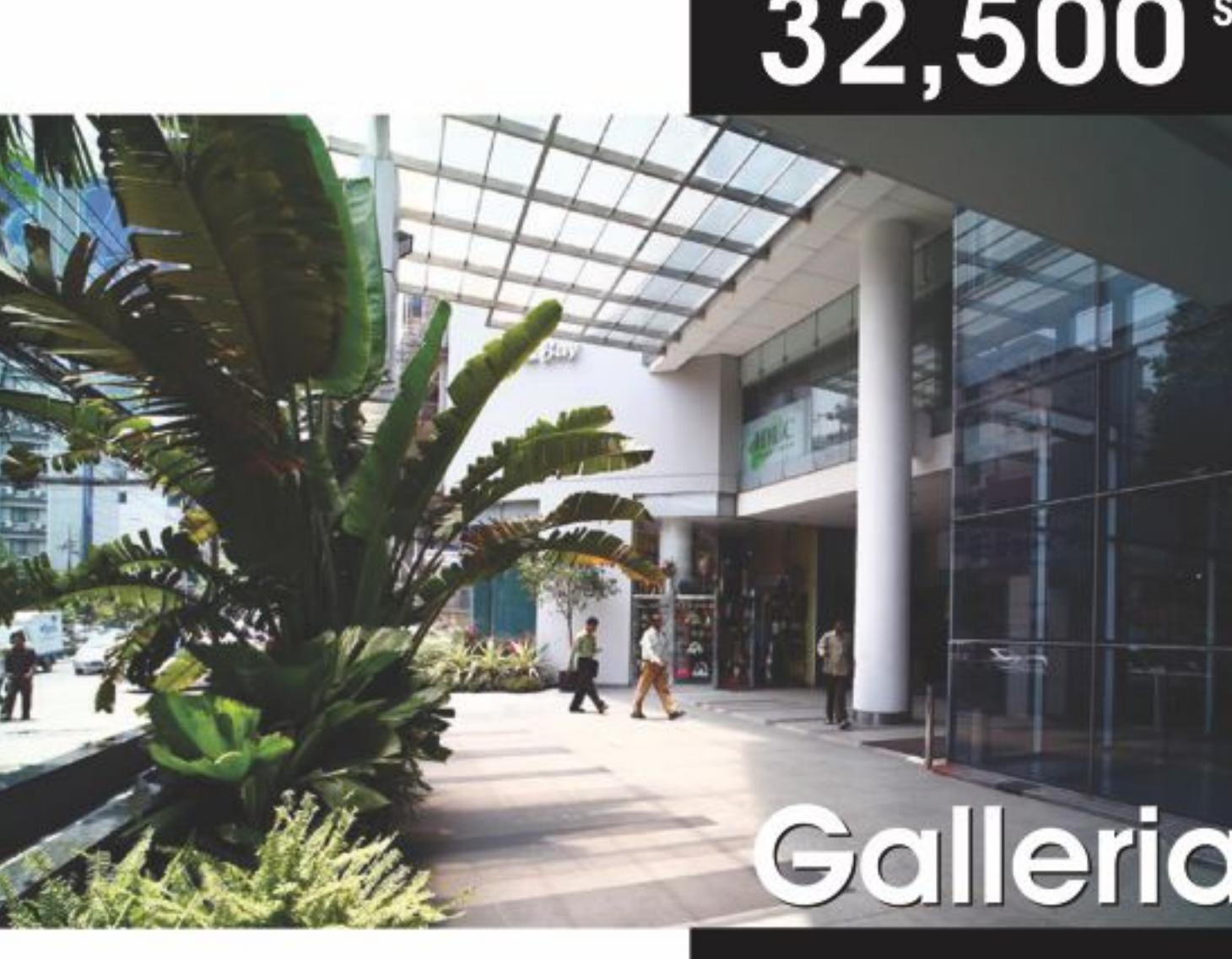
France's Alcatel-Lucent and Japanese NEC—both telecom and network equipment makers—will build the cable for the consortium.

Singapore, Indonesia, Thailand, Myanmar, Sri Lanka, Pakistan, UAE, Oman, Saudi Arabia, France, Telstra of Australia and Taiwan are part of the consortium.

The cable was initially supposed to be complete by the end of 2014, but the

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Classified loans to fall soon: Atiur

STAR BUSINESS REPORT

Banks' nonperforming loans will soon come down to a tolerable level due to relaxed policies, Bangladesh Bank Governor Atiur Rahman said yesterday.

On average, the banking sector's NPL rose to 12.79 percent of the total loans at the end of September 2013, but the figures of December last year would be at a tolerable level, he said.

The governor was speaking at a conference of general managers of the central bank at its office in the capital.

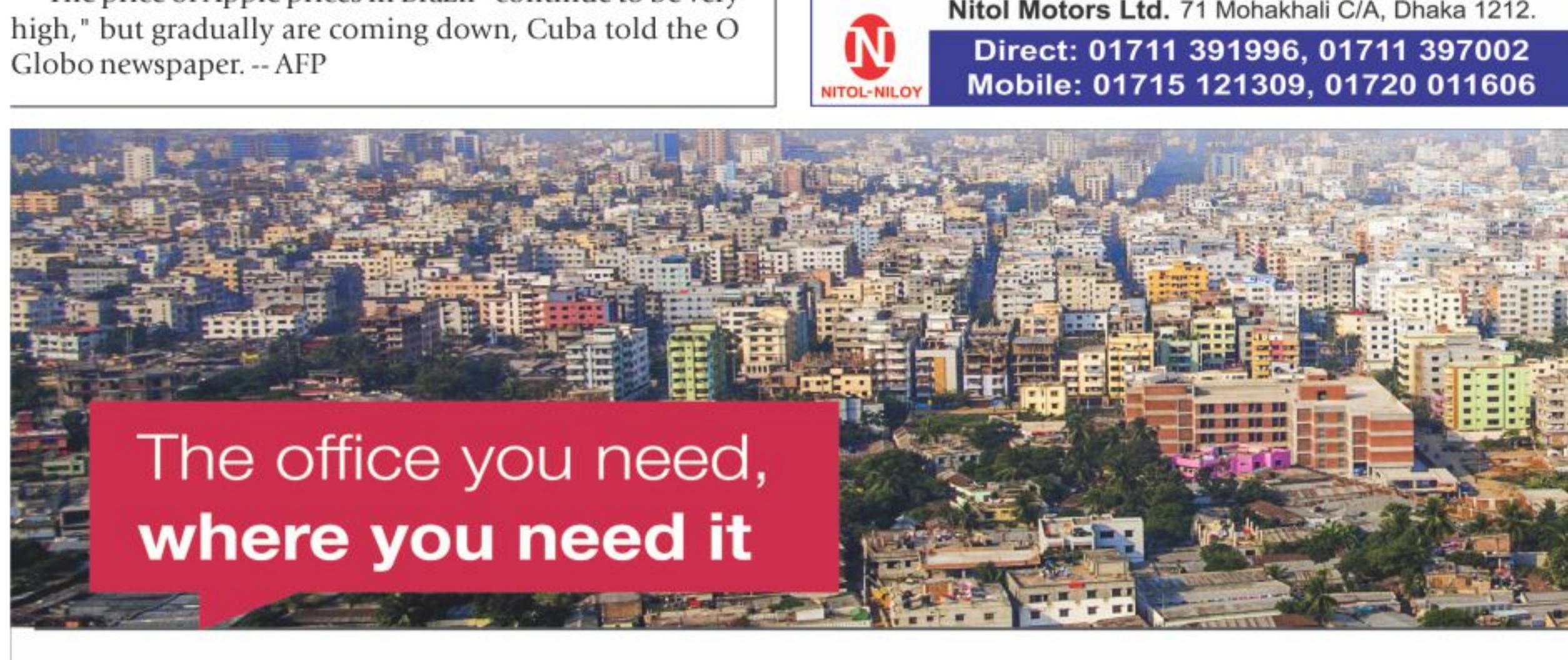
In September, NPL, also known as classified loans, was 28.76 percent in state banks, 29.39 percent in specialised banks, 7.3 percent in private banks and 6.02 percent in foreign banks, according to the central bank.

S America's first Apple store in Rio

Some 1,700 impatient shoppers lined up for hours Saturday for the grand opening of Apple's store in Rio de Janeiro -- the first official outpost in South America.

First in line was Thiago Cuba, 31, who said he was looking forward to shopping at the glistening new computer store in a tony section of Rio -- even though he was experiencing sticker shock.

The price of Apple products in Brazil "continue to be very high," but gradually are coming down, Cuba told the O Globo newspaper. -- AFP



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