

# Prevailing in adversity: UCBL

SUMAN SAHA

IN what has been a write-off year for most banks due to the lengthy political turmoil, United Commercial Bank Ltd managed to register 93.26 percent profit growth in 2013.

Such has been the impact of Muhammad Ali at the private bank since he assumed the position of managing director in November 2012.

"Innovative lending has been the key," Ali told The Daily Star in an interview recently, adding that the bank concentrated on providing loans to small and medium enterprises owing to its high recovery rate.

The bank provided Tk 8,000 crore in SME loans—more than 50 percent of the total funded portfolio of Tk 15,000 crore as of March.

Strong support from the bank's board members and the bank's Chairman MA Hashem is another reason behind last year's profit of Tk 307 crore, he said. The bank earned Tk 96 crore between January and March, returning from the net loss of Tk 99.98 crore in the same period a year ago.

The bank's outstanding performance did not go unnoticed: it has been named the Best Emerging Markets Bank of Bangladesh by the Global Finance magazine in an exclusive survey recently. "We are excited for the award. Our responsibility will reach new heights after such a prestigious accolade."

Global Finance editors -- with input from industry analysts, corporate executives and banking consultants -- selected the best emerging markets bank in the Asia-Pacific region and in 30 countries, according to the



Muhammed Ali

website of Global Finance.

The criteria for choosing the winners include growth in assets, profitability, strategic relationships, customer service, competitive pricing and innovative products.

In addition, for the first time a poll of Global Finance's corporate readership was conducted in order to increase the accuracy and reliability of the results.

"Faced with slowing growth and volatile markets, these banks are star performers under increasingly challenging conditions," said Joseph D Giarraputo, publisher and

editorial director of Global Finance.

"The banks that Global Finance is honouring may not be the largest or oldest, but they are the best at targeting their products and offerings to the specific markets they serve," he added.

Ali is expected to receive the award at a ceremony scheduled to be held at Washington in October.

UCBL began operations in 1983 and now has 139 branches with plans to open eight new branches in 2014, he added. The bank also plans to double the number of ATM booths to 200 this year.

# European social business week held in Sweden

STAR BUSINESS DESK

The second edition of the European Social Business Week took place in Sweden recently, where the social problems the continent is struggling with were discussed.

Nobel laureate Prof Muhammad Yunus participated in the week-long forum in Lund and Malmö from May 12 to 16, Yunus Centre said in a statement in Dhaka yesterday.

The problems and their solutions were discussed and explored by and with academics, entrepreneurs, students, NGOs and public officials during the event in the Medicon Village of Lund University, the largest university in Sweden with 47,000 students.

The theme of this year's European Social Business Forum was social business in the European Union.

Prof Yunus opened the forum and gave a speech on the role of social business—the idea he himself has developed and now being copied across the world—to help Europe come out of the crisis.

Drawing examples from Bangladesh where a number of social business projects have already been implemented, the

founder of Grameen Bank explained the concept of social business and the effect of every individual's creative power to society.

Through presentations, panel discussions and workshops, the forum elaborated on the relevance and implementation of social business in Sweden and the European Union.

The Bangladeshi economist also visited Tunisia from May 9 to May 11, where he launched 11 social businesses generated by the first Social Business Accelerator in the African country.

Prof Yunus also delivered a speech at a reception hosted by Mazars, a global audit, accounting and consulting group.

The reception was attended by the elite of the city, including chief executives, bankers, and politicians. Taoufik Jelassi, higher education, scientific research, information technology and communication minister of Tunisia, was also present.

The African Development Bank and Yunus Social Business jointly launched the Holistic Social Business Movement programme in Tunisia during a national conference on the new business model in March last year.



YUNUS CENTRE

Professor Muhammad Yunus poses with a group of women entrepreneurs in Tunisia recently.

# ADB's \$350m for skills training

STAR BUSINESS REPORT

The Asian Development Bank (ADB) will lend \$350 million to Bangladesh to help public and private institutions scale up skills training for 1.25 million young workers.

The training will help the young be well-equipped to find jobs and meet the changing needs of present labour market, the Manila-based lender said in a statement yesterday.

"Bringing together the public sector with the private sector to provide the vocational and technical skills that employers seek will mean more and better-paid jobs and shift economy to a higher level," said Sungsup Ra, director of ADB's South Asia Department.

Two thirds of the Bangladesh workforce has only minimal education and only 4 percent has received any kind of training, ADB said.

Moreover, the skills development system can only meet about 20 percent of training needs, meaning many youth cannot find good jobs, underemployment is rife, and wages remain low, it said. "Women, in particular, suffer from a lack of skills training."

By 2025, Bangladesh is expected to have 78 million workers, up from 56.7 million in 2010, according to the statement.

However, Bangladesh will only be able to take advantage of this demographic shift if it makes urgent investments in higher-quality schooling and at least a fourfold increase in

skills training, it said.

The government's National Skills Development Council has been working to promote skills since 2011 as part of its vision of achieving middle-income status by 2021.

The total cost of the government's Skills for Employment Investment Programme is estimated at \$1.07 billion.

ADB loans for the programme will be made in three tranches as part of a seven-year financing facility. "It is expected to be complemented by \$200 million in co-financing from the Bangladesh government, \$30 million from the Swiss government, \$400 million from other development partners, and \$90 million from the private sector."

# Bangladesh workers face harsh conditions in Abu Dhabi

THE NEW YORK TIMES

THE strike had entered its second day when construction workers at Labour Camp 42 got word that their bosses from the BK Gulf corporation had come to negotiate. Mohammed Amir Waheed Sirkar, an electrician from Bangladesh, scrambled down the stairs to meet them. But when he got to the courtyard, he saw the truth: It wasn't the bosses who had come. It was the police.

They pounded on doors, breaking some down, and hauled dozens of men to prison. Sirkar was taken to a Dubai police station, where officers interrogated him. After a while, new officers arrived. That's when things got rough.

"They beat me up," he said through an Urdu interpreter, "asking me to confess I was involved in starting the strike." Others were slapped, kicked, or beaten with shoes, a special indignity in Arab culture.

After nine days in jail, Sirkar was deported, as were hundreds of other workers.

The forceful response was typical for the United Arab Emirates, where strikes are illegal and labour conditions grim, but most of the men who went on strike last October were working on a project that originated in America: a large new campus for New York University.

Facing criticism for venturing into a country where dissent is not tolerated and labour can resemble indentured servitude, NYU in 2009 issued a "statement of labour values" that it said would guarantee fair treatment of workers. But interviews by The New York Times with dozens of workers who built NYU's recently completed campus found that conditions on the project were often starkly different from the ideal.

Virtually every one said he had to pay recruitment fees of up to a year's wages to get his job and had never been reimbursed. NYU's list of labour values said that contractors are supposed to pay back all such fees. Most of the men described having to work 11 or 12 hours a day, six or seven days a week, just to earn close to what they had originally been promised, despite a provision in the labour statement that overtime should be voluntary.

The men said they were not allowed to hold onto their passports, in spite of promises to the contrary. And the experiences of the BK Gulf strikers, a half dozen of whom were reached by The Times in their home countries, stand in contrast to the standard that all workers should have the right to redress labour disputes without "harassment, intimidation, or retaliation."

Some men lived in squalor, 15 men to a room. The university said there should be no more than four.

"Not happy," Munawar, a painter from Bangladesh who only gave one name



THE NEW YORK TIMES

Migrant workers, in their tiny apartment in Abu Dhabi, earn as little as \$272 a month while building a campus for New York University.

declared, speaking in limited English. Back home, he said, they have lives, families. "Come here," he concluded, "not happy."

NYU Abu Dhabi is a bold undertaking, matching the ambitions of one of the world's wealthiest nations with those of America's largest private university. It is also one of the most closely watched of a growing number of experiments in academic globalization. NYU's president, John Sexton, has called the outpost, an entire degree-granting institution, "an opportunity to transform the university and, frankly, the world."

But Abu Dhabi, the capital of the United Arab Emirates, is an unlikely setting for a university built on the American model. Academic freedom is unheard-of, criticising government is a crime and an employment system known as kafala leaves millions of immigrant workers tethered to the companies that sponsor their visas.

NYU has said the campus will be built and run as a "cultural free zone," where the university's core values prevail, from the treatment of workers to the protection of scholarly inquiry. The university says that its efforts to ensure humane living and working condi-

tions have been unprecedented.

Told of the labourers' complaints, officials said they could not vouch for the treatment of individual construction workers, since they are not employees of the university but rather of companies that work as contractors or subcontractors for the government agency overseeing the project. Those companies are contractually obligated to follow the statement of labour values.

To help monitor the situation, an engineering firm, Mott MacDonald, has been on hand to interview workers and prepare annual reports. The latest, released last month, noted some challenges, including a single contractor who fell behind on one month's wages, but concluded, "Overall, there is strong evidence confirming the NYUAD project is taking workers' rights seriously."

The report made no mention of the BK Gulf strike, or the strikers' demands for more pay.

Mott MacDonald declined to discuss its report. John Beckman, NYU's chief spokesman, said in a recent email that university officials were not aware of any unrest and were "working with our partners to have it investigated."

LUXURY NEXT DOOR

NYU Abu Dhabi rises just to the northeast of the city's busy downtown, on a vast sun-baked expanse called Saadiyat Island. The island, whose name means "happiness" in Arabic, is being developed as a world-class culture destination, with outposts of the Louvre and the Guggenheim Museum that, like its neighbour, were paid for by Abu Dhabi's ruler, Sheikh Khalifa bin Zayed al-Nahyan.

The broad slope of a lacy dome is just now coming into view on the Louvre's site. The Guggenheim is still just a building-size hole, with a skeleton crew of workers pumping out water. But both museum projects have attracted unwelcome attention from human rights groups. In March, members of Gulf Labour, a group of artists and writers, unfurled protest banners in the Guggenheim's New York home to call attention to working conditions in Abu Dhabi.

Richard Armstrong, the Guggenheim's director, said it was committed to fair labour standards and noted that "the Guggenheim Abu Dhabi is not yet under construction."

NYU's construction is now complete.

When the undergraduate programme, which has so far been operating out of temporary facilities, holds its first graduation on Sunday at the new campus, former president Bill Clinton will be on hand to usher NYU into the next phase of its life as a "global network university."

A vast majority of the roughly 6,000 people who built that campus have been housed in large labour camps. Security guards keep visitors from entering those camps, but NYU officials say the conditions there are excellent, with what are described as "on-site leisure facilities" and "a wide range of recreational pursuits."

The company Munawar works for, City Falcon, housed him, along with a few dozen other labourers, in a small tenement building in the city's business district.

Just a few blocks up the street are the modern buildings that have served as NYU's temporary campus; a few blocks in the other direction is the stunning ultraluxury hotel where the university has staged cultural events.

Inside City Falcon's squalid quarters, the bedrooms are so crowded that the men must sleep three to a stack -- one on the upper bunk, one on the lower bunk and one below the lower bunk, separated from the floor by only a thin pad for a mattress. In the space between the beds, the men pile cauliflower, onions and 75-pound sacks of Basmati rice to cook after working all day and washing the construction dirt from their clothes. Tangles of exposed wiring hang down from the ceiling, and cockroaches climb the walls.

In the smaller of the two rooms in this apartment, where the only window is covered over, more than a dozen men share a space of barely 200 square feet. They drape towels down from the bed above them to eke out a tiny realm of privacy.

The men who live there, like millions of other South Asian labourers in Abu Dhabi, came for one reason: to earn money for their families back home. One City Falcon employee, a soft-spoken man with a boyish face, is helping support five brothers. Another supports four children, ages 6 to 14. Others have toddlers they have never met.

One painter said he was promised a base pay of 1,500 dirham a month, or \$408. After he arrived, he said, he found out it would be 700 dirham, about what other Saadiyat Island construction workers have been reported to make.

Overtime boosts that to 1,000 dirham, or \$272. But food costs more than a third of that. Cellphones, the men's lifeline to the world they left behind, take another cut. And the annual raises they were promised have not materialised. Even working 11 hours a day, six days a week, they struggle to send home much more than \$100 a month.

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