TOKYO

Flat

ASIAN MARKETS

MUMBAI

V 0.38%

As of Friday

জীবনে প্রয়োজন আরো বেশি স্বাচ্ছন্দ্য সর্বাধুনিক প্রযুক্তি সম্বলিত ব্যাংকিং সেবায় মাসিক আয়ের সাথে বাড়তি আয় যোগ করুন আর জীবন করুন সুসমৃদ্ধ যে কোন প্রয়োজনে ০৯৬১২০০১১২২ ইসলামী শরীআহ'র মুদারাবা নীতির ডিঙ্কিত পরিচালিত

DHAKA MONDAY JUNE 23, 2014, e-mail:business@thedailystar.net

COMMODITIES

Gold A

IndustriALL draws ire from Tofail

STAR BUSINESS REPORT

STOCKS

DSEX

CSCX

V 0.37%

Commerce Minister Tofail Ahmed yesterday accused IndustriALL Bangladesh Council of acting against the country's interests by secretly writing to the US that garment workers are being harassed here.

Without naming the organisation, Ahmed said: "This organisation has written that garment workers are harassed and ments. repressed in Bangladesh."

The minister, however, said Nazrul Islam Khan, a senior leader of BNP, and Roy Ramesh Chandra, a former senior leader of Sramik League, are respectively the chairman and secretary general of the organisa-

"They sent the letter to the US secretly. I would not have known about the harassment of garment workers had I not travelled to Washington," Ahmed said at a media briefing at his secretariat office on his visit to the US capital on June 10-14.

During the visit, Ahmed met senior officials of the Obama administration, including those from the United States Trade Ahmedsaid. Representative (USTR).

The minister did not reveal though whether the government would take any initiative against those who sent the letter.

But he added: "Of course, it has to be taken into consideration. We will definitely think about the issue as the letter goes against the interest of the country."

Chandra, however, denied that the local chapter of IndustriALL, a global union federation, has sent any such letter to the US government.

"His comments are not based on facts.

They are baseless. He got perplexed over misinformation," he told The Daily Star.

The labour leader went on to urge the minister to publish the letter if he has any. Ahmed said a complaint cell has been

opened in his ministry, where allegations of worker harassment were brought in against 19 factories. Ensuing investigations, however, found no existence of such harass-

"Rather, we have heard that workers have harassed managers in some factories." The minister was mainly in the US to

chair a seminar, "Globalisation and Sustainability of Bangladesh Garment Industry" at the Harvard University. During the tour, he had meetings with Nisha Desai Biswal, US assistant secretary of

state; US Trade Representative Michael Froman; Catherine A Novelli, undersecretary of the US State Department; and seven Congressmen. "They have expressed satisfaction about

the progress Bangladesh has achieved after the collapse of Rana Plaza building,"

The minister hopes that the US would soon withdraw the suspension of the Generalised System of Preferences (GSP), allowing Bangladesh to sell products, except garments, in the key export market dutyfree.

"If we don't get back the GSP even after taking so many steps, we will think that Bangladesh has not got the GSP back due to political or other considerations. We have already sent them a letter about the progress we have made so far."

READ MORE ON B3



From right, Gowher Rizvi, foreign affairs adviser to the prime minister; Akbar Ali Khan, former caretaker government adviser; HT Imam, political affairs adviser to the prime minister; Mohiuddin Alamgir, former president of Bangladesh Economic Association; and Amir Khasru Mahmud Chowdhury, former commerce minister, attend a conference organised by Bangladesh Economists Forum in Dhaka yesterday.

Good governance: need of the time

Analysts show ways for higher economic growth

STAR BUSINESS REPORT

Bangladesh may not be able to scale up its economic growth and sustain development achievements without improving governance, which is deteriorating gradually, analysts said yesterday.

......

They also stressed consensus among political parties to improve governance and keep economic priorities unscathed.

"This is high time we reach political consensus on governance. It won't cost them (political parties) anything," said Akbar Ali Khan, a former finance adviser to the caretaker government.

CURRENCIES

BUY TK 77.10 103.00

SHANGHAI

0.15%

SINGAPORE

V 0.31%

STANDARD CHARTERED BANK

Citing that Bangladesh's position is in the lowest quintile of global governance indices, he said governance is deteriorating at an unacceptable rate.

Russia, which he said saw a huge economic growth initially, but due to weak governance.

"We will have to face the same problem," he said, adding that good governance is also needed for ensuring fundamental human rights.

Khan spoke at a session of a conference organised by Bangladesh Economists Forum at Radisson Hotel in Dhaka.

He said there have been small reforms but these are inadequate. "There are areas where we need to be concerned and reforms are He also gave an example of needed."

A paper on growth and development written by Prof Wahiduddin could not sustain the growth later Mahmud was presented at the nance. discussion.

> Mahmud in his paper said question on how long Bangladesh can remain an outlier in the growthgovernance nexus has surfaced given the steadily deteriorating governance ranking of the country.

"There are indications that institutional weakness may be reaching the tipping point beyond which they become binding growth constraints," Mahmud said.

HT Imam, political adviser to the Prime Minister, said sustained growth and development cannot be ensured without good gover-

BNP leader and former commerce minister Amir Khasru Mahmud Chowdhury criticised the government for loan scams in state banks which now require public money for recapitalisation.

READ MORE ON B3

Robi to transfer 80pc tower assets to Edotco

ABDULLAH MAMUN

Mobile operator Robi plans to transfer 80 percent of its network infrastructure assets to Edotco (e.co) Group, a fully owned subsidiary of Malaysian Axiata Group that manages telecom towers.

The network infrastructure or non-telecom equipment is passive infrastructure that includes towers, buildings, batteries, power, and cooling systems. Axiata is the majority shareholder of Robi.

Robi sought approval from Bangladesh Telecommunication Regulatory Commission to transfer its shares to Edotco Group in February, while the rest 20 percent stake will remain with Robi.

Robi seeks to transfer 80 percent equity shares in its subsidiary Edotco Bangladesh to Malaysia's Edotco Group, fully owned by Axiata, according to a letter to BTRC.

Globally, mobile operators are outsourcing infrastructure to minimise costs, which was introduced in Bangladesh by e.co, according to market analysts.

Md Abdus Samad, commissioner of the legal and licensing division of BTRC, said the proposal to transfer the shares of Robi was presented at a meeting but the commission has given some observations to reexamine the matter.

The commission wants to examine whether the share transfer will affect the subsidiary characteristics of the company, he said.

The regulator observes that Robi will lose its control over infrastructure after 80 percent shares are transferred to the Malaysian company.

READ MORE ON B3



Abul Kalam Azad, owner of Craft All BD, a producer of home decor items, displays lamp shades at an entrepreneurship and innovation expo organised by DCCI and Bangladesh Bank at Bangabandhu International Conference Centre in Dhaka yesterday.

Young start-ups get a boost from Dhaka chamber

GAZI TOWHID AHMED

Craft All BD, a producer of home decor items, has no showroom to display products though it saw a turnover of Tk 5 lakh last year, thanks to the social media.

"I am selling my products through a Facebook page," said Abul Kalam Azad, owner of the virtual shop.

Azad, who never tried for bank loans due to strict conditions, now plans to expand his business as he got a boost from a training programme offered by Dhaka Chamber of

Commerce and Industry.

He is now taking part in a twoday entrepreneurship and innova-

tion exposition that kicked off in Asia without any collateral for his financial institutions.

A total of 23 financial institutions and 25 entrepreneurs participated in the fair, co-organised by DCCI and Bangladesh Bank at Conference Centre.

Bangabandhu International The exposition is part of an ambitious plan of the Dhaka chamber to find 2,000 entrepreneurs from across the country and give them a platform, guideline and

much-needed financing to implement their innovative projects. Ali Ahmed, an entrepreneur, took a Tk 8 lakh loan from Bank

Dhaka yesterday aiming to create a project on palm oil production. bridge between entrepreneurs and The objective of his project is to received applications for three

increase palm oil production in the county, said Ahmed, a student of Daffodil International University who will plant palm trees in Bandarban. "We decided to finance his

project due to his confidence," said Iftekhar Ahmed, first assistant vice president at the SME department of Bank Asia.

knowledge of palm oil production," he said. "We have plans to finance this type of project in future."

Tareq Ahmed Salah Uddin

Khan, assistant general manager of MIDAS Financing, said they have projects from new entrepreneurs. "We will take a decision after screening the applications."

Daffodil International University (DIU) presented a project on biogas engine generator at the expo. Takayoshi Suzuki, a visiting professor of DIU from Japan, is looking after the project. "We are building a biogas plant

"Ali Ahmed has adequate on the Ashulia campus of the university for research purposes," Suzuki said. The plant with a production capacity of 12 kilowatts

will use biogas as fuel.

READ MORE ON B3

Focus on job-centric growth: analysts

STAR BUSINESS REPORT

The country should focus on job-centric growth in the post-MDG era to ensure equitable justice in the society, analysts

said yesterday. The post-millennium development goals should be set for achieving an equitable and inclusive society where all people would enjoy human rights and equal opportunities, said Mustafa K Mujeri, director general of Bangladesh

Institute of Development Studies. The post-2015 development agenda refers to a process led by the United Nations with the aim to help define the future global development framework that will succeed MDGs, a set of eight global development targets which will

come to an end in 2015. "An urgent priority for Bangladesh is to establish the basis for the future through pursuing prudent policies."

Such prudent policies include creating fiscal space to improve macroeconomic stability, avoiding crowding-out effects of public investment and ensuring financing of infra-

structure and social protection, he added. Mujeri spoke at a discussion on poverty reduction strategies and policies at the Bangladesh Economists Forum

conference. The Bangladesh Institute of Development Studies, the Policy Research Institute of Bangladesh and the Bangladesh Bank organised the two-day event in association with HSBC, Standard Chartered Bank and the Association of

Bangladesh Bankers. In the post-MDGs world, a realistic development agenda for Bangladesh must confront the issue of gaps in resources

in a more transparent manner, according to Mujeri. He said the current financing framework does not include financial resource flows towards the priority sector

explicitly. Closing the development gap in the post-2015 era will

require a substantial rise in expenditure on education, health and sanitation, he said

Siddiqur Rahman Osmani, an economics professor at the UK's University of Ulster, said the country should focus on the heath sector in the post-MDG development plan,

adding that the government should take appropriate steps to bring the poor under the health insurance coverage. "Health-related shocks can have a long-term effect on the

families. So it is time to focus on heath insurance." Osmani also urged the government to include more employment-based schemes in the social safety net

programmes in an attempt to alleviate poverty. Salman Zaidi, lead economist of the World Bank's Dhaka

office, called upon the government to develop special economic zones immediately for creating more jobs. Many global companies are relocating their factories

from China due to higher production costs, he said, adding that Bangladesh can grab this opportunity if it can develop the special economic zones soon. MAM Kazemi, adviser of Bangladesh Bank, stressed the

need for developing crop insurance in the post-MDG era, as

it is needed to protect marginal farmers from shocks.

READ MORE ON B3