

BD

BUSINESS

DHAKA SUNDAY AUGUST 10, 2014, e-mail:business@thedailystar.net



Garment workers of a factory in Ashulia report to duty as usual yesterday, defying a strike called by Tuba Group Sramik Sangram Committee, a temporary platform of 15 trade unions. Related story on page 16.

BGMEA doesn't stand by compliant factories

A former adviser says the platform represents opportunist sub-contractors

STAR BUSINESS REPORT

A former caretaker government adviser yesterday came down on the Bangladesh Garment Manufacturers and Exporters Association, the apex trade body for the garment sector, for its continued support to the sub-contractors who run noncompliant factories.

"The BGMEA does not represent the successful entrepreneurs who have already invested to ensure the safety of their workers. It only stands for the sub-contractors, who exploit the cheap labour force, and the politically-linked owners," said Hossain Zillur Rahman, a former caretaker government adviser.

He cited the Tuba Group as a case in point. "The owner of Tuba Group is a sub-contractor—why are the BGMEA and the government standing up for him?"

Rahman's comments came at a dialogue on the challenges facing the garment industry and ways to overcome them, jointly organised by Chintar Chash, a research firm, and The Dhaka Forum at the National Press Club in the capital.

When contacted, BGMEA President Atiqul Islam, however, said it is no longer possible to manufacture garments under the sub-contracting system, as the international retailers are wary of placing orders under the arrangement nowadays.

"We used to cater work orders under sub-contracting a few years ago. But, now we are facing a crisis of orders due to some oddities over the last two years. Perhaps, Hossain Zillur Rahman is not aware of the latest situation," he added.

READ MORE ON B3

Imports rise in political calm

SAJJADUR RAHMAN

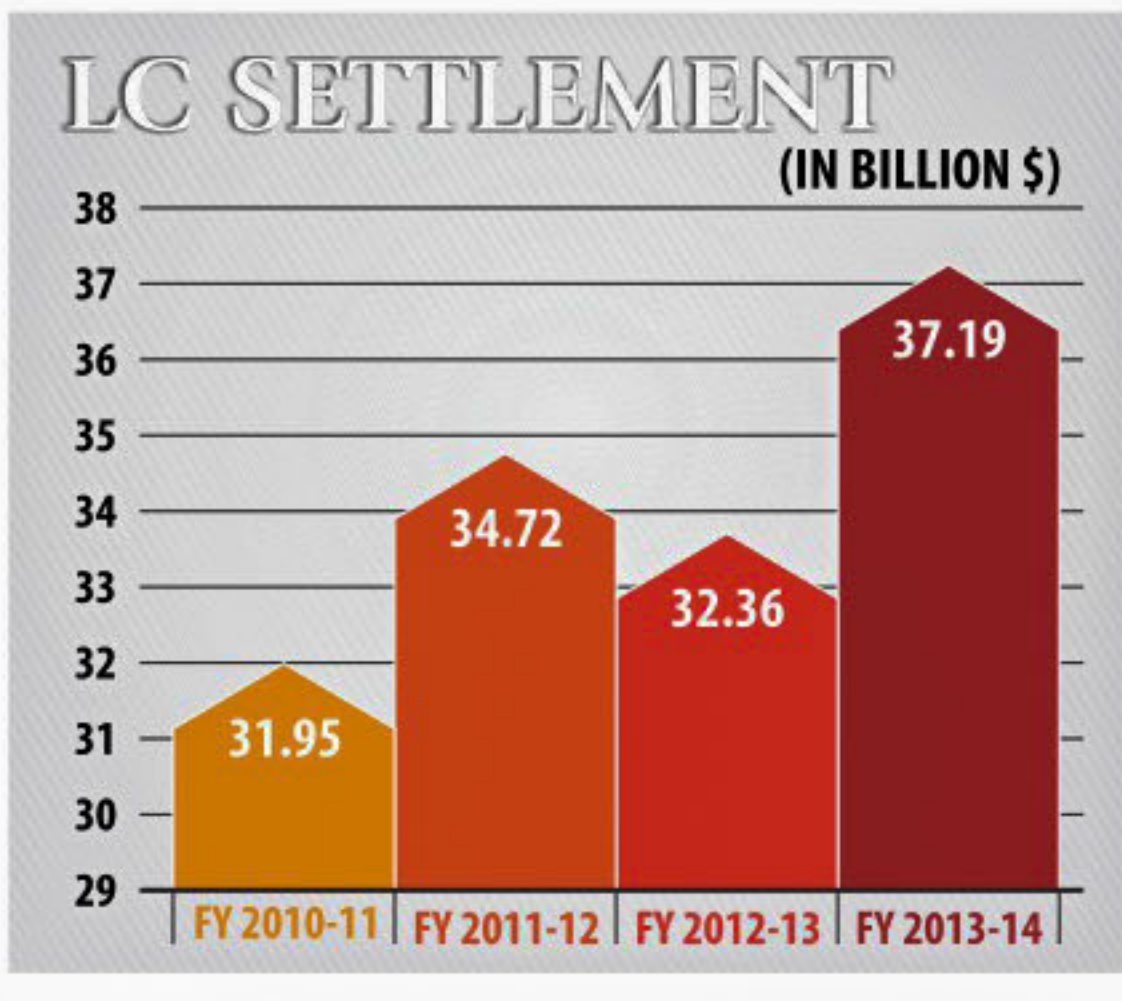
Imports increased significantly in fiscal 2013-14 indicating that the economy is gaining back its confidence lost to the 2012-13 political unrest.

Actual imports as indicated by settled letters of credit (LC) jumped more than 15 percent year-on-year to \$37.19 billion against opened LCs of \$41.82 billion that rose by 16 percent in fiscal 2013-14, according to Bangladesh Bank. The growth in settlement of LCs was negative by more than 7 percent in fiscal 2011-12 and 2012-13.

"The rise in imports is a good sign for the economy and it will have a positive impact on future investment and production," said Khondaker Golam Moazzem, additional research director of the Centre for Policy Dialogue (CPD).

Also, imports of food grains, particularly rice and wheat, capital machinery, industrial raw materials and petroleum grew in the immediate past fiscal year.

READ MORE ON B3



Nobel laureate Prof Muhammad Yunus, right, discusses social business with Senator Leoluca Orlando, mayor of Palermo, at the latter's office in Sicily's capital on Thursday.



Go tough on energy-guzzlers

PM's adviser calls for actions to rein in heavy usage of gas and electricity

STAR BUSINESS REPORT

The energy adviser yesterday called upon the industry regulator to consider tough actions against energy-guzzling consumers as the country continues to struggle to meet the gap between demand and supply of gas and electricity.

For the last six years, the Awami League government has been urging households, industries and other consumers to reduce their consumption of gas and electricity but in vain.

"Now, the time has come to provide them a deadline, through legal measures, for becoming energy efficient," Taufiq-e-Elahi Chowdhury, energy adviser to the prime minister, said during a seminar at Petrobangla office in Dhaka.

He said the consumers must be told that if they fail to improve their energy efficiency within the set deadline, they would be disconnected from the supplies.

The energy adviser, however, did not mention the timeframe. Rather, he requested the Bangladesh Energy Regulatory Commission (BERC), whose chairman was present at the seminar, to look for options.

Chowdhury said international experts also suggested that efficient usage can save up to one-third of energy.

The energy, power and mineral resources ministry and Petrobangla organised the seminar to mark the fifth National Energy Security Day.

The government declared August 9 National Energy Security Day, as on this day in 1975 Bangabandhu Sheikh Mujibur Rahman bought five gas fields from Shell Oil Company at only £4.4 million -- a decision that is largely credited for meeting the country's energy needs over the last four decades.

State Minister for Power and Energy Nasrul Hamid said keeping coal underground would be of no good to the country.

Bangladesh is sitting on a coal reserve of more than three billion tonnes, whose heat generation capacity is equivalent to 37 trillion cubic feet of gas, according to official statistics.

"We have been able to produce only 2 percent of our total electricity from coal although we have huge reserves of high-quality coal, whereas India produces 60 percent of its electricity from coal," said Sirajur Rahman Khan, director general of Geological Survey of Bangladesh.

READ MORE ON B3

Loans to spice sector rise 8pc

STAR BUSINESS REPORT

Loan disbursement for the spice sector increased only 8 percent last fiscal year in spite of a big subsidy for the sector.

In fiscal 2013-14, banks gave around Tk 81 crore in loans to the spice sector against the target of Tk 91.18 crore.

The loans to the sector come with an interest of only 4 percent, as the government gives the banks a 6 percent subsidy against the loans.

The government introduced the subsidy for the sector in fiscal 2009-10 with the aim to cut spending of foreign currency and to lower the price of spices.

At the beginning, only the public sector banks were giving the loans but later private and foreign banks were included in the programme.

Despite the low interest rate, the banks are not disbursing loans as per the targets set for them, much to the central bank's disappointment.

READ MORE ON B3

Yunus invited to launch social business in Italy

STAR BUSINESS REPORT

The mayor of Palermo, an Italian city, has shown keen interest to set up a social business to address the problem of youth unemployment.

The willingness of Senator Leoluca Orlando on launching the business in line with the new business concept pioneered by Nobel laureate Prof Muhammad Yunus was disclosed during a meeting with the Bangladeshi economist in Sicily's capital on Thursday.

The mayor, already well-informed about social business, called upon Prof Yunus to apply the business idea in a joint project for women and youth with the use of assets confiscated from mafia, according to a statement from Yunus Centre in Dhaka yesterday.

Mayor Orlando has successfully clamped down on the notorious mafia of Palermo, and has confiscated a large part of its assets.

During his visit to the mayor's office, about 50 Bangladeshis met the founder of Grameen Bank.

The mayor said the Bangladeshi community has become the largest foreign community in Palermo.

There are more than 10,000 Bangladeshis in the city. Of 21 city council members, three are from Bangladesh, who also joined the mayor in his discussion with Prof Yunus.

The University of Palermo, with 50,000 students, also offered to confer an honorary degree to Prof Yunus during his next visit.

The university's rector expressed interest in getting his faculty members and students involved in social business project in Palermo, according to the statement.

@

%

interest*

24/7 MTB CONTACT CENTRE
16219 or 09604016219

www.mutualtrustbank.com

Introducing **FlexiPay**

Enjoy flexible payment facilities through your MTB Credit Card with up to 24 EMLs

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড

Mutual Trust Bank Ltd.

you can bank on us

মুদারাবা নিউ জেনারেশন

সমৃদ্ধি হিসাব

প্রজন্ম

কলেজ বিশ্ববিদ্যালয়ের শিক্ষার্থীদের জন্য

ফ্রি এটিএম কার্ড ও চেক বই

www.fsibbd.com

যোগাযোগ : ০১৭৩০ - ৩১৬১৬৮, ৯৮৯২২২১

স্বপ্নের জন্ম

স্বপ্নসময়

FSIB

ISLAMIC BANK

ফাস্ট সিকিউরিটি

ইসলামী ব্যাংক

লিমিটেড

The Daily Star

Lamudi.com.bd

HOT-ESTATES

Five featured properties of this week

Powered by:

CROWN

CEMENT

FOR SOLID FOUNDATION

2150 sq-ft. 3 Bedroom apartment with 4 Baths & 1 Car Spaces for Sale in Landmark Aditiyo, Mirpur DOHS

http://www.lamudi.com.bd/2150-sq-ft-type-a-3-bedroom-apartment-for-sale-in-landmark-aditiyo-mirpur-dohs-17043-28.html?product_owner=638&dir=desc

4036 sq-ft. 4 Bedroom apartment with 5 Baths & 1 Car Space for Sale in Suvastu Zahara, Dhanmondi

http://www.lamudi.com.bd/4036-sq-ft-type-a-4-bedroom-apartment-for-sale-in-suvastu-zahara-dhanmondi-17462-28.html?product_owner=5478&dir=desc

1510 sq-ft. 3 Bedroom apartment with 3 Baths & 1 Car Space for Sale in SEL Nirvana, Bashundhara

<http://www.lamudi.com.bd/1510-sq-ft-type-a3bed-apt-for-sale-in-sel-nirvan-abashundhara-3938-28.html?special=all&dir=desc>

424 sq-ft. 1 Bedroom Apartment with 1 Bath & 1 Car Space for Sale in Alsharifine Abdullah Tower, Chittagong

http://www.lamudi.com.bd/424-sq-ft-type-a-1-bedroom-apartment-for-sale-in-alsharifine-abdullah-tower-chittagong-16237-28.html?region=16&s_category=25&dir=desc

141 sq-ft. Commercial Space (Shop) with 1 Car Space for Sale in Doric Rahima Taz Tower, Natunbazar, Dhaka, Baridhara

<http://www.lamudi.com.bd/141-sq-ft-commercial-space-shop-for-sale-in-rahima-taz-tower-3330-18.html>

**This is a promotion only. Buyers must examine the properties before they make an agreement. The Daily Star and lamudi do not take any responsibilities of the contracts or agreements made between buyers and sellers.