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BUSINESS

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BB injects more funds into scheme for slum dwellers

STAR BUSINESS REPORT

The repayment rate under the “Ghore Phera” programme for slum dwellers has been very high, a development which prompted the central bank yesterday to put another Tk 2 crore into the scheme. Introduced in 1999 by the Krishi Bank with the aim to rehabilitate slum dwellers back to their native villages, the programme has so far seen recovery rates of 87 percent, according to Md Abdus Salam, the bank's managing director.

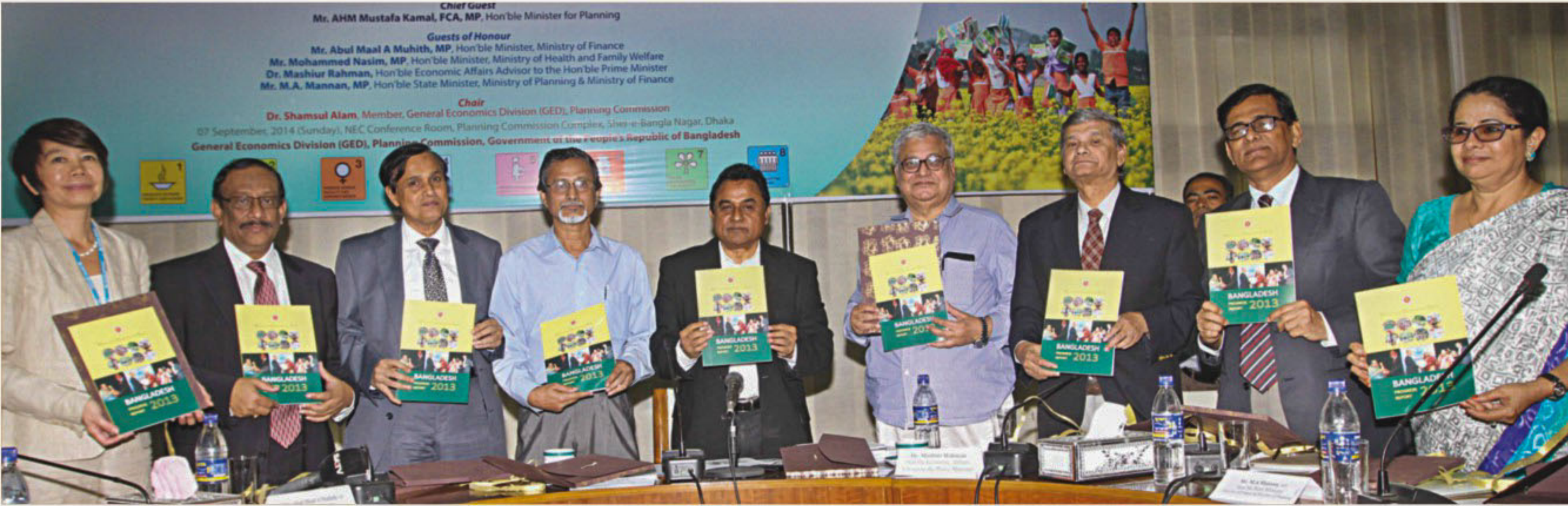
The loan carries a 6 percent simple interest payable in 10 years in 120 instalments.

So far, 970 individuals have been rehabilitated in their own villages, he said, adding that 30 percent of them later returned to cities in search of employment.

At an agreement-signing programme yesterday at the Bangladesh Bank headquarters, Atiur Rahman, governor of the central bank, said more funds would be made available for the scheme.

Thanks to the fund injection, the guideline of the loan programme has been changed and the ceiling upped, Salam said. Earlier, a person could take a maximum loan of Tk 50,000 but now the ceiling will be raised to Tk 1 lakh.

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Middle, Planning Minister AHM Mustafa Kamal unveils the country's progress report on Millennium Development Goals at the National Economic Council in Dhaka yesterday. Mashiur Rahman, economic affairs adviser to the prime minister; MA Mannan, state minister for planning and finance; Pauline Temesis, country director of UNDP; and Rasheda K Chowdhury, a former caretaker government adviser, are also seen.

Rich nations under fire for not living up to MDG promises

STAR BUSINESS REPORT

Developed economies yesterday came under fire for failure to meet their financial commitments to Bangladesh to help the country achieve its Millennium Development Goals (MDGs) by the next year's deadline.

Prime Minister's Economic Affairs Adviser Mashiur Rahman said the MDGs were a “wishful plan”: developed economies fancied helping out but did not actually do so.

“As a result, the inputs that would help the whole world realise these goals are

not there.”

The rich countries have committed to providing 0.7 percent of their gross national product to the developing and least-developed countries as official development assistance to help them achieve MDGs.

Had they done so, the world could make dramatic progress in the fight against poverty and end extreme poverty within a generation, according to the United Nations.

Between 1990-1991, the base year for the global set of goals, and 2012-13, the country received on average \$633 million

grants and \$1.04 billion loans a year, according to the Millennium Development Goals: Bangladesh Progress Report released yesterday.

But the funds were insufficient for achieving the eight targets set by the United Nations, the report said.

Planning Minister AHM Mustafa Kamal unveiled the report along with Rahman, MA Mannan, state minister for planning and finance, and Pauline Temesis, country director of the United Nations Development Programme.

Of the 34 countries of the

Organisation of Economic Cooperation and Development, only eight provided \$624.9 million to Bangladesh in 2012-13, which is only 22.23 percent of the total foreign assistance the country received that year.

Still, the country has managed, or is on track, to achieve the first five goals of the MDGs, the report said.

In the face of inadequate financial assistance from external sources, the country has made public investment to achieve the MDGs, according to Mannan.

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Ministry to hire 120 factory inspectors by Oct 20

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The government marked October 20 as the deadline to recruit 120 factory inspectors to fulfil the conditions of an action plan provided by the US, in an effort to win back trade privileges from the Obama administration.

The labour and employment ministry has managed to recruit only 59 inspectors in two categories so far. The ministry missed its target to employ 200 officials by December 2013.

“We have fulfilled almost all conditions set by the US to regain the GSP,” said Hedayetullah Al Mamoon, senior secretary to the commerce ministry.

The commerce ministry yesterday held a meeting on social compliance in the garment sector, chaired by Tofail Ahmed, commerce minister, at the secretariat office in Dhaka.

“We will complete the recruitment by October 20 and we will submit the progress report to USTR [United States Trade Representative] in November to regain the GSP status,” Mamoon said.

Bangladesh has fulfilled almost all other conditions set by the US and the Public Service Commission (PSC) will recruit the factory inspectors from the pending list of BCS (Bangladesh Civil Service) examinees, he said.

At present, there are 135 inspectors against a requirement of 575, according to the labour ministry. “We have taken action on almost all of the 16 points on that list,” Ahmed said.

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Govt to step up seed market monitoring

Workforce at Seed Certification Agency to double

SOHEL PARVEZ

The government, after decades of neglect, has decided to more than double the manpower of its Seed Certification Agency to oversee the growing seed market.

The agency, which is responsible for quality control of all kinds of seeds, has only 30 field officers in 30 zones and four regional officers to certify seeds and monitor sales.

With the new appointments, the agency will have 64 field officers for seed certification in all districts along with seven regional field officers.

The total manpower of the agency will reach 569, including other staff members, from 223 now, its Director Md Golam Ambia said.

“After the increase in manpower, we will be able to better monitor the seed market to ensure quality,” Ambia said.

Established in 1974, the agency's main responsibility was to monitor the quality of seeds produced by Bangladesh Agricultural Development Corporation (BADC).

But its work areas widened manifold in the face of rising production

and sales of seeds by private and public sectors as well as farmers' shift to commercial cultivation.

The supply of seeds by public and private organisations stood at 2.67 lakh tonnes in fiscal 2012-13, which was only around one lakh tonnes a decade ago, according to the agriculture ministry.

However, the Seed Certification Agency's monitoring and surveillance remain weak despite repeated complaints from farmers of being cheated by unscrupulous traders who sell substandard seeds.

Of late, farmers in the northern district of Panchagarh filed complaints with the local administration and agriculture office against a seed trader in their neighbourhood for selling substandard seeds of aman rice.

Insiders said, in absence of monitoring, a section of traders mix low quality seeds with new stocks, sell high yielding variety seeds in the name of hybrid seeds, counterfeit the agency's tags and sell non-seed or edible produce as seeds.

There is a lack of monitoring in ensuring proper production, preser-

vation and processing of seeds by private firms, they said.

Except for BADC and a few private firms and non-governmental organisations, many seed firms do not have proper production, cold storage and processing facilities, the insiders said.

Currently the agency can check quality of only 7 percent of the 12.50 lakh tonnes of seeds used by farmers a year.

Of the 2.67 lakh tonnes of seeds supplied by BADC and private firms during fiscal 2012-13, 88,245 tonnes were certified by the agency.

The rest of the seeds supplied by BADC and private firms are termed truthfully labelled seeds (TLS) for which no certification is required.

Ambia, the director of the agency, said they cannot test TLS seeds due to a lack of manpower.

Md Abdur Razzaque, former executive chairman of Bangladesh Agricultural Research Council, said strong monitoring is necessary to ensure that farmers get quality seeds.

“Good agriculture practices are important for quality seed production. But it is not followed properly in absence of proper monitoring,” he said.

Exports rise 7pc, but miss target

OVERSEAS SALES

In billions of \$



SOURCE: EPB

REFAYET ULLAH MIRDHA

Exports rose 7.25 percent year-on-year to \$2.15 billion in the month of August on the back of a rebound in garment shipments.

The receipts are about 28 percent less than July's collections and missed the monthly target by \$457 million, according to data from the Export Promotion Bureau.

Garment products, by far the biggest contributor to the export receipts, raked in \$1.71 billion last month, up 4.27 percent year-on-year.

Atiqul Islam, president of the Bangladesh Garment Manufacturers and Exporters Association, said apparel exports in August should have been more. “But we could not do this because of some domestic problems.”

“The export trend is still good. We are hopeful that the target will be achieved at the end of the fiscal year,” said Shubhashish Bose, vice-chairman of EPB.

The export target of \$33.20 billion for fiscal 2014-15 is 10 percent over last fiscal year's actual receipts, he said. “So, the target is very much achievable.”

The total export earnings in the first two months of the fiscal year was \$5.14 billion, which, although an increase of almost 2 percent year-on-year, is 10.12 percent less than the target for this time of the year.

Shurwid debuts on twin bourses today

STAR BUSINESS REPORT

Shurwid Industries, a PVC products manufacturer, will begin share trading on the Dhaka and Chittagong stock exchanges today.

The company floated 1.4 crore shares of Tk 10 each through initial public offering (IPO) to raise Tk 14 crore, which are being used for factory building expansion, machinery, gas generation purchases and bank loan repayment.

Shurwid will be the 26th listed firm in the engineering sector that accounts for around 4 percent of the premier bourse's total market capitalisation.

ICB Capital Management managed the IPO approved by Bangladesh Securities and

Exchange Commission on April 1.

The company's net profit was Tk 2.54 crore in the nine months through March, with basic earnings per share of Tk 0.81.

However, the company's post-IPO basic EPS was Tk 0.56 and net asset value per share Tk 13.4 in the same period. The Dhaka Stock Exchange gave the go-ahead to the listing of the company on August 14.

Shurwid Industries makes high-barrier PVC blister film for sensitive drugs, food packing industries, blister packs for tooth brushes, garments accessories, toys and electronics.

The company also produces food grade disposable PVC items such as water cup, lunch box, plates and biscuit trays.

Safe workplaces to boost exports: envoys

STAR BUSINESS REPORT

Bangladesh must ensure safe workplaces and a strong regulatory regime to see more exports, diplomats said yesterday.

A safe working environment is essential not only for the garments industry, but for other sectors as well, said British High Commissioner Robert Gibson.

Bangladesh's garment sector still has tremendous potential to increase export earnings, as many global retailers are now showing an interest in buying products from the country, he added.

Gibson spoke at a ceremony to hand over 95 motorcycles to factory inspectors, co-organised by the labour ministry and International Labour Organisation at the Cirdap auditorium in Dhaka.

Bangladesh will be able to attract more foreign investment if the country could ensure the rule of law, he said. “It needs to ensure that the regulatory regime is clear, transparent and effective.”

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Workers go on hunger strike to oust Saif Powertec from Ctg port

STAFF CORRESPONDENT, Ctg

A section of workers at Chittagong Port went on a hunger strike yesterday to press home their demand for removing Saif Powertec from container handling activities.

The workers also demanded blacklisting of the firm for its alleged corruption.

Saif Powertec has grabbed a major portion of the container handling activities by influencing some port officials, Awami League's Chittagong city unit President ABM Mohiuddin Chowdhury

told a rally during the strike in front of the port's administrative building.

“The company is now plotting to damage the port,” he said.

The workers organised under the banner of Chattagram Bandar Raksha Parishad that comprises eight worker and staff unions.

Chowdhury, also the convener of the Parishad and a former mayor of Chittagong City Corporation, launched the movement against Saif Powertec through a rally on August 27.

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