

# 12 Asia-Pacific LDCs join Dhaka conference today

STAR BUSINESS REPORT

A three-day regional conference will start in Dhaka today to identify the sectors that need more investment to flourish and help 12 least developed countries graduate to middle-income nations.

The event will also focus on financial deficits of Asia-Pacific LDCs and ways to find new domestic and international investors to reach the goal by 2020.

The Economic Relations Division in association with the United Nations Economic and Social Commission for Asia and the Pacific, and the United Nations Department of Economic and Social Affairs will organise the event at Sonargaon Hotel.

Fifty-five policymakers from Afghanistan, Bangladesh, Bhutan, Cambodia, Kiribati, Laos, Myanmar, Nepal, Solomon Islands, East Timor, Tuvalu and Vanuatu will take part in the event.

The participants will discuss the

ways to identify the financing challenges and develop the strategy to get the status of a middle-income country, ERD Secretary Mohammad Mejbahuddin said.

The countries will also discuss the recently updated criteria for the middle-income country status and recommend key policy measures in resource mobilisation and utilisation, Mejbahuddin said.

Participants will analyse the progress in achieving sustained economic growth, reducing poverty and inequality, investing in social and physical infrastructure, diversifying exports, utilising development finance, fostering human resources development and improving institutional capacity, he said.

A country needs to progress in three indices, including gross national income, human asset and economic vulnerability, to become a middle-income country.

"The current per capita income threshold is \$1,190 set by the United Nations, which the country

has already achieved. But the threshold is reviewed every three years and the next review period is 2015 when the threshold may be increased," he said.

Bangladesh is very close to the criteria of human asset index, he said.

But the country is currently lagging in economic vulnerability index, which is also achievable by 2020, he said.

The government has also prepared a graduation strategy for coming out from the LDC category and a high-powered committee led by cabinet secretary was formed to oversee and guide the implementation of the strategy, according to the ERD.

There are 48 countries in the LDC category. The UN has a plan to graduate at least 24 countries from least-developed group.

Bangladesh will not lose trade benefits currently it gets from many advanced countries, if it gets the status of a middle-income country, Mejbahuddin said.

# Pan-Pacific trade pact taking shape: Australia

AFP, Sydney

Australia's Trade Minister Andrew Robb said Monday the shape of an ambitious pan-Pacific trade agreement was "crystallising", with the 12 nations involved making further progress on market access negotiations.

Robb said at the end of the three-day talks in Sydney that trade ministers had laid the groundwork for the conclusion of the Trans-Pacific Partnership (TPP) deal, which would encompass 40 percent of the global economy.

"Over the course of our weekend meeting, we have spent a considerable portion of our time in one-on-one discussions," Robb, who is hosting the Australian-leg of the discussions, said in a statement Monday.

"That has allowed us to make further progress in the negotiations on market access for goods, services and investment.

"We consider that the shape of an ambitious, comprehensive, high-standard and balanced deal is crystallising."

The TPP deal has been the subject of discussions for several years, with negotiations slowing while the United States and

Tokyo debate key details, including Japanese tariffs on agricultural imports and US access to Japan's auto market.

Even so, US President Barack Obama said in June he hoped to have an agreement on framing the deal by November, when he is expected in the region for the Asia-Pacific Economic Cooperation forum in Beijing and the G20 summit in Brisbane.

Robb said negotiators were making "significant progress" in both the market access and trade and investment rules discussions, and were to consult within their own countries and with each other to "resolve outstanding issues".

Supporters of the trade deal say it will free up trade in the region, reduce regulation and increase job opportunities. But opponents argue it would benefit big business rather than the general public, and lead to a rise in the price of medications, fewer Internet freedoms and environmental damage.

The 12 prospective TPP members are Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam.

# Vodafone probing 'tax fraud' at Spanish unit Ono

AFP, London

Mobile phone giant Vodafone said Monday it was investigating allegations of tax fraud at its recently-acquired Spanish unit Ono.

It comes after a recent report in Spanish newspaper El Pais that cable company Ono had failed to declare an amount of value-added tax in alleged fraud before Vodafone's takeover earlier this year.

Vodafone said that as soon as it became aware of the issue, the company "instigated a forensic audit to investigate the facts relating to the alleged fraud".

"As this matter remains under investigation, we cannot comment further," it said.

The British firm purchased Ono for 7.2 billion euros (\$9.13 billion).



IPDC

**Kazi Samiur Rahman, head of retail business at Industrial Promotion and Development Company (IPDC), and Mohammad Shahedul Alam, executive vice president of the company secretariat and regulatory affairs of Robi Axiata, attend the signing of a deal at a programme recently for Robi employees to enjoy exclusive discounts and privileges on financial services from IPDC.**

# China shows the way for poverty cuts

FROM PAGE B1

"All these policies and actions helped China improve significantly in health, education, infrastructure, agriculture and income indicators," Ting said.

He said institutionalisation of rural poverty reduction strategies, including financial arrangement and community-based programmes had played an important role in slashing poverty.

Ting also focused on how China diversified its policies and priorities for different provinces based on their competitive advantages.

Yet, there are challenges that include large-scale poor people and the gap between urban and rural people.

Prof Wang Libin, head of International Students Department of China Agricultural University, presented a paper on gender issues based on China's experiences in dealing with poverty reduction.

Women in China lag behind men on different indicators, including income, land ownership, access to resources, and family decision making process, she said.

Wang said the government has implemented a series of policies in the last two decades to bring them into the mainstream development process.

Mahfuz Anam, editor and publisher of The Daily Star, said Bangladesh can learn a lot from China on how to deliver on developments.

"Here lies the biggest difference between China and Bangladesh," he said.

The next lesson Bangladesh can get from China is decentralisation of decision making, followed by how to make top leadership accountable, how to transfer power and finally, commitment to the people, Anam said.

Farah Kabir, country director of ActionAid, said Bangladesh has been developing, but it is not for the government, for the people themselves. She said Bangladesh can learn from China for faster and coordinated development.

Munshi Faiz Ahmad, former ambassador to China, said rapid economic reforms helped people in China to work hard and make money for them.

ActionAid completed 30 years in Bangladesh this year and is organising seminars, dialogues and cultural events in divisional cities as part of its celebrations.

# Strike at twin US ports slows Bangladesh shipments

FROM PAGE B1

Shipments from Bangladesh for American Eagle, Ralph Lauren and Carter's have been stuck for over two weeks at the US port, Reuters quoted an apparel importer as saying who declined to be named.

"We simply don't know when these shipments will move out," the source said. An American Eagle spokeswoman declined comment on the delays, Reuters said.

Wal-Mart, Kohl's, Ralph Lauren and Carter's did not respond to requests seeking comment, according to Reuters.

Statistics from the PMA, which represents 29 ports along the west coast of the US, show hours paid to terminal workers jumped 24 percent this September over the same month last year.

Last month, 750,850 inbound containers arrived at the Los Angeles/Long Beach complex, up almost 11 percent from a year ago, the port statistics show.

# Stocks leap back to black upon price correction

STAR BUSINESS REPORT

Stocks returned to the black yesterday as investors went on a buying spree to take advantage of the last three days' correction.

Over the last three days, the market lost 122 points.

DSEX, the benchmark general index of the Dhaka Stock Exchange, yesterday gained 45.60 points, or 0.89 percent, to close at 5,157.

DSES, the shariah index of the Dhaka bourse, rose 8.02 points, or 0.66 percent, to close at 1,213.

After opening the day with a mood for consolidation, stocks have moved mostly upwards at the end of the day, LankaBangla Securities said, adding that the market has responded positively to earnings news from various companies.

Banks and power stocks particularly rose upon expectations of higher fourth-quarter revenues, the stockbroker said.

Turnover, the most important indicator of the market, declined 4.6 percent from the previous day to Tk 505 crore.

A total of 0.96 lakh trades were executed, with 10.09 crore shares and mutual fund units changing hands on the premier bourse. The gainers took a strong lead over the losers, of 184 to 86, with 33 issues remaining unchanged on the DSE floor.

Among the major sectors, fuel and Power lost 0.6 percent, while pharma and chemicals gained 0.6 percent, banks 1.4 percent and telecoms 2.1 percent. Grameenphone was the most traded stock of the day with its transaction of 10.22 lakh shares worth Tk 39 crore. It was followed by MJL Bangladesh, Square Pharma, Brac Bank and Lafarge Surma.

Shahjibazar Power Company was the biggest gainer of the day, posting 9.97 percent gain, while First Lease Finance and Investment was the biggest loser, dropping 7.51 percent.

# Bangladesh re-elected member of ITU council

FROM PAGE B1

Bangladesh's re-election also reaffirms recognition of the government's globally acclaimed vision of a Digital Bangladesh, a flagship development and poverty reduction priority of the government.

Bangladesh has gone ahead of a number of countries to win this position in the election, which is a testament to global support for Digital Bangladesh vision, Zunaid Ahmed Palak, ICT state minister, told The Daily Star by phone from Busan.

"Through this council membership, Bangladesh will take part in the important decision making processes of the regulatory authorities in this region."

He said the position at ITU will help Bangladesh in various international matters as the country is going to build submarine cable or is in a process of launching satellite into space.

"The ITU council membership will also create positive branding for the country," Palak said.

"We are very happy to be elected as an executive member of ITU with a good number of votes," said Sunil Kinti Bose, chairman of Bangladesh Telecommunication Regulatory Commission, over the phone from South Korea yesterday.

Md Sarwar Alam, secretary of BTRC, said 17 countries took part in the election to elect members of a 13-member union for this zone of the ITU. Bangladesh got 115 votes as 176 votes have been cast out of a total of 193 member country voters, he added. Two-time Deputy Secretary General Houlin Zhao of China has been elected the next ITU secretary general and Malcolm Johnson of the United Kingdom has been elected as deputy secretary general.

# Terry towel exporter: Big things start small

FROM PAGE B1

Terming the business growth in Bangladesh as fast and satisfactory, he went on to credit the leadership of Mohammed Sulaiman, Premier 1888's managing director, for it.

Part of US-based 1888 Mills, a leading global manufacturer of bath, bedding and commercial apparel with manufacturing plants in Georgia in the US and Karachi in Pakistan, the company benefitted immensely from this association, Wijekoon said.

"We obtained technical, logistical and commercial support to help us overcome the many challenges we faced."

Going forward, the main challenge for the company is to nullify the low-cost products from India, China and Vietnam, said Wijekoon, a Sri Lankan national.

The company plans to update its production facilities, which, Wijekoon expects, would not only increase its production capacity but also improve the quality of its products, which include bath towels, hand towels, wash cloth and hooded baby towels. At present, the fully export-oriented towel manufacturing company employs more than 6,000 workers and experts. The workers receive education and their children stipend from the company, he said.

It harvests rainwater, an initiative which has brought down its water supply usage by 21 percent. It also has three effluent treatment systems for effective waste treatment.



PRIME BANK

**Ahmed Kamal Khan Chowdhury, acting managing director of Prime Bank, launches Monarch, a premium banking service proposition at a programme at a Monarch premium lounge at SPL Western Tower in Tejgaon, Dhaka yesterday. Habibur Rahman, deputy managing director, was also present.**

# Australia green energy firms hit by target cuts

BBC NEWS

The Australian government has never hidden its scepticism about climate change or renewable energy but its decision last week to cut support for cleaner energy sources still left the renewable energy industry reeling.

Earlier this year, Stacy Nichols' small electrical business on Queensland's Gold Coast employed six people.

By the time the Australian government announced on 22 October its intention to reduce its support for renewable energy, she was down to just two staff. "I have a van set up for solar work sitting on the street, with no solar work or staff due to [Prime Minister] Tony Abbott," Ms Nichols says.

The many companies, such as Ms Nichols' firm, that are involved in the burgeoning renewables industry - mostly wind and solar power operators - were devastated by the government's announcement that it would cut its target of generating 41,000 gigawatt hours (GWh) a year of renewable energy by 2020 to 27,000 GWh a year.

The government says the cut in the Renewable Energy Target (RET) takes account of a decline in overall demand for electricity that has been sparked, in part, by higher power prices. It also says the lower target will provide certainty to the renewables sector. Uncertain future

The decision is not as drastic as it could have been. A government-commissioned review by businessman and climate change sceptic Dick Warburton had proposed, as one option, scrapping the RET altogether.

However, the new target still has to make its way through parliament either with the support of the Labor opposition

or of a number of independent senators in the Upper House - neither of which is a sure thing.

Until that is settled, businesses such as Ms Nichols' are facing an uncertain future.

"We were growing," the mother of two young children said of their family business. "We were looking to put on more people and get another van."

Her company, Infinite Lighting & Electrical, decided to specialise in solar electricity work just two years ago as the industry encouraged its members to pursue solar power in a political climate where the sector was supported by an RET entrenched in legislation by the previous Labor government.

Ms Nichols invested heavily in training and certification for her staff.

But months ago, when it became clear the government would cut or dump the target RET, business began to dry up, she says.

It is not only small operators who have been hurt. One of Australia's largest wind turbine tower producers, Keppel Prince Engineering in Victoria, announced last Thursday it had sacked 100 workers because of the government's RET decision.

A number of large-scale renewable energy producers had already been affected by the conservative government's lack of commitment to renewable energy, says the sector's peak body, the Clean Energy Council.

In July, clean energy solutions provider Pacific Hydro cut its staff by 10%; Hydro Tasmania has said the government's scrapping of the carbon tax would significantly cut into profits, and US company, Recurrent Energy, has reportedly closed its Australian office.



GLORIA JEAN'S COFFEE

**Gloria Jean's Coffee Bangladesh, a sister concern of Navana Foods Bangladesh and part of Gloria Jean's Coffee Australia chain, celebrates its second anniversary at its Gulshan outlet in Dhaka recently. Shajedul Islam, vice chairman of Navana Group, and Murshed Elahy, head of operations at Navana Foods, were also present.**



MARCEL

**Amin Khan, brand ambassador of Marcel, inaugurates an exclusive showroom of the company on SSK Road in Feni recently. Md Humayun Kabir, executive director for public relations and media, was also present.**