

UAE teams to scope out infrastructure investment

DIPLOMATIC CORRESPONDENT

Two high-powered delegations from the United Arab Emirates will arrive in Dhaka early next year to scrutinise investment prospects in the country, like the construction of a third seaport in Patuakhali and of the 285km long marine drive project.

Foreign Minister AH Mahmood Ali said this to the press yesterday, while updating about Prime Minister Sheikh Hasina's October visit to the UAE in October this year.

Hasina urged DP World Chairman Sultan Ahmed Bin Sulayem to invest in the seaport in Patuakhali and in the Mirsarai-Teknaf marine drive project.

Later, the government sent formal proposals for the projects to UAE.

"We are now in discussion with DP World and another company, Mubadala, for Paira Bandar and Marine Drive projects," Ali said.

DP World has a portfolio of more than 65 marine terminals across six continents, including new developments underway in India, Africa, Europe and the Middle East.

Mubadala is an investment and development company supporting the diversification of the UAE by investing in key social

infrastructure projects and creating globally integrated industry sectors in Abu Dhabi.

Focused on investment and development across multiple sectors, Mubadala's portfolio is valued at \$60.8 billion.

Ali also said transit visa complexities for Bangladeshi seamen that need to land at UAE ports including Dubai will also be removed.

Many international shipping companies recruit Bangladeshi seamen and ask them to join and board ships from the Dubai port while the ship is docked there for a few days, according to the foreign ministry.

But as UAE does not allow transit for the Bangladeshi nationals, the sailors cannot join the ship in Dubai, and lose the jobs to other nationalities.

The foreign minister discussed the issue with his UAE counterpart on the sidelines of an anti-piracy conference held in Dubai on October 28-29. The prime minister also highlighted the subject.

"The UAE government is now looking into the matter, and we hope these complexities will be removed soon easing the entire process," Ali said.

Workers' strike continues at private jetties in Ctg

STAFF CORRESPONDENT, Chittagong

Workers' strike under Ghat Gudam Sramik Union continued for the second day at private jetties on the bank of Karnaphuli river yesterday, halting unloading of goods from lighter vessels.

The workers led by Md Idris Ali Hawlader, convener of the union, called the strike at 16 such jetties to push their nine-point demands, including a 50 percent wage hike.

However, another faction of the union resumed work at four other jetties in the area on the day.

In the morning, the two factions clashed over the strike and police picked up Hawlader from the scene to disperse the demonstrators.

Police Inspector Abul Kalam said they immediately dispersed the workers and none was hurt.



Ashiqur Rahman, country manager of Carmudi, and Russell T Ahmed, senior vice-president of Bangladesh Association of Software and Information Service, attend the re-launch of Carmudi's web platform in Bangladesh, at a programme on Saturday.

Moody's downgrades Japan credit rating

AFP, Tokyo

Moody's downgraded its credit rating for Japan on Monday, citing "rising uncertainty" over the country's debt situation and Prime Minister Shinzo Abe's faltering efforts to kickstart growth.

The ratings agency said it cut Japan's rating by one notch to A1 from Aa3, just two weeks before an election and after the economy sank

into recession during the July-September quarter.

Last month Abe announced that a planned sales tax rise set for next year would be delayed, as he called a snap election described as a referendum on his "Abenomics" growth blitz -- although observers said it was more likely aimed at consolidating his power ahead of a party leadership vote next year.

Tokyo raised the sales levy in

April -- to 8 percent from 5 percent -- for the first time in 17 years, to help pay down one of the world's largest public debt mountains.

The levy rise delivered a body blow to Abe's efforts to rev up growth, just as the world's number three economy appeared to be turning a corner after years of deflation.

"The first driver for the downgrade... is the rising uncertainty over

whether the government's medium-term deficit reduction goal is achievable, and whether policymakers can overcome the tensions inherent in promoting growth while simultaneously stabilising and reversing the rising debt trajectory," Moody's said in a statement.

But postponing the fresh tax rise to 10.0 percent, initially planned for late 2015, "poses risks" to Japan's fiscal health, Moody's said.



Habibur Rahman, deputy managing director of Prime Bank, and Shagufa Anwar, general manager for business development at Apollo Hospitals, attend the signing of an agreement recently for zero interest loan package from the bank.



Abdullah Bin Naser Al Busairi, outgoing Saudi ambassador, receives a crest at a reception from Abu Nasser Muhammad Abdus Zaher, chairman of Islami Bank Bangladesh, in the capital on Saturday. Mohammed Abdul Mannan, managing director of the bank, was also present.

Global accolade for Dhaka Bank's head of communications

STAR BUSINESS DESK

Khandaker Anwar Ehtesham, head of communications and branding at Dhaka Bank, has won the Most Talented Global Marketing Leader Award 2014 from World Marketing Congress, the bank said in a statement yesterday.

The World Marketing Congress is strategically partnered by CMO Asia, World Brand Congress, and World CSR Day, according to the statement.

The names of the awardees were announced at a programme at Taj Lands End Hotel in Mumbai, India recently. Ehtesham has more than eight years of professional experience in marketing, communication, branding and public relations.



Russian ruble suffers worst fall since 1998

AFP, Moscow

The beleaguered ruble on Monday recorded its biggest one-day fall since the financial meltdown of 1998 after oil prices sank further amid spreading worries about Russia's economy.

The Russian currency's fall -- for a third day in a row -- saw it slump at one point by more than eight percent, to over 53 rubles against the dollar and 67 rubles against the euro in afternoon trading.

The currency then clawed back a little ground to 52 rubles against the dollar and 65 against the euro.

The ruble has now depreciated by some 40 percent against the dollar this year, due to collapsing oil prices and Western sanctions imposed against Russia's support for a separatist uprising in eastern Ukraine.

According to a new study by the polling company Public Opinion, 50 percent of Russians said the falling ruble was having an impact on their lives.

"This is shock and horror," Elina Drozdova, a 39-year-old mother of two, told AFP, referring to the plummeting currency. "The first thought is, 'goodbye summer vacations'."

"Our lives are becoming expensive directly in proportion to the rise of the dollar and euro," she said.

Brent crude was down to \$68.39 on Monday morning, a five-year low, following a decision by OPEC last week to leave its output target unchanged.

"Brent's moving below \$70 (-2.7 percent overnight) has triggered the rout, as consensus seems to hold that the oil price

drop will persist over an extended period," Alfa Bank said in a note.

The central bank had propped up the falling ruble through daily interventions until November, when it said it would limit its support and let the ruble float freely.

The plummeting currency has renewed pressure on the central bank to intervene.

"I personally believe that the situation in which the exchange rate grows from 44.50 to 52.50 (eight rubles, or 18 percent) in five days is a situation of financial instability," said Sergey Romanchuk, the head of currency dealing at Metallinvestbank.

"The Central Bank MUST mitigate volatility on the currency market," he said on Facebook.

The country is expected to record capital outflows of \$130 billion as Russians hedge against the falling ruble by converting their ruble savings to foreign currency.

Finance Minister Anton Siluanov said last week that Russia was losing up to \$140 billion (112 billion euros) a year because of Western sanctions over the Ukraine conflict.

President Vladimir Putin has brushed off concerns, saying the economic damage was "not fatal".

In a fresh sign that the Kremlin was girding itself for a protracted battle with the West, Putin's chief-of-staff urged officials to put together plans to replace imports across all industries.

"I believe that such work should begin immediately," Sergei Ivanov told officials in comments released by the Kremlin.

Cyprus central bank eyes 2015 exit from recession

AFP, Nicosia

Cyprus's shell-shocked economy will exit recession in 2015 as the island's recovery from the near collapse of its banks gathers pace, the central bank chief said on Monday.

"My optimism for this is based on the fact that so far we have experienced progress towards exiting the crisis at a faster pace with more positive results than initially forecast," Chrystalla Georgiadji told a parliamentary committee.

She said she expected the island's

eurozone economy to experience moderate growth of 0.5 percent next year, and a shallower than feared recession for 2014.

She said a European Commission forecast of a 2.8 percent contraction for this year "seems realistic".

The finance ministry estimates the economy will contract by 3 percent this year and grow by 0.4 percent of GDP in 2015.

The economy slowed by 2 percent in the third quarter, compared to 2.2 percent in the second, official figures indicated last month. Cyprus has been in recession since 2011.

Better connectivity key to more foreign investment

FROM PAGE B1

Sobhan said the economy is moving from an aid-dependent model to a capital and FDI-dependent one.

Citing Prime Minister Sheikh Hasina's earlier trips to China and Japan, he said these countries are being identified as the principal sources of capital.

But much will depend on how attractive Bangladesh makes itself as an investment destination to them, he said, while calling for developing internal connectivity.

He said improved connectivity with the port, reduced turnaround time at the ports, uninterrupted electricity supply and land availability is important to attract FDI.

"Simplistic notions of participating in the globalisation will not really address the more basic problems."

Mohammad Yunus, senior research fellow of BIDS, stressed the need to build-

ing strong connectivity with the South Asian sub-region and the East Asian countries via Myanmar.

"Connectivity will be the fundamental issue. We need to have strong connectivity and skilled manpower if Bangladesh is to integrate to the global value chain."

Munshi Faiz Ahmad, chairman of the Bangladesh Institute of International and Strategic Studies, said the country has many partners and it has enough space to accommodate them. Binayak Sen, research director of BIDS, said the country should also take lessons from the domestic experiences of East Asian countries.

"By talking on a 'Look East' policy, we are only focusing on external capital flows and transfer of technology. We are not talking about the domestic experiences of the Eastern countries. So we need to go more holistically."



Ahmed Shafi Choudhury, director of Pubali Bank, opens the bank's 428th branch in Chuknagar of Khulna recently. Helal Ahmed Chowdhury, managing director, was also present.



Nasir Khan, chairman of Jennys Group, opens a store of the company in Pallabi, Mirpur recently. Md Mosharaf Hossain, general manager, was also present.



Shamsul Huda Khan, managing director (current charge) of National Bank, opens the bank's 176th branch in Trishal, Mymensingh yesterday. Md Badiul Alam, additional managing director, was also present.