

**ANNUAL DEVELOPMENT PROGRAMME**

# Feasibility study to be mandatory for new projects of over Tk 25cr

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**T**HE government plans to introduce a new policy to make feasibility studies mandatory for taking any project involving more than Tk 25 crore to cut the number of unnecessary proposals in the annual development programme.

The decision was taken at a meeting of the Fast Track Project Monitoring Committee last week with Prime Minister Sheikh Hasina in the chair, planning ministry officials said.

Hasina directed the officials to form a separate fund for feasibility studies. A high official of the planning ministry said the planning ministry will prepare a full-fledged policy after consulting with the finance ministry and other relevant ministries.

The first proposal was made to do feasibility studies for projects worth over Tk 10 crore, and now the amount has been pushed up to Tk 25 crore, the official said.

The planning ministry will follow the directives contained in the minutes of the meeting, Planning Secretary Bhuiyan Shafiqul Islam told The Daily Star.

He also said it is not mandatory now to do feasibility studies for all projects of the ADP.

Numerous projects get small funds every year which are included in the annual plans later under pressure from ministers and lawmakers.

The current ADP has 1,022 projects without allocations which may get funds later.

In the current fiscal year's ADP, time has expired for 258 projects out of 1,187. The finance division will not release funds for such projects without approval of the Executive Committee of the

*Numerous projects get small funds every year which are included in the annual plans later under pressure from ministers and lawmakers*

National Economic Council.

Small funds are the major hurdle to the implementation of the projects in time. The date-expired projects will have to be approved afresh with additional funds.

It is difficult to improve the quality of ADP implementation when the number of projects keeps increasing, the latest World Bank report said.

"Most of the unapproved projects are for constructing rural roads, bridges and culverts and expanding power distribution lines; which are generally undertaken by some ministries and agencies under pressure," the WB said in Bangladesh Development Update.

It said the highest number of such projects is related to the Roads and Highways Department, the railway ministry, the Local Government Division and Bangladesh Water Development Board.

The General Economic Division of the planning ministry recently prepared a review report of the Sixth Five Year Plan.

The report said the main challenges to the road and railway sectors are low implementation capacity and too many projects which were taken without considering resource availability.

## Eskayef celebrates successes of 25 years

STAR BUSINESS DESK

Latifur Rahman, chairman of Eskayef Bangladesh, urged every employee of the leading pharmaceutical company to work with sincerity, integrity and ethics.

He spoke at a programme to celebrate the silver jubilee of the company at its annual conference for 2014 in Cox's Bazar recently, the company said in a statement yesterday.

Rahman, who is also the chairman of Transcom Group, appreciated the efforts of every staff for the success of the company.

He also highlighted the export opportunities of Bangladesh's pharmaceutical industry and stressed the need for exploring Eskayef's potential beyond the boundaries.

Simeen Hossain, managing director of Eskayef, shed light on the achievements of the company in the past 25 years, at the daylong event organised with the theme of "Grow with Glory".

"This epic journey of Eskayef consists of having a growth that is higher than the market," she said.

Directors Shahnaz Rahman, Saifur Rahman, Atiqur Rahman, Arshad Waliur Rahman, Shahzreh Huq and Ahmed Shafi Chowdhury were also present at the programme where Matiur Rahman, editor of Prothom Alo, and Mahbubur Rahman, president of International Chamber of Commerce, Bangladesh, also spoke.



**Fifth from left, Latifur Rahman, chairman of Eskayef Bangladesh, attends the company's annual conference in Cox's Bazar recently. Simeen Hossain, managing director, was also present.**

# US payrolls rise solidly, but weak wages dim limelight

REUTERS, Washington

**U**S job growth increased briskly in December, but wages posted their biggest decline in at least eight years in a sign the tightening labor market has yet to give much of a boost to workers.

Nonfarm payrolls increased by 252,000 last month after an upwardly revised jump of 353,000 in November, the Labor Department said on Friday. The jobless rate fell 0.2 percentage point to a 6-1/2-year low of 5.6 percent, but that was mainly because people left the labor force.

The drop in labor participation and a surprise five-cent, or 0.2 percent, decrease in average hourly earnings, which nearly erased November's gains, took some shine off the otherwise upbeat report.

December marked the 11th straight month of payroll increases above 200,000, the longest stretch since 1994. For last year as a whole, the economy generated 2.95 million

new jobs, the strongest annual showing since 1999.

The softness in earnings, however, is puzzling. Some economists wondered whether last month's broad-based fall, which was led by a record 1.2 percent plunge in the retail trade sector, was a seasonal fluke that would be revised away.

"There is no obvious fundamental economic factor that would contribute to today's number," said Michael Feroli, an economist at JPMorgan in New York. "We are disposed to view this decline as a one-off."

The drop in earnings was the biggest on record dating back to 2006. A separate, narrower gauge posted its largest percentage decline since 1983.

The fall exacerbated a soft trend that has been in place since the 2007-2009 recession. Over the past year, earnings rose only 1.7 percent, the smallest 12-month gain since October 2012.

While December's earnings decline bolstered the case for the

Federal Reserve to take a go-slow approach to raising interest rates, it did not remove a possible June hike from the table, economists said.

A Reuters survey of big banks showed many economists are sticking to their June rate call.

But financial markets were less convinced. The dollar fell against a basket of currencies and prices for US Treasury debt rose as traders pushed back their expectations for when rates would rise. US stocks lost nearly 1 percent after a two-day rally.

The Fed has kept overnight borrowing costs near zero since December 2008.

"We have not changed our Fed call for a June tightening, but it just puts the risks later as opposed to sooner," said Dana Saporta, a senior economist at Credit Suisse in New York.

All sectors of the economy had employment gains last month and, in another sign of strength, 50,000 more jobs were created in October and November than previously thought.

# India's newest airline takes off seeking upmarket flyers



**Phee Teik Yeoh, CEO of Vistara airlines, answers a question during an open media session in New Delhi on December 22 last year.**

AFP, New Delhi

**I**NDIA'S newest airline made its maiden flight on Friday, kickstarting attempts to attract well-heeled passengers in a market dominated by loss-making, no-frills carriers.

New airline Vistara -- a Sanskrit word meaning "limitless expanse" -- took off from New Delhi for financial hub Mumbai, offering flyers premium services including a string of special meal options.

"Being full service doesn't mean you're lavish or you're over the top. It means serving different customers' needs differently," Vistara chairman Prasad Menon said at Delhi airport.

India's aviation market is expected to be the third-largest globally within a decade. But the sector is currently plagued by losses stemming from hefty operating costs and bruising fare wars that has left at least one no-frills carrier, Spicejet, struggling.

Vistara is steering clear of the budget market dominated by a string of mostly loss-making airlines who last year had offered fares lower than the price of a second-class train ticket.

Instead, Vistara's premium economy fares for short flights from the capital to Mumbai start at 12,000 rupees (\$190).

The airline is 49-percent owned by deep-pocketed Singapore airlines, one of the world's top-rated carriers. Mumbai-based Tata conglomerate, one of India's most respected brands, controls the other

51 percent.

"India's aviation market has been expanding rapidly and we have been eager to directly participate in and contribute towards this growth story for many years," Singapore Airlines CEO Goh Choon Phong said in a statement.

Analysts said Vistara has a chance of success given the recent drop in hefty fuel prices, thanks to a fall in global oil prices, and the fact the ailing Indian economy was expected to pick up.

"There will always be a niche of passengers who do not mind paying a bit more for better quality," Amrit Pandurangi, senior director for aviation at Deloitte India, told AFP.

"It (Vistara) just needs to keep focusing on maintaining its difference from other players in the market."

India's intense airline competition has seen at least one casualty, with Kingfisher Airlines grounded in 2012 laden with debts and Spicejet currently desperately seeking an outside investor.

Vistara, operating the 148-seater Airbus A320-200 on three routes initially, is the third full-service carrier after state-run Air India and Jet Airways, both currently in the red.

Tata also holds a stake in an Indian low-cost carrier, which started flying last June, operated by Asia's biggest-budget airline AirAsia.

The previous national Congress government began allowing foreign airlines to buy up to 49 percent stakes in Indian carriers in 2012.

# The 'human' side of robots at electronics show

AFP, Las Vegas

**S**HE stood on the floor of the Consumer Electronics Show, carried on conversations, blinked her eyes and sang a convincing rendition of "Take Me Home, Country Roads."

It would have been unremarkable if Chihira Aico were not a robot. "Hello, my name is Chihira Aico. I am 32 years old, although, technically, I was born in September 2014. Look how expressive I am!" she said.

Robots like Toshiba's are becoming so eerily realistic they could be mistaken at first glance for a human. She sings, smiles, raises her hands and has lifelike facial expressions controlled by 15 tiny pneumatic actuators.

These robots are increasingly being developed as personal assistants, companions, hosts and aides for medical situations.

"We made her like a human being because true communication is also based on facial expressions and gestures," said Toshiba's Taihei Yamaguchi.

Yamaguchi said a robot like Chihira Aico could serve as a kind of hostess for the 2020 Olympic Games but the design is aimed for health care, where robots can assist in monitoring and diagnoses.

But in her own words: "In the future, I want to take up the challenge of a wide assignment of tasks: counsellor, newscaster, cheerleader, entertainer and many others!"

The speech was pre-programmed and it will take time to develop the kinds of science fiction robots which can respond to language and move autonomously, Yamaguchi said.

It is possible, as Toshiba showed, to develop robots that look like humans.

But there remains a debate whether robots should be designed as humanoids, like in the film "Blade Runner," or as mechanical ones like in "Star Wars."



**Toshiba's communication android robot, Chihira Aico, sings John Denver's classic song "Take Me Home Country Roads," at the Consumer Electronics Show, in Las Vegas on Thursday.**

Another vision of the robot, "Meccanoid", from the toymaker Spin Master, has a body of polycarbonate Erector set pieces with large lamps for eyes. It too can speak from a pre-programmed text.

South Korean-based Future Robot showed a whimsical wheeled robot that was a cross between a mechanical and human shape, with a face drawn on tablet computer for the head.

"It can move by itself," said Future Robot's Si-Hyeon Kim, who adds that the robot can recognize and speak to a person who approaches.

Such a robot can offer several types of services for business. "You can customize it, it can do advertising, ticket printing, banking services," he said.

Some of the other CES robots are being marketed as personal home assistants, like the

70-centimeter (27-inch) hourglass robot Sopo from US-based Optobotics.

"It can bring you a drink," said Kevin Shah, sales and marketing manager for the firm.

"It can drive around by itself without bumping on anything," Shah added.

"Children and pets love it ... thanks to its welcoming feeling, it's not scary." Some developers say a non-human, playful design is more welcoming.

Jon-Michel Sereda at Five Elements Robotics said the company's Budgee robot -- a wheeled cylinder with an oval cartoon-like head on a stick -- looks friendly, not too robotic, scary looking or intimidating.

The robot can follow someone and carry things, which can be useful for elderly persons or hospital patients.

"We built it with the idea of helping handicapped people in a wheelchair," he said.

# Coca-Cola to cut up to 1,800 jobs worldwide

BBC NEWS

**D**RINKS giant Coca-Cola is set to cut up to 1,800 jobs worldwide as it continues cost-cutting efforts.

Coca-Cola reported a 14 percent fall in earnings for the July to September quarter last year and sluggish revenue growth.

The job cuts will affect the firm's Atlanta headquarters, as well as its international operations. The firm said it had already started to inform those workers who will be affected by the cuts.

"[We have begun] the process of informing associates in the United States and in some international locations about the impacts to their departments," a spokesperson from Coca-Cola said in an emailed statement to the BBC.

The firm said further cuts would be made by different departments at various times.

"We have identified 1,600 to 1,800 positions in Corporate, Coca-Cola North America and Coca-Cola International that will be eliminated in the coming months," the spokesperson said.

Coca-Cola has a global workforce of about 130,000.

In October last year, Coca-Cola's chief executive officer Muhtar Kent said the firm was aiming to save some \$3bn (£1.98bn) in annual costs by 2019, which would include job cuts.

At the time, Kent said he recognised the need for the company "to increase the scope and pace of change" as it continued to face a challenging economic environment.

He said the firm was focused on "streamlining and simplifying" its operations and that it was proceeding with plans "for refranchising the majority of company-owned North American bottling territories by the end of 2017".