

Six social business projects get go-ahead

STAR BUSINESS REPORT

Six new projects by young entrepreneurs were approved at the 71st Social Business Design Lab in the capital yesterday.

Yunus Centre organised the event, which was chaired by Nobel laureate Prof Muhammad Yunus, at Grameen Bank Bhaban. It brought together more than 130 participants from home and abroad.

The entrepreneurs who received approvals are members of Grameen Bank families, and four of them are women, the Centre said in a statement.

The businesses presented were Choa Boutiques by Mafia Parvin; Taslima Shoes by Md Al Amin; Najnin Handicraft



Nobel laureate Prof Muhammad Yunus poses with young women entrepreneurs with whom Grameen Shakti Social Business signed deals to invest in their businesses, at the 71st Social Business Design Lab organised by Yunus Centre, at the Grameen Bank Bhaban in Dhaka yesterday.

by Najnin; Shahed Decorator by Poly Begum; Forhan Cow Fattening Farm by Forhan Firoz

Rony; and Khuku Mudi Store by Khuku Rani. Rani from Thakurgaon belongs to a minority

community in that region. She began her business with Tk 2,000 and has since expanded her capital

to Tk 83,000.

Investment from Grameen's social business fund would add another Tk 1.5 lakh to her business, Yunus Centre said.

Since launch of the lab in January 2013, 866 of the 891 social business projects presented at the labs have been approved for investment and most of them are already in operation.

Speaking at the lab, Prof Yunus said the vast majority of the approved projects have been launched by young entrepreneurs. These young people are running their businesses and would create jobs for others instead of becoming jobseekers.

"This is an invaluable contribution to the national economy."



Prasad R Muglikar, director of medical services at Apollo Dhaka, poses during a programme held to mark the hospital's 10th anniversary in the capital yesterday.



Ahmed Kamal Khan Chowdhury, managing director of Prime Bank, attends a press conference to announce celebrations marking the bank's 20th anniversary at a hotel in Dhaka yesterday.

Prime Bank to celebrate 20th anniversary

STAR BUSINESS DESK

Prime Bank Managing Director Ahmed Kamal Khan Chowdhury yesterday announced a number of programmes to celebrate its 20th anniversary today.

The bank will organise a blood donation programme supported by the Thalassemia Hospital for all employees of the bank, he

said in a press briefing in the capital.

An art competition among the children of Prime Bank's employees will also be organised, the bank said in the statement.

The bank will soon launch the renowned MasterCard brand for its clients, Chowdhury said.

"We want to provide our customers with international standard banking services."

Unrest biggest risk to near-term outlook: WB

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"The biggest oil price dividend to be cashed in by South Asia is one yet to be earned, but it is not one that will automatically transit through government or consumer accounts," said WB's South Asia Chief Economist Martin Rama.

"Cheap oil gives the opportunity to rationalise energy prices, reducing the fiscal burden from subsidies and contributing to environmental sustainability," he added.

WB Vice-President for South Asia Annette Dixon said the savings from reduced subsidy bills could be used to address the "crying needs of the region" in terms of infrastructure, basic services and targeted support for the poor.

As for Bangladesh, domestic factors dominate the risks to the near-term outlook, the paper said. Other than the prolongation of political instability, there are also concerns about financial sector vulnerability, which have potential fiscal implications.

The financial sector is still shaky because of limited actions to improve corporate governance and accountability. The sector

remains vulnerable to potential term shocks and economic slowdown.

A protracted depreciation of the Euro could hurt exports, compounding the weaknesses due to real exchange rate appreciation. Even though international financial linkage is growing, Bangladesh's vulnerability to global financial volatility remains small, it said.

Growth remains below what is needed for Bangladesh to be in a comfort zone of middle-income by 2021.

The average annual GDP growth rate needs to rise to 7.5-8 percent to accelerate the pace of poverty reduction through the creation of more and better jobs in the domestic economy.

This will have to be coupled with increases in female labour participation rate to cushion the shrinkage in the demographic dividend due to declining rate of growth of working age population.

The biggest, though not the only, challenge in increasing investment and female labour participation is ensuring durable political stability.

New AMD for Eastland Insurance

STAR BUSINESS DESK

Eastland Insurance has recently promoted Abdul Hamid as additional managing director and chief financial officer, the company said in a statement yesterday.

Before joining Eastland, Hamid served Meghna Petroleum, a subsidiary of Bangladesh Petroleum Corporation, and the Esso Eastern Incorporated of USA as manager of accounts and finance, according to the statement. He has also worked with Eastern Insurance, Asia Insurance, Northern General Insurance and Meghna Insurance in his 20-year career.

Hamid is an accounting graduate from Dhaka University and also a chartered accountant. He is also a fellow member of the Institute of Chartered Accountants of Bangladesh and a member of the Institute of Internal Auditors (USA).



Shahriar Alam, state minister for foreign affairs, attends the pre-launch ceremony of MV Mataliki, a SOLAS passenger ship built by Western Marine Shipyard for New Zealand's ministry of foreign affairs and trade, at a programme in Chittagong yesterday.

Business confidence dips on political uncertainty: survey

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The survey covered 400 businesses in the manufacturing and services sectors in Dhaka and Chittagong and was conducted between February 6 and March 6 this year. Of the businesses, 61 percent are small firms, 12 percent medium and 27 percent large -- from 11 sectors, including food, garments, leather, chemicals and pharmaceuticals, electronics, wholesale and retail, hotel and restaurants, transport and communications, and real estate.

Saiful Hoque, research and evaluation coordinator of Associates for Development Services, who presented the survey findings, said the recent political uncertainty affected the business confidence although the survey covered the second half of last year.

In the previous survey, 47 percent of the respondents had said they would invest during July-December of 2014, but 27 percent invested at the end, according to Hoque. "This tells that they invested less because their confidence eroded."

The survey report said businesses are mostly concerned about the political situation, electricity prices, transportation cost, transportation situation, corruption, interest rates, petroleum prices and profit tax rates.

"Continued efforts on business climate reforms are critical to boost confidence and sustain the growth momentum," it said.

The report said businesses are keen to invest as they foresee an increase in demand, business opportunities and profit in the market.

It said actual investments made were less than the planned investments in July-December of 2014 due mainly to political uncertainty.

Businesses mostly have positive perception of labour relations, employment scenario, trade facilitation, telecommunication, electricity supply, internet connections and water supply.

Though businesses are slightly optimistic about the overall business and economic environment, they will remain cautious about their investment decisions during the period between January and June this year, the report said.

Humayun Rashid, acting president of DCCI, called for an enabling environment to increase investment.

"In the last three months, there has hardly been any investment in the country. On the other hand, the cost of doing business has gone up."

Asif Ibrahim, chairman of BUILD, Amitava Chakraborty, director general of the WTO cell at the commerce ministry, Abul Quasem, deputy governor of Bangladesh Bank, Shoaib Chowdhury, vice president of DCCI, and Ferdaus Ara Begum, chief executive officer of BUILD, also spoke.

Since 2013, BUILD has been conducting the survey every six months.

Radisson opens doors in Ctg

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The travellers came not only from European countries but also from China and the Middle East, he said. "So there is lot of traffic going in and out."

The market is stable here, as the country has been experiencing 6 percent growth on average in the last 10 years. "So it was a very good decision to be here."

"We are the first here and thus we are the first mover in the market."

You see there is a competition in opening hotels in Dhaka. We know that another international operator is planning a hotel here in Chittagong as well."

"This is a good sign for us that there is development going on. We see good future for business here in Chittagong."

The hotel has set the opening rate of a standard room at \$155, a promotional offer that will remain valid until June, said Geir Sikko, general manager of the hotel. "After that the hotel will then offer more commercial rates depending on demand."

The hotel on around 89,000 square metres of area has been built by Sena Hotel Development in partnership with Carlson Rezidor Hotel Group in three years and nine months. Prime Minister Sheikh Hasina opened the hotel on March 1.

The 22-floor hotel offers 241 bed rooms, ranging from 36 to 300 square metres, four international restaurants, three bars, two banquet halls of more than 3,000 square metres, a swimming pool, an outdoor tennis court and a spa centre.

The profits earned from the hotel will be spent for the overall wellbeing of the serving and retired army personnel and their families, said Bakht.

The profits will also be spent for the projects related to the welfare of Bangladesh Army as part of its corporate social responsibility, he said.

Canada keen to buy more garments from Bangladesh

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Since January 2003, Canada has allowed duty-free access to Bangladeshi products, due to which the country's exports, especially garment items, have been rising steadily. Of the total exports to Canada from Bangladesh, 96 percent are apparel items.

In the July-March period of the fiscal year, the country shipped \$734.02 million of goods to Canada. The country's imports from Canada during the July-February period stood at \$495.80 million, according to data from the commerce ministry.

In fiscal 2013-14, Bangladesh exported goods worth \$1.1 billion to Canada and imported goods worth \$585.5 million. Ahmed said the government has created a worker-friendly and safe working condition for the garment workers.

The government has already given the duty-free import facility of fire doors and fire safety equipment, so that the garment makers can install those easily in the factory to ensure safe workplaces.

He said the Accord and Alliance, two foreign building inspection agencies, have already completed preliminary inspection of more than 2,500 factories, but found only 29 faulty structures, which is less than 2 percent.



Jose Marcelino Ugarte, managing director of HeidelbergCement Bangladesh, attends the company's 26th annual general meeting held in Rupganj, Narayanganj on Wednesday. The company announced 380 percent cash dividend for 2014.