

কুলপানী ছাত্র-ছাত্রীদের জন্য  
**এসআইবিএল ইয়ংস্টার একাউন্ট**  
 দৈনিক স্থিতির উপর প্রাত্যহিক হিসাব করা হবে  
 এবং ঋণাসিক ভিত্তিতে তা হিসেবে জমা হবে।  
 (হিসাবাবনে ইসলামী শরী'আহ এর  
 মদারাবা পদ্ধতি প্রযোজ্য)  
 যে কোন প্রয়োজনে ০৯৬১২০০৯২২  
 www.sibld.com



# Star BUSINESS

DHAKA MONDAY APRIL 20, 2015, e-mail:business@thedailystar.net

## IFC, govt to launch \$1b offshore taka-linked bond

**REJAUL KARIM BYRON**  
 The International Finance Corporation and the Bangladesh government are set to launch a \$1 billion offshore taka-linked bond, a move that can help internationalise the currency in the long run.  
 An IFC team led by its Executive Vice-President Jin-Yong Cai floated the idea of a taka bond to Finance Minister AMA Muhith yesterday in a meeting on the sidelines of WB-IMF spring meetings in Washington DC, which the minister agreed to right away.  
 "It's good news that they [IFC] are considering issuing Bangladesh bonds," Muhith told reporters after the meeting. "This is a very important development for Bangladesh."  
 In October 2013, IFC, the World Bank's private sector arm, launched an identical bond programme for India. The same model will be followed for Bangladesh.  
 The proceeds of the \$1 billion rupee

bonds were used by IFC to finance private sector investment in India.  
 The initial subscription, repayment of principal and coupon were in dollars but tied to the dollar-rupee exchange rate.  
 So for the investor, the bond offered the convenience of a dollar-denominated bond but the proceeds were linked to the dollar-rupee exchange rate.  
 The bond proceeds from dollars were converted to rupees on the domestic exchange market and the rupees were used for investment in India.  
 Other than the rupee, IFC has also raised local currency bonds in Chinese renminbi, Russian ruble and Brazilian real.  
 At the press briefing, Mahub Ahmed, senior secretary of the Finance Division, said the size of the taka bond may be \$1 billion.  
 The Bangladesh bond will be listed on London Stock Exchange, according to a finance ministry official.

READ MORE ON B3



**BASHUNDHARA**  
CEMENT

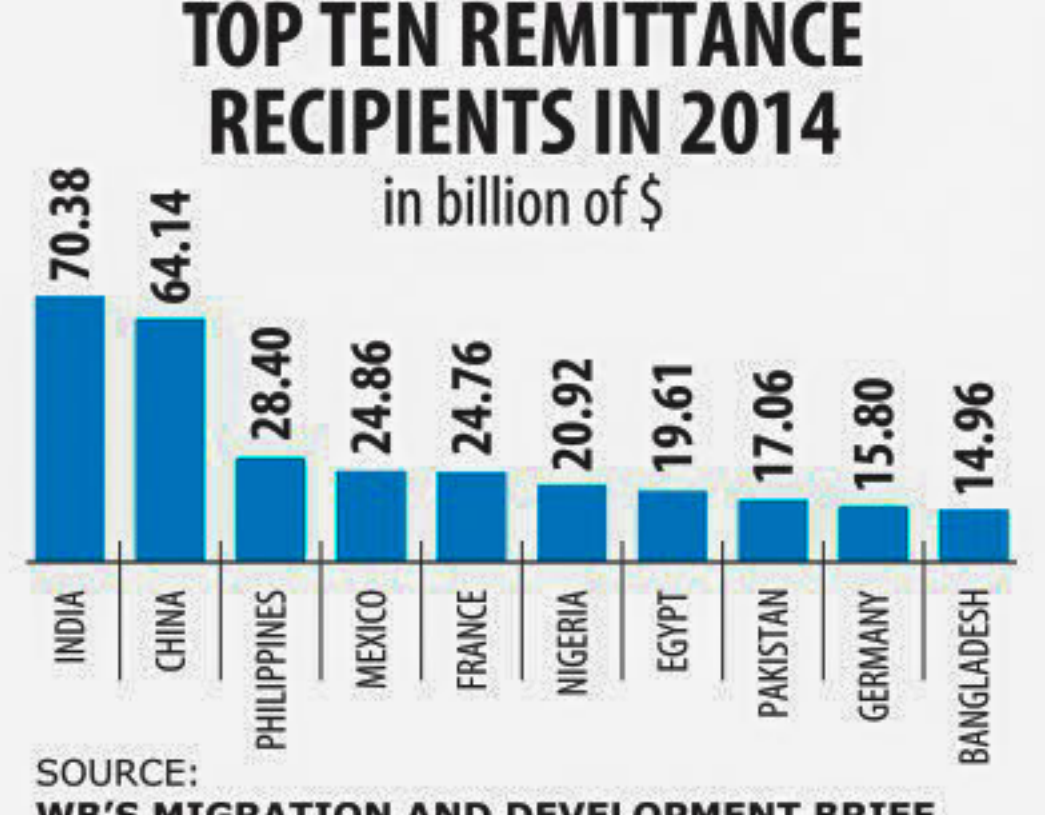


5700 PSI

09612123456 / 16339

## Bangladeshis pay highest migration costs worldwide: WB

**SUMAN SAHA**  
 Bangladeshi migrant workers pay the highest recruitment costs in the world, the World Bank said in a report.  
 Citing a recent survey by the Global Knowledge Partnership on Migration and Development, the WB said worker-paid recruitment costs averaged \$1,955 in Kuwait with the Bangladeshis paying the highest, ranging between \$1,675 and \$5,154.  
 Almost 10 million people use regular channels to migrate in search of employment every year. A large number of them pay illegal recruitment fees to recruitment agents.  
 "Recruitment costs paid by migrant workers to recruitment agents, on top of the fees paid by the employers, are a major drain on poor migrants' incomes and remittance," according to the Migration and Development Brief released in Washington recently.  
 A 2009 Bangladesh Household Remittance Survey conducted by the International



**SOURCE: WB'S MIGRATION AND DEVELOPMENT BRIEF**  
 Organisation for Migration found that more than half of the migrants paid over \$2,000 in recruitment fees. Fees paid to smugglers for crossing international borders, a reasonable proxy for the black market recruitment fees, tend to be even more exorbitant.

For example, according to the European Union, smuggling fees to Europe ranged from \$5,000 in the case of Vietnamese workers to more than \$15,000 for Bangladeshi workers in 2013.  
 On top of these direct fees paid to recruitment agents, migrant workers are often subject to usurious interest rates of over 50 percent on loans taken to cover the costs of migration, the study said.  
 Recruitment agents are also often reported to offer bribes to the employing company personnel, with amounts ranging between \$300 and \$1,000 per worker and these costs are recovered from the workers.  
 The study also predicted that growth in global remittance, including developing countries, will slow sharply this year due to weak economic growth in Europe, deterioration of the Russian economy and the depreciation of the euro and ruble.

READ MORE ON B3

## BB to launch new pension scheme for NRBs

**STAR BUSINESS REPORT**  
 Bangladesh Bank plans to introduce a pension scheme for non-resident Bangladeshis (NRBs) soon to lure more of their earnings into the country.  
 The scheme will run alongside the 'US Dollar Bond' that is already in place for the NRBs, Governor Atiur Rahman said at a seminar on remittance in Washington on Saturday.  
 "It would attract yet more NRB remittance away from the overheating real estate market into much needed long term savings for financing of long term funds," Rahman said in a state-

ment.  
 The central bank will send a proposal to the finance ministry to introduce the new scheme for NRBs, a BB official said.  
 The number of NRBs working abroad is estimated at 8.6 million, according to a Bangladesh Bureau of Statistics survey in June 2013.  
 Remittance inflows from NRBs now average around \$14 billion a year, accounting for more than 8 percent of GDP.  
 Electronic fund transfers and mobile phone/smart card-based deliveries have been enabled by BB-led modernisation of the payment systems; financial sector IT infrastructure

has cut remittance costs and delivery times.  
 Facilitation of the formal channels of remittance have driven the estimated share of informal channels down from 60 percent in 2000 to below 20 percent by 2010, and presumably further lower by now, he said.  
 Around 60 percent of the inflow spent on household consumption is supporting growth; the remaining 40 percent is going into savings and investments, Rahman said.  
 The bulk of investment outlays from NRB remittance are in the private sector, much of it in real estate, with only a small part in government securities.

## Queen Maxima of Netherlands praises financial inclusion in Bangladesh



**Atiur Rahman, Bangladesh Bank governor, meets Queen Maxima of the Netherlands in Washington.**

**STAR BUSINESS REPORT**  
 Queen Maxima of the Netherlands has appreciated the growth of financial inclusion in Bangladesh and expressed her interest to visit the country next year to see the development. The queen expressed her interest in a meeting with Bangladesh Bank Governor Atiur Rahman at the IMF headquarters in Washington during IMF-World Bank Spring Meetings 2015 on Saturday.  
 Queen Maxima, also a special adviser to the UN secretary general on financial inclusion, praised the role of Bangladesh Bank in promoting mobile financial services and other inclusive financial activities such as women's empowerment and promotion of agriculture and small and medium enterprises.

READ MORE ON B3

## Canada: the next big buyer of garment

**REFAYET ULLAH MIRDHA**  
 Canada will be a key garment export destination for Bangladesh in achieving the \$50 billion overseas sales target by the end of 2021, Canadian High Commissioner Benoit-Pierre Laramée said yesterday.  
 Currently, Bangladesh is the second largest garment exporting nation after China with shipments of \$24.5 billion in the last fiscal year.  
 "Canada has been providing support to Bangladesh to develop workers' skills and improve working conditions in the sector for higher export of garment items," Laramée told a group of journalists at the first RMG Meet Up, a regular discussion by the Canada Bangladesh Chamber of Commerce and Industry (CanCham) with leading North American retailers and garment exporters at Westin Hotel in Dhaka.  
 Riding on duty-free benefits to Bangladesh since January 2003, garment exports to Canada have been on the rise in the last decade. Of Bangladesh's exports to Canada, 96 percent are apparel items.  
 Between July and March, Bangladesh exported goods worth \$734.02 million to Canada; it imported goods worth \$495.80 million in July-February of the same fiscal year, according to data from the



**From left, Benoit-Pierre Laramée, Canadian high commissioner; Masud Rahman, president of Canada Bangladesh Chamber of Commerce and Industry; and Atiqul Islam, president of BGMEA, attend a discussion on garment exports, at the Westin Hotel in Dhaka yesterday.**

Export Promotion Bureau.  
 In fiscal 2013-14, Bangladesh's exports to Canada were worth \$1.1 billion, while imports were \$585.5 million.  
 "A lot of progress in terms of inspection, progress in terms of remediation and transparency has been made in the garment sector after the Rana Plaza building collapse. We see major progress, but the momentum should be maintained," Laramée said.  
 Bangladesh needs to take ownership of safety measure after the depar-

READ MORE ON B3

## Tyre market gearing towards full steam

**SUMAN SAHA**  
 Bangladesh's tyre market is projected to grow at around 9 percent annually until 2020, riding on higher vehicle sales and rising investments by foreign players, a Dublin-based research firm said yesterday.  
 The government is expected to reduce duties on raw materials for the tyre industry, which, ultimately, will boost sales, said Research and Markets, a noted research company, in a study.  
 The country's annual tyre sales are close to Tk 1,500 crore and two-wheeler and light automotive tyres account for majority of the sales, according to industry insiders.  
 The monthly demand for motorcycle tyres has increased to 50,000 pieces and that of CNG-run three-wheelers to 60,000 pieces, they said.  
 The tyre market is dominated by two-wheelers, whose fleet exceeds all others by a significant margin, according to the study.  
 The firm said Dhaka remains the major market witnessing higher tyre sales across Bangladesh.  
 Despite rising automobile sales, the replacement segment continues to dominate the market, it said.  
 Over the past few years, Bangladesh has been emerging as another developing country in Southeast Asia offering considerable growth opportunities across diverse industry segments including automotive.  
 Currently, the tyre industry in Bangladesh is largely dependent on imports from countries like India, China, Japan and Indonesia due to a scarcity of raw materials (natural rubber), a lack of indigenous tyre production units as well as skilled labour, the study said.  
 Bangladesh spends around Tk 1,000 crore to import more than 15 lakh pieces of tyres a year mainly from India, Japan and China, according to importers, distributors and sellers.

READ MORE ON B3

## Seven local ICT projects up for global awards

**STAR BUSINESS REPORT**  
 Seven ICT-related projects from Bangladesh got the nomination for this year's World Summit on the Information Society (WSIS) awards.  
 The projects are: Hello 16123; the National Portal; the National Portal for Teachers; mHealth; Amaderdaktar (our doctor); Agriculture Helpline 27676, and Farmers Query Service.  
 Their promotion to the final stage of the competition will largely rely on public votes, and the votes can be cast online until May 1, Zunaid Ahmed Palak, state minister for ICT, said at a press briefing at the office of Bangladesh Computer Council in the capital yesterday.  
 "All of these projects are good ones. It would be unfortunate if they fail to win awards just for the lack of votes."  
 He said there are about 4.5 crore internet

users in the country, and if all of them vote for the projects, it would not be hard to win the awards.  
 Winning an award as prestigious as this will also help in country branding, the minister said.  
 Although projects from Bangladesh have been nominated in four categories, voters will have to cast votes for one project in each of the 18 categories. Otherwise, the votes will not be counted, said ICT Secretary Shyam Sundor Sikder.  
 Kabir Bin Anwar, project director of the Access to Information programme under the Prime Minister's Office, said every internet user in Bangladesh should cast their votes, as opportunities such as this are hard to come by.  
 All of the speakers at the briefing talked about the complex process of voting and requested the media to raise awareness.  
 Hello 16123 is an agriculture call centre of

Practical Bangladesh, an international non-governmental organisation. It provides fast and cheap agricultural solutions to farmers.  
 The National Portal is a gateway to 25,000 portals and websites of all government offices at union, upazila, district, division, directorate and ministry levels.  
 It promotes citizenry rights with regard to public information and services by providing a single window access.  
 The national portal for teachers allows the country's academics to develop contents for students.  
 mHealth, run by Synesis IT, is a 24/7 mobile-based medical counselling and health information dissemination service that targets every resident in Bangladesh, primarily those residing in rural areas. Trained and registered physicians provide the service.

Since its launch in 2008, it has provided services to more than 1 crore people across the country, said Shohrab Ahmed Chowdhury, managing director of Synesis IT.  
 Amaderdaktar is run by mPower Social Enterprises. It is an ICT-based healthcare solution for the underserved rural communities.  
 Mobile agriculture helpline 27676 is run by Win Miaki, through which farmers get accurate and better fertiliser, seed, and pesticide recommendations.  
 mPower also runs another smartphone-based agriculture advisory service.  
 Last year, the government's Union Information Service Centre project won the award.  
 Shameem Ahsan, president of Bangladesh Association for Software and Information Services, and Sami Ahmed, executive director of BASIS, also spoke.

**US Brand CASE**  
 Most fuel efficient Backhoe Loader  
 ACI Motors  
 Cell: (88) 01714163304



**chiller**



**EnergyPac**  
 www.energypac.com  
 01711541493