

Nutrition education can have positive impact on social safety programmes

WFP and IFPRI jointly carry out research

STAR BUSINESS DESK

The integration of nutrition education into social safety net programmes will have a positive impact on the beneficiaries, according to a study released yesterday.

"Outcomes of the research confirm that if we provide regular cash transfers to ultra-poor women with small children, and combine this with good nutrition training we can achieve a significant reduction in child stunting within a short period of time," said Christa Rader, Bangladesh representative of the World Food Programme (WFP).

WFP and the International Food Policy Research Institute (IFPRI) jointly carried out the research to find out which combination of cash, food and nutrition education in safety net programmes brings the greatest benefits to the poor.

The two-year study sought to

determine the benefits of five different combinations provided to ultra-poor women with small children.

The combinations are: cash only, food only, cash and food combined, cash and nutrition behaviour change communication (BCC) training and food and nutrition BCC training.

The study shows these interventions impact significantly on income, food expenditure, calorie consumption, food poverty, diet quality and chronic under-nutrition, known as stunting.

The greatest impact came from cash transfers when they were combined with nutrition education.

"Given that 36 percent of all children under five in Bangladesh are stunted, it is essential to design safety nets wisely," said Dr Akhter Ahmed, lead researcher of IFPRI in Bangladesh.

"Households who participated in nutrition education sessions in our

research project consumed more diverse foods and took better care of their children than those who received only food, cash or both".

Bangladesh allocated \$3.9 billion or 12 percent of its budget for fiscal 2014-15 to SSNPs.

Under different safety nets, the government gives cash, food or both to help the ultra-poor come out of the poverty.

The government data shows, still more than one-fourth of Bangladesh's 160 million people live below poverty line - less than \$1.25 a day.

The research found under-nutrition remains a major challenge in Bangladesh with serious consequences for the economy and health systems, costing more than \$1 billion in lost productivity every year.

The study covers 10 upazilas, five from northern and five from southern regions. A total of 5,000 house-

G7 finance ministers, central bankers to meet in Dresden

AFP, Berlin

Finance ministers and central bank governors of the Group of Seven wealthiest nations meet in Dresden this week to discuss the health of the global economy and financial regulation, with Greece also certainly on the agenda.

German Finance Minister Wolfgang Schaeuble has invited his counterparts and their central bank chiefs from Britain, Canada, France, Italy, Japan and the United States, for a meeting starting Wednesday and "an in-depth exchange of views" in the eastern German city.

But there will also be other experts seated around the table, Schaeuble said in an interview with German public radio Deutschlandfunk at the weekend.



Francois de Maricourt, chief executive of HSBC Bangladesh, and Md Shahinul Islam Khan, chairman of Bangladesh Power Development Board (BPDB), recently attended the signing of an agreement that mandates HSBC as the lead arranger for a \$112 million export credit agency backed facility. BPDB will use the funds to construct a 100MW power plant in Chapai Nawabganj.

India's top economics adviser says scope for rate cut

AFP, New Delhi

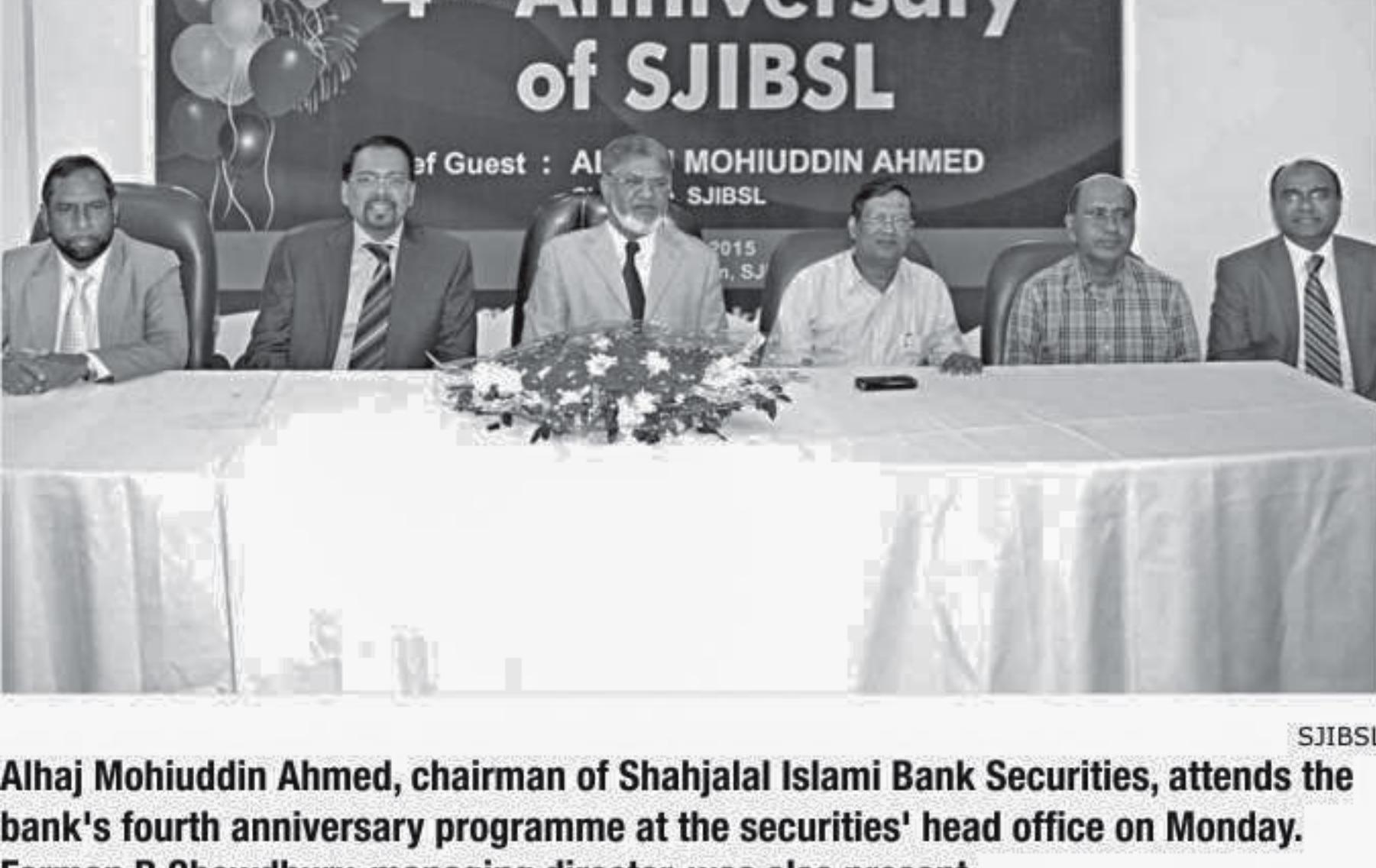
India's central bank has room to cut interest rates further with inflation expected to remain under control in coming months, the country's top economic adviser said on Tuesday. Arvind Subramanian said India's adequate food stocks would help contain inflation even if the upcoming monsoon rains, which are vital for crops throughout the country, are weak.

"The inflation forecast is lower than the

RBI target so it has implications for interest rates," Subramanian said at a press conference to mark Prime Minister Narendra Modi government's first year in power.

"It is possible to contain (inflation) going forward even if the monsoon is not going to be as good," he said, adding that there were signs the economy "is picking up".

The Reserve Bank of India (RBI) is tipped to cut rates at its next meeting on June 2, with retail inflation cooling to a four-month low in April of 4.87 percent.



Alhaj Mohiuddin Ahmed, chairman of Shahjalal Islami Bank Securities, attends the bank's fourth anniversary programme at the securities' head office on Monday. Farman R Chowdhury, managing director, was also present.

Changes in schedule for Etihad flights from Dhaka

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Etihad Airways has changed schedule of its flights between Dhaka-Abu Dhabi, Abu Dhabi-New York and Abu Dhabi-Jeddah effective from May 31, the airline said in a statement yesterday.

The daily EY253 flight from Dhaka to Abu Dhabi will move from 22.15 hours to 21.45 hours, departing 30 minutes earlier than before, and the EY258 flight will similarly arrive 30 minutes earlier in Dhaka, at 20.15 hours instead of 20.45 hours.

The changes aim to make travel more convenient for Bangladeshi passengers flying to New York and Chicago, by providing adequate transit time of two hours

at Abu Dhabi Airport to complete US immigrations and customs related work.

US preclearance allows passengers to conveniently pass through all required checks, including US customs, immigration and security before they board their flight in Abu Dhabi, enabling them to arrive as domestic passengers and avoid queues in the US.

Passengers on all Etihad Airways flights from Abu Dhabi to the United States, including those to Washington DC, Los Angeles, San Francisco, and Dallas-Fort Worth, are processed through US preclearance, according to the statement.

The changes have also restored Jeddah's connectivity with Dhaka, the carrier said.

Pran official selected for advisory council of World Brand Congress

STAR BUSINESS DESK

AKM Moinul Islam Moin has been selected as an advisory council member of CMO-Asia's World Brand Congress.

Moin, currently the head of marketing (confectionery) at Pran, was awarded as one of the 100 most talented "Global Marketing Leaders" by World Marketing Congress in 2014. Pran said in a statement yesterday.

He also won the Best Brand Award 2013 and 2014 in the confectionery category from Bangladesh Brand Forum, according to the statement.

On the "If not now, When" theme, the World Brand Congress-2015 is the event's 24th edition and will be held at Pan Pacific, Singapore in August this year.

The World Brand Congress will be the single largest rendezvous of best brains behind some of the world's most successful brands.

DSE runs without chief tech officer

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But officials said the post is not a lucrative one for an IT professional, as there are no incentives or other service benefits. It is a contractual job without provident fund, gratuity, earned leave and retirement benefits, according to DSE service rules.

"We are still looking for a suitable person who can lead the IT department," said Swapan Kumar Bala, managing director of the Dhaka bourse, adding that they are initiating a move to revise the service rules.

Meanwhile, Bangladesh Securities and Exchange Commission asked the bourse on Monday to appoint a CTO as soon as possible.

The regulator also directed the DSE to form a strong technology team of its own.

The malfunction first arose on Sunday after the bourse's main engine failed to process the trading information uploaded by TREC (trading right entitlement certificate) to start the day.

TREC holders are required to upload information on their clients and portfolios every day prior to the beginning of share transactions.

Though the DSE officials, with the online assistance of the software vendor's professionals, could process the information for Sunday, the TREC holders faced the same problem on Monday as well.

Due to the technical glitch, stock trading took place between 2:20pm and 4pm on Sunday and between 12:15pm and 4:15pm on Monday, instead of the regular session from 10:30am to 2:30pm.

Trading, however, started at the usual time yesterday, with the market witnessing a slight gain in share prices.

DSEX, the benchmark general index of the DSE, rose 12.14 points or 0.26 percent to finish the day at 4,627.16 points.

The day's turnover, another important indicator of the market, however, declined 2.3 percent to Tk 835.7 crore on transactions of 20.73 crore shares and mutual fund units.

Losers beat gainers 156 to 123, with 36 securities remaining unchanged.

Milk Vita to build another milk processing plant

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Once the plant is set up, Milk Vita will be able to buy the additional two lakh litres of raw milk a day and process them into milk powder.

"This will benefit dairy farmers and reduce import of powdered milk," the minister told reporters after an Ecnec meeting.

Milk Vita produces pasteurised milk, powdered milk and other milk products, and supplies them across the country.

The plant, scheduled to be completed by 2017, will increase production of powdered milk by 25 tonnes a day, while the country's daily average import of powdered milk stands at 59 tonnes.

Bangladesh imports 21,700 tonnes of milk powder a year, the planning minister said.

The only powder milk processing plant of Milk Vita can produce up to 12.5 tonnes a day.

Grameen Intel launches phone-based fertiliser advice service

STAR BUSINESS REPORT

Grameen Intel yesterday launched a mobile phone-based fertiliser recommendation service—krishē—for the farmers of Bangladesh.

The service will help farmers determine the proper amount and dosage of fertiliser for their crops, said Kazi I Huque, chief executive officer of Grameen Intel.

He spoke at the launching ceremony of the service at the company's office in Dhaka.

The farmers can access information by dialing a certain phone number, where a call centre agent will answer questions about the crops. The actual recommenda-

tions will be delivered by a logic software based on the guidelines developed by the government's Soil Research Development Institute of Bangladesh.

Initially the service will be available in Charfashion of Bhola, Uzirpur of Barisal, Baliakandi of Rajbari, and Jessor Sadar. The coverage area will be increased gradually.

"Our goal is to expand services to all upazilas within two years," said Huque, who is also the finance director of Intel Corporation.

Grameen Intel has operations in India, Cambodia, Nepal and Macedonia along with Bangladesh. Sajedul Pavel Hoq, chief operating officer, and Fakhrul Islam, general manager, also spoke.

No surprises in upcoming budget

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And in the next budget, the government will give emphasis on speedy progress of these projects and make necessary allocations as per the demands of the ministries concerned.

Besides, salaries and allowances of the government staff, interest payments and

subsidies will eat into a big chunk of the budget.

As a result, there is little scope for big new innovations in spending.

The government will present a budget of more than Tk 300,000 crore for fiscal 2015-16, two-thirds of which will be spent on non-development sectors.

Wheat imports soar on lower global prices

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In line with the fall in prices of wheat in the global market, wheat prices have also declined in the domestic market over the past several months. Prices of wheat in 2015 are lower than the previous two years, said Chowdhury.

"Health consciousness also drives its consumption."

Bangladesh annually consumes 40 lakh tonnes of wheat and its demand rises with population growth, heightened health consciousness, and higher consumption of wheat based snacks such as bread and biscuits.

Three-fourth of the demand is met

with imports.

Earlier, the US Department of Agriculture's Foreign Agricultural Service (FAS) said wheat consumption in Bangladesh is likely to rise to 47 lakh tonnes this fiscal year from 43 lakh tonnes in 2014.

The FAS report said wheat consumption projection has been raised "on expectations of competitive international wheat prices" mainly because of its strong global supply.

Chowdhury said wheat import and consumption may go further up after the government imposes 10 percent regulatory duty on its substitute—rice.

Improved connectivity to boost exports

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"The same story applies to cross-subregional investment and cross-subregional financial flows. This suggests that there is significant potential for growth of economic ties between the two subregions."

It said key land barriers to cross-subregional transport are located mainly in Myanmar, while other gaps can be found in Bangladesh, Cambodia, India, the Lao People's Democratic Republic, Thailand and Vietnam.

Although road connections exist, many segments need to be upgraded, especially in Bangladesh, India and Myanmar.

Moreover, the incompatibility of railway gauges between the regional border countries of India, Bangladesh, Thailand and Myanmar and other technical differences mean that transshipment will be required even after rail links are developed, said the study.

The bulk of cross-subregional trade still moves by ship.

However, important seaports for South Asia-Southeast Asia trade, notably Kolkata Port in India, Chittagong Port in Bangladesh and Yangon Port in Myanmar, suffer from problems relating to limited accessibility for large ships.

Gaps in facilities, variable operational efficiency and gaps in connectivity between seaports and rail and road networks were the other problems identified by the study.

Some \$73 billion of investment is needed to enhance connectivity by way of highways, railroads, ports and energy

trading, it said. "However, our analysis suggests that the overall benefits substantially outweigh the costs."

Priority seaport projects include the construction of new deepwater ports or floating container transhipment terminals at Chittagong and Kolkata, and improvement of the road infrastructure linking Thilawa Port with Yangon.

The study identified financing cross-subregional infrastructure projects as a challenge, as traditional sources of infrastructure financing, including public finance and bank loans, are becoming more constrained.

The development of Asian financial markets and related initiatives is needed to strengthen access to infrastructure finance. Bond markets can play a greater role in channelling Asian savings towards infrastructure projects."

It said guarantees for project bonds may help foster demand for these products by long-term institutional investors. Infrastructure funds, both domestic and international, are valuable.

The study said measures to integrate regional financial markets and ease restrictions on international capital flows can also contribute.

Future collaboration, including co-financing infrastructure projects between development banks such as the ADB, the emerging Asian Infrastructure Investment Bank and the World Bank would contribute to increasing the supply of infrastructure finance in Asia.

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Mohammad Khabirul Haque Khan, country manager of National Bank of Pakistan's Bangladesh operations, and Hamidul Huq, managing director of Credit Rating Agency of Bangladesh, pose at a deal signing programme at the bank's office in Gulshan, Dhaka on Monday.



NATIONAL BANK OF PAKISTAN