

# Donors to hear needs for funds

*Govt to highlight infrastructure and connectivity projects at a meeting with development partners on Nov 15-16*

**REJAUL KARIM BYRON**

The government will seek funds from development partners, including the newly-formed China-led infrastructure bank, for projects in infrastructure and regional connectivity.

The country's demands will be placed at a meeting of Bangladesh Development Forum, a platform of development partners, at a two-day meeting beginning on November 15 in Dhaka after a lapse of five years.

Among a total of seven sessions, one will be dedicated to the infrastructure sector, and Bangladesh's investment needs in power, energy, roads, railways, water transport, and regional connectivity will be discussed.

The government may present proposals for projects worth \$30 billion at the meeting, said officials of the concerned ministries.

The meeting will also discuss assistance of the development partners in attaining the United Nations' sustainable development goals (SDGs) and the country's seventh five-year plan, said Mohammad Mejbahuddin, secretary to the Economic Relations Division.

The main focus will be on how the goals can be achieved by building an effective partnership with the

development partners, he added.

High officials of bilateral and multilateral development partners will also be present at the meeting.

Jin Liqun, president of the newly-formed Asian Infrastructure Investment Bank (AIIB), has agreed to attend the conference.

How Bangladesh achieved 6 plus GDP growth in last several years, and the need for more effective cooperation to continue the pace of development will be presented in the meeting, said Mejbahuddin.

The government will highlight the need to build more infrastructure as Bangladesh's spending on infrastructure is still less than 2 percent of its gross domestic product, he said.

Early next year, the government will send a project proposal to AIIB, with details on which sectors require assistance, he added.

The Asian Development Bank and Japan are already making huge investments in Bangladesh's infrastructure, he said.

An official of the finance ministry said the meeting will also discuss issues such as corruption, delays in project implementation, and governance.

He said about \$22 billion in aid money is still in the pipeline due to

delays in project implementation; the meeting will present plans on how to expedite implementation.

However, Mejbahuddin said it is "not completely true" that aid money remains unutilised due to inefficiency of the government. Spending money on a project requires at least five to six years, he added.

But he admitted that the government's capacity to spend money of the development partners needs to be increased.

An action plan will be prepared at the meeting and the government will take steps on various issues in line with the plan, Mejbahuddin said.

Prime Minister Sheikh Hasina is expected to inaugurate the meeting that will also discuss topics like agriculture, food security and climate change, macro-economy, governance, health and education, and social protection.

The last biennial meeting took place in 2010. Earlier, the meeting used to be held in Paris where donors would commit an amount of money to be released in the next one year.

At present, no commitment for money is made at the meeting; Bangladesh presents its needs and priorities, and on the basis of that, donors provide the assistance later.

## Dhaka Phone strives to resume operations

**MUHAMMAD ZAHIDUL ISLAM**

Dhaka Phone has recently applied to the government to revive its licence in a bid to resume operations.

The private land-phone operator lost its licence in May 2010, along with four others, after allegations of illegal international call termination.

Two of them have already revived their licences and are back in operation. Dhaka Phone sent an application to the telecom division on October 18, signed by KM Shahid Ullah, the company's managing director, with an offer to pay their dues in instalments.

Dhaka Phone owes Tk 2.2 crore to Bangladesh Telecommunication Regulatory Commission; the company wants to pay 20 percent of the amount as a down-payment and the rest in instalments, according to the application.

Officials of the telecom division said they have forwarded the application to the BTRC for a decision.

Earlier, the company applied to the government for exemption of the entire dues and sought support to resume operations, but got no reply.

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# Taka falls vs dollar for first time in 10 months

*Exporters to benefit from devaluation*

**SAJJADUR RAHMAN**

The taka has been devalued against the dollar by about 1 percent over the last six workdays, for the first time in 10 months of an unchanged exchange rate.

Bangladeshis now have to pay more for imported goods from textile machinery to raw materials, mobile phones to fuel oils and cars, because of the taka's fall against the dollar.

On the other hand, exporters and remitters will benefit from the local currency's depreciation.

"The taka is down about 1 percent within a week. That's a sharp decline in a relatively short period of time," said a treasury official of the United Commercial Bank.

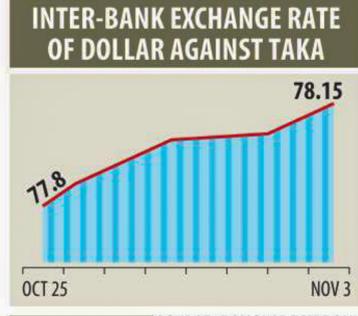
A senior treasury official of AB Bank said they are suddenly feeling "payment pressure", particularly with deferred payments, which, he said, has contributed to the depreciation of the local currency.

The inter-bank exchange rate for a dollar was Tk 78.15 on Tuesday, compared to Tk 77.8 on October 25, according to data from the Bangladesh Bank.

In fact, inter-bank exchange rates remained unchanged at Tk 77.8 for ten months.

The selling rate for bills for collections/import payments reached Tk 79 a dollar yesterday, compared to Tk 78.20 on October 26. In the kerb market, the dollar traded at over Tk 81 yesterday.

Bankers blame the exchange rate fall on slow export growth, negative growth in inward remittance in October compared to the previous month, payments pressure from oil imports by Bangladesh Petroleum



Corporation and rising foreign currency loans extended by offshore banking units.

"This is a temporary phenomenon. The gap between supply and demand has created this situation," said Anis A Khan, managing director of Mutual Trust Bank.

Sheikh Mohammad Maroof, deputy managing director of City Bank, said exports usually slow down in the last quarter of the year. Remittance has also declined as a post-Eid factor, when overseas Bangladeshis send less money.

The country's export earnings declined over 5 percent to \$2.61 billion in September from a month earlier. The inflow of remittances was also down by over 19 percent to \$1.07 billion in October than in September.

There were some payments pressures (for BPC) in the last couple of weeks as well, according to Maroof.

He does not agree that payments for deferred letter of credits (for imports) have created sudden pressure on the exchange rate as it has become a regular practice.

# NBR moves to realise Tk 23,000cr arrears

**STAR BUSINESS REPORT**

The National Board of Revenue is working to realise arrears of Tk 23,000 crore in taxes from various organisations, including Bangladesh Petroleum Corporation, chairman of the tax authority said yesterday.

"We have made progress in realising the amount," said Md Nojibur Rahman at the launch of Tax Guide 2015-16 at his office in Dhaka.

Dhaka Chamber of Commerce and Industry (DCCI) published the guidebook for the convenience of the taxpayers.

Revenue collection stood at Tk 30,928 crore in July-September of fiscal 2015-16, up 9.5 percent year-on-year.

Tax receipts fell short of the target by Tk 5,781 crore in the first quarter. But the NBR chairman hopes the second quarter's target will be achieved.

The first quarter is generally a preparatory time for the implementation of the Annual Development Programme, Rahman said.

"We have also seen challenges in revenue collection from imports," he said.

Officials earlier blamed the less-than-expected collection figure on falling imports and low prices of various imported items, including petroleum and commodities. Imports fell 3 percent in July-August of fiscal 2015-16.

Some agencies, including Bangladesh Petroleum Corporation, have realised value added taxes but have not deposited the money with the state coffers.

A large chunk of VAT is also due with state-owned gas companies, according to the NBR.

The tax collector held a meeting with the BPC on November 3 to realise VAT worth Tk 2,621 crore.

In a Facebook posting, Rahman said Petrobangla deposited more than Tk 600 crore in the Large Taxpayers Unit of the NBR.

"Overall, we are heading towards the revenue target," he said at the programme yesterday.

Rahman also said the law for direct tax will be in Bangla to make it easier to understand for the taxpayers; an English version will also be available.

"We are modernising our customs law," he said, adding that the draft of the new law would be placed at the upcoming session of parliament.

The new VAT law will be effective in July next year, he said.



In a video message, Nobel laureate Prof Muhammad Yunus addresses researchers and academia at the Academia Conference at the European School of Management and Technology in Berlin on Tuesday.

# Social business spreading wings far and wide

*Analysts speak at academia conference in Germany*

**MD FAZLUR RAHMAN, from Berlin**

To many, the social business movement seems to be a concept that is limited to events and gatherings attended by Nobel laureate Muhammad Yunus and his millions of followers.

But what is not too well known is that the new business model is increasingly being embraced by universities from countries with disparate histories and realities.

For example, universities from Poland, which is a former socialist country, to the US, which leads capitalism, to Australia, an affluent country, to developing India have joined the movement.

They were also joined by Taiwan in Asia and Brazil in South America. However, their goals are the same: to

help mainstream social business into the learning programmes within their universities to shape the minds of people while they are young.

Proponents of social business say it gives the students one more option, and provides them the opportunity to explore an alternative way to pursue their life, away from traditional pursuits of running after jobs after they graduate.

From an academic point of view, the theory is very important for Yunus, the founder of Grameen Bank.

If students and young people accept the theory, they would not be running after jobs after graduation from universities and colleges, he told a group of researchers gathered at the European School of Management and Technology in Berlin on Tuesday via a video message from the US. Rather they will create jobs for others, he added.

Yunus is not attending the conference in person because of a sudden illness.

"We have to instil the idea into the young population that life is not all about working for multinational companies."

The idea of social business gives them a different perspective to life; they can employ their energies to solve social problems in a sustainable way.

Subsequently, 23 universities from countries such as Poland, Japan, Taiwan, Japan, Italy, France, Germany, Malaysia, Australia, China, and the US have set up Yunus Social Business Centres on their campuses.

They are offering courses and programmes as well as short courses on social business based on Yunus's principle.

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# Bangladesh becomes new chair of South Asia procurement network

**STAR BUSINESS REPORT**

Bangladesh will function as the new chair of the South Asia Regional Public Procurement Network (SAPPN).

Md Faruque, director general of the Central Procurement Technical Unit, took over as the new chair from Nazrat Bashir, managing director of the Federal Public Procurement Regulatory Authority of Pakistan, at the end of the Third South Asia Regional Public Procurement Conference 2015.

The three-day conference ended on November 3 with the adoption of the Dhaka Action Plan, a set of recommendations to make procurement performance sustainable, by the eight participating countries.

The CPTU of the Implementation Monitoring and Evaluation Division under the planning ministry hosted the conference in partnership with the World Bank and the Asian Development Bank. The theme of the conference this year was innovation for sustainable procurement performance.

The main objective of the third conference was to provide a platform for the public procurement practitioners and stakeholders to share knowledge and experiences of good procurement practices with a view to continuously enhancing performance in the public procurement system.

The procurement heads of the South Asian countries including Bangladesh discussed and exchanged knowledge and experiences on sound public procurement performance, procurement workforce and professionalisation.

The topics of essential performance elements, electronic-government procurement (e-GP), framework agreements, open data/contracting, strategic procurement for improved performance and performance measurement were also discussed.

The recommendations include identification of resources for establishing a National Institute for Public Procurement in all South Asian countries, development of a framework and tool kit for certification/accreditation of procurement professionals, facilitating internet access at rural areas, among others.

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Md Faruque

# Tata to get up to \$500m a year in Canadian financing

Canada will provide up to \$500 million a year in trade financing to help Tata Sons Ltd invest in Canada and also to aid Canadian firms doing business with the company abroad, Ottawa said on Wednesday.

The trade financing agency Export Development Canada (EDC) said Tata companies had invested more than C\$1.3 billion (\$990 million) in Canadian operations over the last five years. Tata employs around 3,000 people in Canada. -- REUTERS

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