

Industrial zone for plastic factories on cards

Ecneec gives nod to 7 projects of Tk 2,038cr

STAR BUSINESS REPORT
The government plans to build an industrial zone for plastic goods manufacturers beside the Dhaka-Mawa road in Munshiganj.

The Executive Committee of the National Economic Council (Ecneec) yesterday approved the Tk 133-crore project, which will be completed by 2018.

Small plastic factories in Old Dhaka will be relocated to the new industrial zone, Planning Minister AHM Mustafa Kamal told reporters after a meeting of the committee.

According to the project proposal, 360 industrial units will be set up on the 100-acre land.

The minister said the owners will be encouraged through discussions to shift their factories.

The number of plastic factories spread across the country is 5,030. Of them, 50 are big, 1,480 are medium and the rest are small.

Almost 80 percent of the factories are in Dhaka and 90 percent of the small units

are in Old Dhaka.

The Ecneec also gave a go-ahead to another project for setting up a medical college along with a 250-bed hospital in Manikganj at an estimated cost of Tk 615 crore.

At the meeting, a Tk 800-crore project got the green light for providing safe water to the poor.

The water level has been receding gradually because of various natural calamities, including the adverse effect of climate change, the minister said.

An initiative has been taken to meet the demand for safe water by harvesting rain-water on around 1,700 government ponds, he said.

About 45,000 new and old tube-wells will be set up or renovated and some 400 wells will be dug.

Around 74 percent of the country's total population now get safe water and the project targets to increase the number to 88 percent, according to the proposal.

The Ecneec yesterday approved a total of seven projects at a cost of Tk 2,038 crore.

ICAB member re-elected as director of CAPA board

STAR BUSINESS DESK

Anwaruddin Chowdhury has been re-elected as a director of the board of the Confederation of Asian and Pacific Accountants for a four-year term from 2015.

Chowdhury is a council member of the Institute of Chartered Accountants of Bangladesh (ICAB), the institute said in a statement yesterday.

This is the first time a Bangladeshi has been elected to the CAPA board for the second consecutive term, according to the statement.

The election took place at the CAPA Assembly of Delegates at the Coex Convention Centre in Seoul, Korea, according to the statement.

Chowdhury is the founder chief executive and technical adviser to Credit Rating Agency of Bangladesh.

Chowdhury served the ICAB as president in 2001 and has sat on the CAPA board since 2011 as a member of its public sector financial management committee.

He is currently working as the challenge fund manager of the UKaid DFID project: Business finance for poor in Bangladesh.

CAPA is the largest regional accountancy organisation, representing 34 national professional accountancy organisations in 24 jurisdictions.



Abdul Alim Khan Salim, vice chairman of Meghna Bank, and Mohammed Nurul Amin, managing director, attend the opening ceremony of the bank's 21st branch at Jaminderhat in Noakhali on Monday.

Factories still struggling as US rate hike looms

REUTERS, London/Jakarta

Manufacturing activity deteriorated across much of Asia in November and while European factories reports improved, the region struggled to gather momentum.

Business surveys on Tuesday showed few signs of vigor across trade-reliant Asia, apart from Japan, with sluggish demand at home and abroad forcing manufacturers from China to Indonesia to throttle back production, cut selling prices and shed more jobs.

Euro zone manufacturing growth picked up to a 19-month high in November but the pace was still relatively modest and with firms cutting prices for a third month, expectations

for further easing from the European Central Bank on Thursday will solidify.

"The deal has been sealed for the ECB, markets have moved after the very strong hints and one data point wouldn't change its mind at this stage," said Jennifer McKeown at Capital Economics. "These particular data anyway aren't all that encouraging. There is just no real inflationary pressure."

As part of its battle to boost inflation - nowhere near the Bank's 2 percent target ceiling at just 0.1 percent - the central bank has been buying 60 billion euros (\$63.55 billion) a month of mostly government bonds since March.



Sarah Cooke, country representative of DFID Bangladesh, attends the annual conference of Market Development Forum in Dhaka on Monday.



SAK Ekramuzzaman, managing director of Rakeen Development Company, speaks at a "family day" event organised for the company's clients, at PSC Convention Hall in Dhaka on Saturday.

Shahjalal Islami Bank re-appoints MD

STAR BUSINESS DESK

Shahjalal Islami Bank has reappointed Farman R Chowdhury as its managing director and chief executive, the bank said yesterday.

Chowdhury will serve the bank for the next three years, it said in a statement.

He joined Shahjalal Bank in 2013 as its managing director and chief executive. Prior to this assignment, he served ONE Bank as its managing director for six years. Chowdhury started his banking career in 1986 as a management trainee at American Express Bank and served there for 12 years. Later, he joined ONE Bank in 1999 as its first branch manager and served there until 2013.



Who will pay the SDG bill? Nations themselves

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New bilateral and multilateral sources of financing have to be created, said Carrera, also executive director of the Soros Foundation Guatemala.

He cited examples of multilateral lending agencies: the Asian Development Bank and the World Bank. Also, the China-led Asian Infrastructure Investment Bank is in place to support infrastructure development.

Brazil and China have produced some big financial institutions. There is the New Development Bank, formerly referred to as the BRICS Development Bank, which is a multilateral development bank operated by Brazil, Russia, India, China and South Africa, known as the BRICS, as an alternative to the existing American and European-dominated World Bank and International Monetary Fund.

The ultimate target of the new agenda, the negotiations for which went for over five years, is to "create a global middle-class without killing the planet", he said.

"This may sound awkward, but a world with no hunger and with access to education and health can create this global middle-class," Carrera, also an economist specialising in fiscal policy and political analysis, said there are major differences between MDGs and SDGs.

The first major difference is that the SDGs are a government and people's agenda. The second difference is that it is a political agreement, not a technical one.

The third and final major difference is that SDGs are not imposed by the north countries (developed) on the south.

"There was a strong influence of the global south and G77 (an organisation of 77 developing states that pursue common goals) plus China. This somehow created

an environment."

Yet, the effective implementation of the new set of global goals requires guidance of the UN, according to Carrera.

Member states want the UN to play a critical role, bring knowledge, support long-term vision and adopt national goals, accountability and data access, as it will help the governments achieve the goals.

Carrera also spoke about the issue of environmental sustainability, which, according to him, cannot be divorced from poverty eradication. "We want no poor people, but we also want sustainable development."

He said the world needs to move on from fossil fuels to sustainable energy for the betterment of people.

Another critical issue in the implementation of SDGs is the engagement of the private sector in the process.

This time, the business community is not an observer, like it was in the case of MDGs, he said.

Carrera also found that the SDGs did not address certain issues like the socio-economic inequality, which is increasing for the last 40 years.

Also, there is not enough articulation on strengthening of the public institutions that will implement the policies. Poorly-managed and poorly-funded institutions cannot produce good results, he said.

The media has an important role to play as well, he said. "We need social and cultural changes and knowledge can be acquired through the media."

They need to disseminate knowledge and promote new social values and awareness on the SDGs, Carrera said.

"The task is an ethical task; it's a new ethical standing."

Reforms needed to fast track trade facilitation: analysts

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"In many measures, only legislative changes will lead to full compliance," he said, adding that if parliament ratifies the Customs Act, five to six measures will be complied with.

Despite modernisation and automation, the time taken for customs clearance is still beyond acceptable limits for businesses, said Mozumder.

At Chittagong Port, the average time from arrival of vessels to release of imported goods is 11 days 9 hours and 45 minutes, while for exported goods, it takes four days 22 hours 38 minutes, he said, quoting a study.

In absence of an elaborate policy, a detailed procedural guideline and a strategic management plan on risk management, the customs department tends to examine a large number of consignments, he said. The problem is more acute in land ports, where 100 percent consignments are subject to some form of physical inspection, he added.

Trade processes are cumbersome and time-consuming, adding costs to traders.

The trade cost per container for import is \$1,515 and for export is \$1,281, according to the World Bank's Doing Business Report of 2015.

Md Nojibur Rahman, chairman of the National Board of Revenue, said trade facilitation is a priority for them. "We will provide all kinds of cooperation to businesses."

Import clearance time at Chittagong Port has come down to 8.5 hours from 11 hours; there have been improvements in other areas as well, he said.

DCCI President Hossain Khaled said

implementation of the trade facilitation agreement is expected to benefit Bangladesh by lowering the cost of doing business by 16.5 percent and lead time by 10 percent.

It is also expected to increase cross border trade by 15 percent and earn an additional \$4 billion in annual export earnings, raise employment by 5 percent and accelerate GDP growth to 8 percent by 2021, he added.

Amitava Chakraborty, director general of the WTO cell at the commerce ministry, said the government will have to notify the WTO about the measures it will undertake within one year of the agreement, the measures it will implement on its own and the ones it will not be able to put into action on its own.

The World Bank, Asian Development Bank and International Finance Corporation are ready to provide assistance to implement trade facilitation measures, said Khondaker Golam Moazzem, additional research director of the Centre for Policy Dialogue. An action plan has to be formulated to this effect, he added.

"The benefits of trade facilitation measures far outweigh the demerits."

A high-level committee should be formed to oversee the implementation of the trade facilitation measures, he added.

Mohammad Hatem, former first vice president of Bangladesh Knitwear Manufacturers and Exporters Association, requested the government to empower the customs department, so it can conduct pre-shipment inspection if any trader makes a mistake in the procedure.

DCCI Senior Vice President Humayun Rashid also spoke.

LIC of India enters insurance business in Bangladesh

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Tanvir Ahmed, managing director of SEML Group, Bangladesh, also confirmed that they have bought 7 percent stakes in LIC Bangladesh for Tk 7 crore.

"The procedures are almost complete. We hope to commence operations of the joint venture in a few months," he said.

Shefaque Ahmed, chairman of the Insurance Development and Regulatory Authority (IDRA), also confirmed the formation of the joint venture.

Previously, Pioneer Insurance, a leading non-life insurance company in Bangladesh, had been working as a local partner of LIC for nearly three years, but the IDRA did not allow Pioneer to be involved in life insurance business.

By teaming up with Pioneer Insurance, LIC first applied to the IDRA in May 2013 for registration.

Quoting the country's insurance laws, the IDRA chairman said a general insurer cannot get involved in the life insurance business. The IDRA handed the consent letter to LIC to operate in the country in June this year in presence of the prime ministers of Bangladesh and India.

It was one of the 22 agreements signed by the two nations during Indian Prime Minister Narendra Modi's visit to Dhaka. LIC will be the second foreign insurance company to operate in Bangladesh after the US-based MetLife-Alico.

Established in 1956, LIC has operations in Nepal, Sri Lanka and Singapore apart from India.

Infrastructure to get focus

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While importing poultry feed, fish meal and fodder for cattle, the date of manufacture and expiry has to be mentioned.

Fish meal and protein concentrate can be imported provided they come with a certificate from a competent authority of the exporting country and that they are free of harmful chemicals including chromium and tannery by-products.

Software has been included as a new import product and it can be imported with the clearance of the ministry and with recommendation of the concerned trade body.

No-objection certificates from the information ministry will be required for importing foreign films. There is no such provision in the existing policy.



Rezwanul Kabir, a director at Energypac Power Generation, poses at the launch of a fair on diesel generators, compressors, lifts and marine engines, at Energypac's office in Tejgaon, Dhaka.

Govt to buy content filtering system for internet security

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MetroNet was chosen from seven companies that submitted proposals to the regulator in 2013 to filter international internet gateways contents.

If the government had established the system earlier, Bangladesh could have avoided banning social media services such as Facebook, Viber and WhatsApp, according to an industry expert.

The government blocked Facebook, online messaging and calling services WhatsApp and Viber on November 18, immediately after the Supreme Court upheld the death penalties of

Salauddin Quader Chowdhury and Ali Ahsan Mohammad Mojaheed, who were later executed for war crimes.

Many countries have used different mechanisms to regulate social media platforms successfully, and did not have to block them, said Mostafa Jabbar, former president of Bangladesh Computer Society.

"We need to establish the system as soon as possible, and re-open Facebook and other social media platforms."

The government has also directed all international internet gateway operators to install deep-packet inspection systems, another way for

the government to monitor internet usage and filter content, or their licences could be cancelled, said the state minister.

The BTRC will also create a database of internet service providers and their clients, to be able to regulate the industry better, she added.

On Monday, Tarana also wrote to Facebook, seeking a legal agreement empowering the government to access client information.

Meanwhile, the Information and Communication Technology Division is also working to set up a digital forensic lab to track cyber criminals, officials said.