

## Foundation stone laid for human resource institute in Ctg

STAFF CORRESPONDENT, Ctg

The banking sector is more stable and resilient than ever before, with a 10.53 percent capital adequacy ratio, Bangladesh Bank Governor Atiur Rahman said in Chittagong yesterday.

"The banking sector is not only strong but also able to withstand any shock or pressure," Rahman said, while laying the foundation stone of the Human Resources and Management Development Institute in Nasirabad.

The institute will help build leadership and excellence in the financial sector, Rahman said.

Bangladesh Bank is building the institute on a 10-acre of land. The campus includes a multi-purpose hall, a conference hall, eight big and small conference rooms, 20 classrooms, two lecture theatres, 67 double beds and 32 single beds hostel rooms, 26 suites, eight family cottages, two executive apartments, a dormitory for the staff, a computer centre, an audio visual centre and a library.

A stable growth rate of 6 percent indicates that investment was indeed enough, Rahman added.

Investment is pouring in agriculture, SME, technology and e-commerce, he said.

Some \$300 million funds received in long-term loans will be soon disbursed among businessmen as foreign exchange, at half the current interest rate, to help boost the manufacturing and export sectors, Rahman said.

"We are also working to channel about \$200 million in funds to those industrial units that make a move to go green."

## India govt official floats idea of national gold exchange

REUTERS, Singapore/Mumbai

A senior government official floated the idea this week of setting up a national gold exchange to overhaul physical trade in the world's second-biggest bullion market.

Such a platform could provide transparency and establish a price benchmark in the market, though some in the industry said more changes were needed before such a plan might work.

"This is just an idea. Can we think of a gold exchange where there can be transparent trading? A platform where those who have surplus gold can sell it to those in requirement," Shaktikanta Das, the economic affairs secretary at the finance ministry, was quoted as saying in local media on Tuesday.

Das has asked the industry to come up with a concrete proposal for an exchange, according to reports.

The comment follows the recent launch of gold monetisation and sovereign bond schemes in an effort to mobilise India's gold hoard and reduce imports.

A physical gold exchange is likely to mean jewellery makers, retailers and banks buy and sell over a regulated platform.

China, the top gold consumer, runs such a bourse, where all domestic production and imported gold has to be bought and sold over the exchange.

An industry report last year had urged India to consider setting up an exchange.

"Apart from being responsible for regu-

latory aspects of gold dealings, it will also undertake price fixing of gold on every day basis for the domestic market, work on standardisation issues, attend to policy advocacy and promote product innovation," the report said.

Those in the industry are divided.

"It will facilitate the smaller jewellers to procure gold at a market determined price," said Bachhraj Bamalwa, director with the All India Gems & Jewellery Trade Federation.

Others said India would have to reduce a record high 10-percent import duty, which has triggered gold smuggling.

"Right now there is huge disparity in trade due to smuggling. Unless the government brings down import duty and smuggled volumes come down, there is little scope for regulated physical gold trade," said a bank dealer, questioning why someone would pay the market price when they could get gold cheaper in the black market.

Some Indian exchanges, including the Multi Commodity Exchange (MCX) (MCEI.NS) and National Commodity and Derivatives Exchange (NCDEX), offer gold futures contracts.

Asked whether MCX would be interested in setting up an exchange if the government sought proposals, a spokesperson said via email: "MCX may consider such a proposal when the full details and fine print is available."

NCDEX did not see a need for a dedicated gold exchange.



Atiur Rahman, governor of Bangladesh Bank; Md Ahsan Ullah, executive director, and Md Mehmood Husain, managing director of Bank Asia, pose at the signing of a participating agreement at the central bank's head office in Dhaka on Tuesday. Bank Asia can now access the International Development Association's \$300 million fund, given for disbursement as long-term finance to productive sectors at reduced interest rate.

## Global recognition for SSG's chief marketing officer

STAR BUSINESS DESK

Aftab Mahmud Khurshid, group chief marketing officer of SSG, has recently been recognised as the most influential marketing leader at the World Global Marketing Congress held in Mumbai.

Some 1,200 marketing leaders from about 100 countries attended the summit that honoured 50 marketing per-



sonalities from across the globe, SSG said in a statement yesterday. The World Marketing Congress is strategically partnered by CMO-Asia, and the World Brand Congress, according to the statement.

Khurshid has also worked at ACI (formerly ICI), Siemens, Trust bank, City Bank, Standard Chartered and NRB Bank.



Obeid R Nizam, chief executive of Dhaka Dynamites and chairman of DHS Motors, the sole distributor of Honda in Bangladesh, and Farhana Haq Chowdhury, a director at DHS Motors, pose with the members of Dhaka Dynamites, at the launch of Honda CR-V (2015), at the Honda showroom in Mohakhali, Dhaka.

DHS MOTORS



Omar Sadat, chairman of Leisure Bangladesh, and Sarwat Siraj, managing director, pose at a press meet to launch the company's third initiative --Leisure Marina Sports Village -- at the Westin hotel in Dhaka yesterday. The project with 96 plots has rail, river and four-lane highway access along with other sports facilities.

LBL

## New import policy drops plan to ban battery-run vehicles

FROM PAGE B1

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

Up to \$300,000 worth of goods can be imported without permission from the authorities. Previously, the upper bound was \$200,000.

For personal use, a maximum of \$7,000 worth of goods can be imported, compared to the existing \$5,000.

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

### PURCHASE COMMITTEE

Meanwhile, the cabinet committee on public purchase approved proposals for procuring energy from two solar power plants of 82 megawatts. The power plants will be built by private sector companies and the government will buy power from them at \$0.17 per kilowatt over a 20-year period.

One of them will be a 50MW plant in Mymensingh, and the other is a 32MW plant in Sunamganj.

## Local firm making plastic bottles with discards

FROM PAGE B1

Nearly 400 crore PET bottles are used a year in Bangladesh. Most of these bottles are discarded after a single use though some people were exporting the bottles to China. But stricter environmental policies in China hampered the exports in recent months, industry players said.

"As a result, we have abundant raw materials (used bottles) around us -- on the streets and in the landfills," Mahmud said.

Officials of Idcol and Trust Bank said the plant is eco-friendly. They have gone for the venture as growing urbanisation and changing lifestyles have been raising the demand for PET bottles every year.

## Danone weans itself from Dumex infant formula brand in China

AFP, Paris

French dairy giant Danone said Wednesday it had reached a final agreement to sell its Dumex baby-milk business in China, which had been tarnished by bribery claims and a safety scare.

The sale to the Yashili group, a joint venture in which Danone holds a stake, for 150 million euros (\$159 million), comes after the French firm earlier this year wrote down the value of Dumex by 398 million euros.

Danone said in a statement that "by bringing the Dumex and Yashili brands closer together, the operation will build a strong local infant milk formula brand platform."

Dumex China was hard hit by a 2013 food safety scare involving its New Zealand supplier Fonterra. The scare, which led the company to recall products, damaged the brand despite later being shown to be unfounded.

## Duty-free imports of boulders from Bhutan

FROM PAGE B1

"We also discussed the import of hydro-power from Bhutan, but here, we need a consensus with India as we will have to use Indian land for transmission of electricity. Bhutan agreed on our proposal," said Roy.

"We also demanded multiple-entry business visas for the Bangladeshi community to travel to Bhutan," he added.

Both sides also discussed road transit and water transit protocols; a joint working group will be formed to finalise the issues with Bhutan through the use of Indian lands, he said.

A memorandum of understanding will be signed soon between Dhaka Chamber of Commerce and Industry and Bhutan Chamber of Commerce and Industry to work on increasing bilateral trade between the two nations.

The meeting also agreed to sign an agreement between Bangladesh Standards and Testing Institution and Bhutan Standards Bureau to ensure faster inspection of export and import goods and enhance trade volumes through mutually accepted certificates, said Roy.

Both countries also agreed on increasing tourism through cooperation, he added.

Dasho Yesi Wangdi, economic affairs secretary of Bhutan, led the 10-member Bhutanese team at the fourth Bhutan-Bangladesh Commerce Secretary level

meeting.

The third Bangladesh-Bhutan commerce secretary level meeting was held in April last year in Thimpu.

Trade volume between the two countries reached \$33 million in fiscal 2014-15, which is 50 percent higher than in the previous year.

Bangladesh and Bhutan signed a transit agreement in 1980 and the meeting decided to prepare a protocol and sign the tool to implement the bilateral transit agreement as soon as possible, Roy said.

If both parties sign a protocol, Bhutan will be allowed to use Bangladeshi territory, particularly road infrastructure and Chittagong port, for their exports and imports to and from a third country.

The movement of traffic from Bangladesh to Bhutan, however, involves Indian territory and that requires approval from the Indian government, an expert said.

If India does not allow traffic from Bangladesh to go to Bhutan through Indian territory, the proposed protocol on transit will only let Bhutanese trucks enter Bangladesh, said an official present at the meeting.

Bangladesh exports items such as garment, medicines, melamine, soap, dry food, fruit juice and mineral water to Bhutan, and imports fresh fruits, paper and paper boards, crushed stones, coffee and spices from Bhutan.

## US to use every tool to improve labour rights in partner countries

FROM PAGE B1

Similarly, the USTR also suspended the trade benefits under the African Growth and Opportunity Act for Swaziland.

"The United States is committed to working cooperatively with our trading partners to improve respect for labour rights."

But the Obama administration is equally committed to taking strong action when progress is not made, as it did in suspending trade benefits for Bangladesh under GSP in 2013 and for Swaziland under AGOA in 2014.

The US has also brought the first-ever labour rights-related dispute settlement action under a free trade agreement against Guatemala under the Dominican Republic Central America-United States free trade agreement, the statement said.

In addition, the US recently completed negotiations of the Trans-Pacific Partnership, which contains the strongest protection for workers in any trade agreement in history, according to the statement.

## Muhith opposes proposals to hike interest rates of loans from donors

FROM PAGE B1

"We have not become a middle-income country as per the definition of the United Nations."

He said the UN would decide in 2018 whether a number of countries, including Bangladesh, have become middle-income countries, and a final confirmation will come three years later. Speaking at the meeting, Commerce Minister Tofail Ahmed said the country needs to diversify its exportable products and widen the export market.

In a presentation, Muhammad Alkama Siddiqui, additional secretary to the ERD, said there is still problem in getting foreign assistance for the power sector.

Domestic shipping routes cannot be used properly because of a lack of river dredging and ports, he said.

Mohammad Mejbahuddin, secretary to the ERD; M Aslam Alam, secretary to Bank and Financial Institutions Division, and Kaniz Fatema, secretary to the Statistics and Informatics Division, also spoke.

## Remittance falls 3pc in Nov

FROM PAGE B1

Remittance has helped reduce the poverty level in Bangladesh by 1.5 percent, according to a World Bank study. The earnings also account for about 60 percent of the country's foreign currency reserves, providing Bangladesh with a strong and stable external position.

Remittance would also play a crucial role in the coming years as the country sets out to implement its seventh five-year plan, and sustainable development goals. Development partners have also suggested the government mobilise more funds from domestic resources.

In the last fiscal year, migrant workers sent home \$15.31 billion in remittance, the highest in the country's history.



Md Abdul Halim Chowdhury, managing director of Pubali Bank, and Md Aminul Haque Shamim, managing director of Sea Pearl Beach Resort and Spa, pose at the signing ceremony of a memorandum. The bank's credit and debit cardholders will get special discounts at the resort in Cox's Bazar.

PUBALI BANK



Md Alamgir Kabir, additional managing director of Crown Cement Group, and Qu Yan, project manager of Sinohydro Corporation, pose after signing a deal to supply cement for the Padma multipurpose bridge project.

CROWN CEMENT