

এসআইবিএল রিটেইল ব্যাংকিং
জীবনের জন্য, জীবন যাপনের জন্য

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Star BUSINESS

DHAKA SUNDAY JANUARY 10, 2016

Padma bridge cost not too high: panel chief

STAR BUSINESS REPORT

The approved cost for the Padma bridge project is not too high if issues such as -- expenditure in similar projects around the world, appreciation of the dollar and escalation of prices with time -- are taken into account, an analyst said.

Jamilur Reza Choudhury, chairman of the government's panel of experts on Padma bridge, said it would cost \$5,000 per square metre for the 6.15-kilometre bridge. It was \$2,500 per square metre for the Bangabandhu Multipurpose Bridge over Jamuna river.

The cost has doubled in the last 18 years, which is not unusual, he said.

He said the project's cost is not too high compared to that of other bridges around the world. Plus, there was no need to train such a long river in case of other bridges.

For instance, the longest bridge in the world, which stretches 38 km, was built over shallow waters in China.

"But we have to dig 120m deep, which equals a 40-storey building. Nowhere in the world has a bridge been built going that deep."

Choudhury's comments came at a roundtable styled "Padma bridge -- new lifeline of development" organised by The Daily Star in association with BSRM, the largest steelmaker.

The cost has increased gradually, mostly because of expansion in the scope of work and escalation in prices, he said.

The project, when approved in 2007, was supposed to cost Tk 10,162 crore, but in 2011 it was revised upwards to Tk 20,507 crore.

Last week, the Executive Committee of the National Economic Council, chaired by Prime Minister Sheikh Hasina, raised the cost for the project again, to Tk 28,793.38



Obaidul Quader, minister for road transport and bridges, and Jamilur Reza Choudhury, chairman of the government's panel of experts on Padma bridge, attend a roundtable on the project, at The Daily Star Centre yesterday.

core. Another reason for the hike in the cost is the stronger dollar.

In the first revision of the project in 2011, the exchange rate was Tk 69 per dollar. But in the second revision it was Tk 74.45 to Tk 78.40. In the past, the government used to pay taxes on behalf of the bidders in case of

donor-funded projects.

Since the government is building the bridge with its own funds, the bidders will have to pay the value-added and other taxes themselves, Choudhury said.

Inclusion of VAT and taxes in the project cost has made the expenditure look

higher, he said. But on the bright side, the government gets to keep the amount that the bidders will pay as VAT and taxes.

The overall cost has gone up sharply because the country will have to spend a lot for river training, he said.

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Local content key to true digitisation: analysts

STAR BUSINESS REPORT

Fast internet and an increasing use of smartphones are not enough to make a digital country, but local content is the key, analysts said yesterday.

Speakers also underscored the need for lowering internet prices, and establishing an effective ecosystem to develop an ICT-enabled country.

They spoke at a discussion on digital content and connectivity held on the sidelines of a three-day tab and smartphone expo that ended at Bangabandhu International Conference Centre in Dhaka.

"Local digital content is also essential to the ecosystem, but we lack that," said Shameem Ahsan, president of Bangladesh Association of Software and Information Services.



Analysts discuss ways to improve digital content and connectivity during an event on the sidelines of a three-day tab and smartphone expo that ended yesterday.

Ahsan also said the government should not block Facebook, Skype or any other social media network, as the last year's ban, from November 18 to Dec 10, caused a major setback to the digitisation process.

The telecom industry can connect another five crore people to the internet in the next three to four years, but for that there must be enough locally generated content, said Mohammad Muntasir Hossain, head of digital service at Grameenphone.

"If we can develop local content that can significantly improve peoples' way of life, I am sure it will also increase internet usage," said Hossain.

BASIS is providing support to local content developers to help them grow, according to Ahsan.

Some international venture capitalists and the central bank have also taken similar steps to help build capacity, and the future will be bright, he said. Grameenphone has cut internet prices by 78 percent in just two years, said Mahmud Hossain, chief corporate affairs officer of GP.

"Now we are providing internet at subsidised prices, keeping in mind the future prospects."

Currently, there are 5.39 crore active internet connections in Bangladesh, with about 95 percent connected by mobile. About 20 percent of mobile internet users are using smartphones, and the figures are increasing by the day.

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Global cotton output to fall this year: report

REFAYET ULLAH MIRDHA

Cotton production in two major countries—China and the US—will decrease by 19 percent and 18 percent in 2015-16 due to a fall in cultivation fuelled by less demand and higher cotton stock worldwide, according to a new report.

In 2016, cotton production in China is estimated to be around 5.3 million tonnes, down 19 percent from 2014-15 and 35 percent from a record 8.1 million tonnes in 2007-08, the International Cotton Advisory Committee or ICAC said in a statement.

The ICAC provides statistics on world cotton production, consumption, trade and stocks and identifies emerging changes in the world cotton market.

Similarly, 13 percent reduction in harvested areas in the US coupled with lower yields due in part to excessive rains in autumn are expected to lead to a fall in production of 18 percent to 2.9 million tonnes, the Washington-based committee said.

Despite the production fall and higher stock in major countries, cotton consumption will rise by 10 percent to more than 1 million tonnes in Bangladesh this year.

The ICAC attributed the rise in consumption to the

WORLD COTTON AT A GLANCE			
In million tonnes			
	2013/14	2014/15	2015/16
Production	26.28	26.23	22.89
Consumption	23.88	24.22	24.33
Imports	8.67	7.60	7.31
Exports	8.99	7.70	7.31
Stock	20.11	22.03	20.59

SOURCE: ICAC

China as the world's biggest cotton importer in the current crop season thanks to strong demand from apparel makers, according to data from the US Department of Agriculture.

In the year ending July 31, Bangladesh may import a record 5.75 million bales of the fibre, up 6.5 percent from a year earlier, said the USDA. One bale weighs 480 pounds, or 218 kilograms.

Despite low international cotton prices, growers in Australia and some South American countries may expand planted areas by 1 percent to 2.9 million hectares.

In 2015-16, production in the southern hemisphere is projected to go down 2 percent to 2.5 million tonnes while it is estimated to be 20.6 million tonnes for the northern hemisphere.

READ MORE ON B3

Mobile cash transfer grows 54pc in Nov

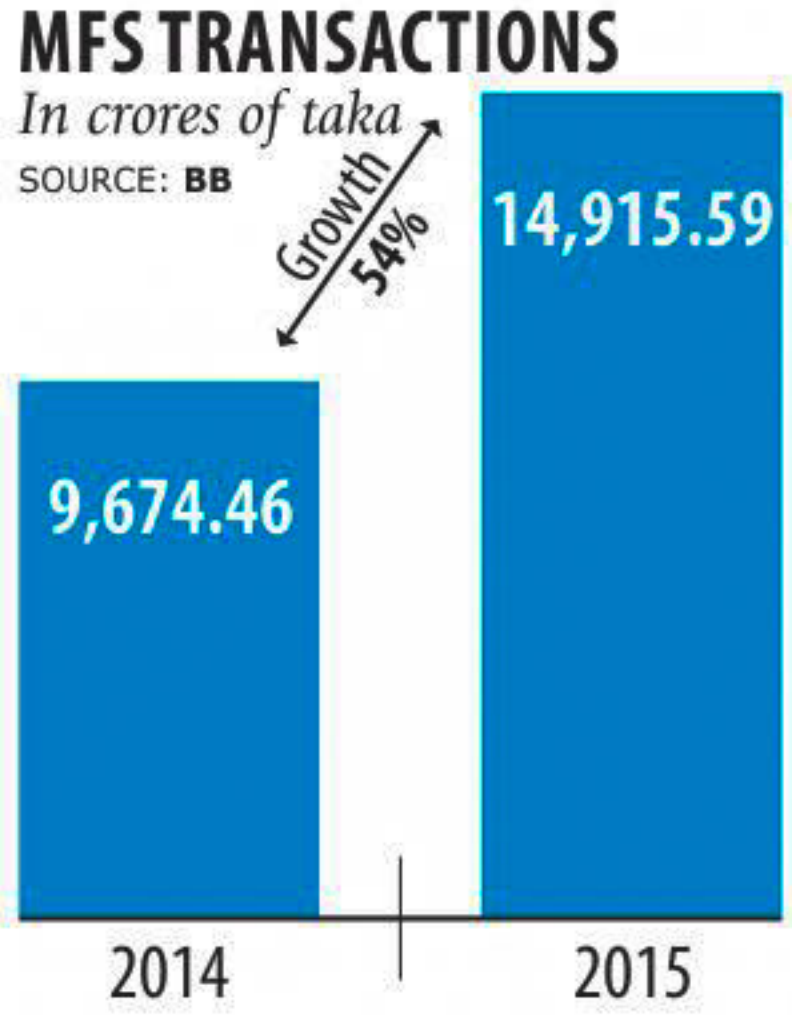
MUHAMMAD ZAHIDUL ISLAM

The use of mobile financial services is fast rising, as people are becoming increasingly comfortable with the banking platform.

In November 2015, Tk 14,915.59 crore was transacted through mobile banking channels, up 54.2 percent year-on-year, according to data from Bangladesh Bank.

Daily average transactions during the month stood at Tk 497.19 crore in contrast to Tk 322.48 crore a year earlier. The figures will grow much higher if proper rules are implemented in the industry, according to sector leaders.

"Our market size is huge and mostly untapped," said Abul Kashem Md Shirin, deputy managing director of Dutch-Bangla Bank, a leading mobile financial service provider. Twenty-eight banks had taken



permission from the central bank to roll out the service since 2009, and 20 banks launched it. "If the other banks join the party, there will be innovations in service and the user base will spread."

The number of transactions has grown too: from 6.09 crore in November 2014 to 11.09 crore in November 2015.

The highest growth came in the salary disbursement segment. Salaries amounting to Tk 140.91 crore were disbursed through the platform in November 2015, which is more than double from a year earlier.

Person-to-person transactions are increasing in popularity too. It increased 43.41 percent year-on-year to Tk 2,579.55 crore in November 2015. Utility bill payment saw 79.91 percent year-on-year growth in November.

Shirin said if banks can expand their coverage across the country, more people will take the service from them and the numbers will shoot up.

At present, there are 3.12 crore registered mobile financial service clients in Bangladesh, with 1.25 crore of them being active users.

1.27cr SIMs blocked since 2007 for being used in illegal calls

STAR BUSINESS REPORT

Around 1.27 crore mobile connections were blocked in the last nine years, as those were used to bring in international calls through illegal voice over internet protocol (VoIP), according to the telecom division.

Of the SIMs (subscriber identity modules), around 1.16 crore were blocked by six mobile phone operators, said Tarana Halim, state minister for telecom.

The mobile operators suspended about 56.95 lakh connections in the last two years alone, she said.

Bangladesh Telecommunication Regulatory Commission conducted 244 raids in the last nine years, including 37 in 2015, and blocked 2.15 lakh SIMs, officials of the telecom division said.

The telecom watchdog also suspended another 8.75 lakh SIMs that were detected by the SIM Box Detection System.

BTRC in association with mobile phone operators introduced the SIM Box Detection System to detect illegal connections through random sampling.

"Illegal call termination is like smuggling. We want to bring an end to it," Tarana said.

"We are working to ensure that all international calls enter the country through legal channels."

Senior officials of a number of mobile operators said all SIMs used in illegal calls should be blocked, although their revenue falls with the increasing number of blocked connections.

The rate for each minute of incoming international call is 1.5 cents; incoming calls of around nine crore minutes route through legal channels every day.

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