

Indonesia plans "big bang" opening of economy to foreign investment

REUTERS, Jakarta

Indonesian President Joko Widodo on Wednesday unveiled plans for a "big bang" loosening of restrictions on foreign investment in nearly 50 sectors to encourage competition in an economy long dominated by powerful vested interests.

The president's proposal, which will ease rules in the e-commerce, retail, healthcare, movie and several other industries, could pit a relative newcomer on the political stage against an establishment resistant to change.

It would be the most far-reaching yet in a string of stimulus packages rolled out over the past six months to drive industry and employment beyond the economy's traditional mainstays of agriculture and mineral extraction.

Southeast Asia's largest economy has been growing at its slowest pace in six years because of falling commodity prices and cooling growth in major trading partner China.

But Widodo told Reuters in an interview at the presidential palace he was very optimistic that growth would rebound to 5.3 percent this year after a slide to 4.8 percent in 2015.

His trade minister, Tom Lembong, told Reuters separately that the planned overhaul of the so-called "Negative Investment List" signalled a greater openness to foreign investment and would partly prepare the country for free trade agreements, including eventually the Trans-Pacific Partnership (TPP).

"We are seriously considering deregulation across the board, but focusing on e-commerce, healthcare, and creative industry," Widodo said ahead of a cabinet discussion of the proposals. "There are 49 sub-sectors (affected) so in my opinion this is the big bang."

Lembong said retail was also among the sectors that would be opened up, and there would be some degree of deregulation in each of the 16 main sectors on the negative list, which include agriculture, forestry, energy, communication and transport.

In some cases this would raise the limit on foreign stakes in companies from a minority to a majority, helping Indonesia comply with limits on "equity caps" stipulated under the TPP and other trade pacts, like one under negotiation with the European Union.

The healthcare push, which would open up investment in hospitals, clinics and laboratory services, could bring a sea-change in a country where at present foreign medical professionals are not allowed to practice.

Although foreign direct investment into Indonesia has risen in recent years, it remains among the lowest in Southeast Asia in relation to total investment and gross domestic product.

Foreign investors have pushed for years for a greater access to opportunities in Indonesia's vast domestic market, valued at some \$840 billions at market exchange rates.

Singapore was Indonesia's largest foreign investor last year, with a 20.2 percent share of the \$29.28 billion total realised investment, followed by Malaysia and Japan, the Investment Coordinating Board said last month.

Indonesia has a long history of protectionism, and vested interests have often stood in the way of trade and investment from abroad. The last revision to the negative list was done in 2014 and was seen by many as less investor-friendly.

Widodo said that, so far, he has not faced any political backlash or resistance to the steps he has taken

towards liberalisation.

"For me competition is very important," he said. "If we have already launched our deregulation, the bureaucracy and the system must follow the new rules."

Widodo's meteoric rise from furniture businessman to president of the world's third-largest democracy - and the first to come from outside the political or military establishment - was widely seen in 2014 as a watershed moment for Indonesia.

Supporters had predicted that the former governor of Jakarta would root out corruption, promote people based on merit rather than connections and create a vibrant economy.

Instead, as economic growth sagged last year, critics said he seemed out of his depth at times and battling to get around politicians determined to preserve the status quo.

A cabinet reshuffle last August, which brought experienced technocrats into his team, set a new tone. Since then Widodo's administration has rolled out nine stimulus packages cutting red tape, offering tax breaks and loosening regulations.

Widodo said there were two prongs to his growth strategy: deregulation to create competition, efficiency and better services, and infrastructure development.

His government has struggled to disburse funds for roads, ports and power stations, and many critical infrastructure projects were hamstrung by bickering ministers and red tape.

However, data released last week showed that investment growth picked up in the last quarter of the year thanks to rising public spending.

The final quarter also saw a jump in foreign direct investment, taking its rise for the year to 2.8 percent in dollar terms.



Sazzadul Hassan, additional secretary, and Safful Alam Khan Chowdhury, additional managing director of Pubali Bank, attend the first managers' conference of the bank's operations in Mymensingh region at Zila Parishad Auditorium in Netrakona.

Bad loan clean-up takes toll on Indian state banks' earnings

REUTERS, Mumbai

Four state-run banks reported a spike in bad loans and provisions for sour debt on Tuesday after a clean-up exercise ordered by their regulator, sending three of them to net losses for the fiscal third quarter.

Punjab National Bank (PNB), India's fourth-biggest state-run lender by assets, posted a 93 percent fall in December-quarter profit, and said it expected bad loans to rise further in the current quarter.

Central Bank of India, the eighth-biggest state-run lender, smaller lenders Allahabad Bank and Dena Bank all reported net losses in the December quarter.

More than two dozen lenders majority owned by the government dominate India's banking sector with two thirds of the assets. These lenders together also account for close to 90 percent of the sector's troubled assets.

Indian banks, burdened by their highest stressed-assets ratio in 13 years, have been asked by the Reserve

Bank of India (RBI) to treat some troubled accounts as non-performing even if actual default has yet to happen and make adequate provisions.

The RBI's directions followed Governor Raghuram Rajan's call for a clean up of bank balance sheets by March 2017. The banks have been asked to make required provisions during the third and fourth quarters of this fiscal year ending in March.

"The surgery is not over," PNB Chief Executive Usha Ananthasubramanian told a news conference in New Delhi. "The next quarter as well... I should say the clean-up process is under way," she said of the three months to March.

Dena Bank Chairman Ashwani Kumar, however, expected bad loan additions and provisions to be lower in the current quarter than the last quarter, hoping a "war room" set up by the bank to monitor and recover troubled loans will yield results.

State Bank of India, Bank of Baroda and Bank of India, the top three state-run lenders, are due to report third-quarter results later this week.

PNB, the first major state-run lender to report third-quarter results, said its net profit was 510.1 million rupees (\$7.5 million), aided by a tax write back of 9.1 billion rupees. Before the tax benefit, it posted a loss of 8.58 billion rupees.

PNB's gross bad loan ratio jumped to 8.47 percent at end-December from 6.36 percent in September. Provisions, including for bad loans, more than doubled from a year earlier to 37.76 billion rupees.

Central Bank of India reported a net loss of 8.37 billion rupees as provisions more than doubled from a year earlier. Its gross bad loan ratio widened to 8.95 percent in the December quarter from 6.86 percent in September.

Allahabad Bank posted a net loss of 4.86 billion rupees, while its gross bad loans ratio widened to 6.4 percent. Dena Bank's December quarter loss was 6.63 billion rupees, and its gross bad loan ratio jumped to 9.85 percent with provisions quadrupling from a year earlier.



AAMS Arefin Siddique, vice-chancellor of Dhaka University; SK Sur Chowdhury, deputy governor of Bangladesh Bank; and Syed Waseque Md Ali, managing director of First Security Islami Bank, pose at a cheque handover event. FSIBL is giving Tk 5,000 per month to 40 meritorious but needy students of the university.

FSIBL

Government of the People's Republic of Bangladesh
Ministry of Food
Directorate General of Food
Inspection, Development & Technical Services
16, Abdul Gani Road, Dhaka-1000
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Invitation for Tender (Works)
Tender No: 07/2015-2016

Government of the People's Republic of Bangladesh	
1. Ministry/Division	Ministry of Food.
2. Agency	Directorate General of Food.
3. Procuring entity name	Director General of Food.
4. Procuring entity district	Dhaka
5. Invitation for	Maintenance and Repair of Electronic Platform Scales.
6. Invitation Ref No. & date	13.01.0000.111.38.044.13.184; Dated: 09/02/2016
7. Procurement method	Open Tendering Method (OTM).
8. Budget and source of funds	Government of Bangladesh.
9. Tender package No.	Tender No: 07/2015-2016
10. Tender package name	Maintenance and Repair of 450 Nos. Electronic Platform Scales (384 new and 66 old) located at different Silo, CSD, LSD, Port & Ghat of Directorate of Food.
11. Tender publication last date	11/02/2016
12. Tender last selling date & time	29/02/2016 up to office hour.
13. Tender closing date & time	Dated: 01/03/2016 Time: 1:00pm.
14. Tender opening date & time	Dated: 01/03/2016 Time: 2:30pm.
Name & address of the office a) Selling tender document	1) Cashier, Accounts & Finance Division of Directorate General of Food (Room No. 419, 4th Floor), 16, Abdul Gani Road, Dhaka-1000. 2) Cashier, Regional Controller of Food, Dhaka, HBGC Bhaban, 22, Purana Pallan (9th Floor), Dhaka-1000.
b) Receiving tender document	The tender will be received from the date of tender publishing to closing date and time being mentioned in serial No. 13. Tender will be received in the tender box to be kept a) in front of the office of the Director IDTS, Room No. 531, IDTS Division, Directorate General of Food, 16, Abdul Gani Road, Dhaka-1000. b) Office Room of the Deputy Secretary (Supply-2), Room No-112, 1st Floor, Building # 04, Ministry of Food, Bangladesh Secretariat, Dhaka.
c) Opening tender document	The tenders will be opened on the corridor in front of the office of the Director IDTS, Room No. 531, 5th Floor, Khaddya Bhaban, 16, Abdul Gani Road, Dhaka-1000.
16. Eligibility of tenderer	a. The tenderer shall have up-dated trade license, latest income tax clearance certificate, VAT registration certificate. b. All other conditions laid down in the tender document will be binding upon the contractors.
17. Brief description of works	Maintenance and Repair of 450 Nos. Electronic Platform Scales (384 new and 66 old) located at different Silo, CSD, LSD, Port & Ghat of Directorate of Food.
18. Brief description of related services	As per tender schedule.
19. Price of tender document	Tk. 1000.00 (Taka one thousand) each only.
20. Tender security amount	Tk. 50.00 (fifty) thousand only.
21. Location	All Silo, CSD, LSD, Port and Ghat of Food Department throughout the country.
22. Name of official inviting tender	Shaikh Zakir Hossain.
23. Designation of official inviting tender	Additional Director (IDTS).
24. Contact details of official inviting tender	Room No. 531, 5th Floor, IDTS Department, Khaddya Bhaban, 16, Abdul Gani Road, Dhaka-1000.

The procuring entity reserves the right to reject all tenders.

Shaikh Zakir Hossain
Additional Director (IDTS)
Phone: 9556323

GD-399

Amazon expands logistics reach in China

REUTERS, San Francisco/Shanghai

Amazon.com Inc is aggressively expanding its logistics operations in China as part of a broader effort to control the rising cost of shipping billions of packages.

Its plans in China, outlined in filings there, include handling cargo and customs for goods headed to ports in Japan, Europe and the United States.

Some analysts say the move could help position Amazon to offer shipping services to other companies, eventually competing with the likes of United Parcel Service Inc and DHL Worldwide Express BV.

That would mirror the strategy of Amazon's cloud computing arm, Amazon Web Services, which is now the company's fastest growing unit. The service was launched to serve Amazon's own retail operations but now hosts data for other companies.

Seattle-based Amazon faces increasing pressure from Wall Street to drive down shipping costs, which rose 37 percent in the most recent quarter compared to the same period a year ago.

Government of the People's Republic of Bangladesh
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Request for Expressions of Interest for Developing Strategic Framework for Regulatory Authority of Public Procurement and Self-Sustainable e-GP Operations (Consulting Services-Firms Selection)

Bangladesh
Public Procurement Reform Project-II (PPRP-II) (2nd Revised)
Credit No.: 4350-BD & 5242-BD
Assignment Title: Developing Strategic Framework for Regulatory Authority of Public Procurement and Self-Sustainable of e-GP Operations Consultant (Contract Package No. S-85).
Reference No. 21.380.014.00.00.641.2016-293; Date: 10-02-2016

The Government of the People's Republic of Bangladesh has received financing from the World Bank toward the cost of the Public Procurement Reform Project-II (2nd Revised), and intends to apply part of the proceeds for consulting services. The consulting services ("the Services") include assessment of making the Central Procurement Technical Unit (CPTU) a fully independent authority as a regulator of implementation of public procurement legal framework and e-GP operations in Bangladesh. Also assess transforming the existing e-GP system operations into a self-sustainable fully operational business service center that is legally and financially autonomous, operate under commercial laws, and is not dependent on the government except its public procurement regulatory aspects that is governed under the Public Procurement Act and Rules of the country that is regulated by CPTU. The assignment should be completed within sixteen (16) weeks. The Central Procurement Technical Unit (CPTU), IMED, Ministry of Planning, Dhaka, Bangladesh now invites eligible consulting firms ("Consultants") to indicate their interest in providing the services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the services. The key considerations are as follows:

- Experience of developing framework for public sector authority or similar structure and for public owned company, both with legislative knowledge and work experience in emerging and developing economies. Given the nature of the assignment, the international firm is expected to have local associations;
- Experience of data collection, survey, data analyses, evaluation, drafting institutional policy including HR staffing, financial modeling, management information system, procurement, and public administration;
- Experience of developing Memorandum of Association and Articles of Association including its governance, organogram, professionals/staff, delegation and TOR of HR;
- Experience of ICT related tasks or fields, specialized IT software, use of IT facilities. Good understanding of and knowledge and experience in socio-economic issues in the country.

The attention of interested consultants is drawn to paragraph 1.9 of the World Bank's Guidelines: Selection and Employment of Consultants [under IBRD Loans and IDA Credits & Grants] by World Bank Borrowers [insert correct title and date of applicable Guidelines edition as per legal agreement] ("Consultant Guidelines"), setting forth the World Bank's policy on conflict of interest. Consultants may associate with other firms in the form of a joint venture or a sub-consultancy to enhance their qualifications. A Consultant will be selected in accordance with the Quality Based Selection (QBS) method set out in the consultant Guidelines. Detail TOR and further information can be obtained at the address below during office hours: 0900 to 1700 hours (Sunday to Thursday) before submission. For convenience the TOR can be obtained by writing e-mail to: cptudg@cptu.gov.bd Expressions of interest must be delivered by February 28, 2016 to the address below. Also, it may be sent by email.

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