

# Jute now an agro product: PM

UNB, Dhaka

Prime Minister Sheikh Hasina yesterday declared that jute and jute goods will now be considered as agro-based products so that this foreign exchange-earning sector could get all the benefits country's other agro-based items get.

"Jute is an agro-based product, but other products which have little relations with agriculture are getting special benefits as agro-based products. But jute is not getting those benefits. This is unfortunate. Let me declare one thing, we'll consider jute as an agro-based product," she said.

The prime minister was speaking at a programme organised by the textiles and jute ministry at Bangabandhu International Conference Centre to award individuals and organisations who played a pivotal role in implementing the Mandatory Jute Packaging Act 2010.

Textiles and Jute Minister Emaj Uddin Pramanik presided over the programme. Commerce Minister

Tofail Ahmed, State Minister for Textiles and Jute Mirza Azam and Chairman of the Parliamentary Standing Committee on the Jute Ministry Saber Hossain Chowdhury also spoke on the occasion.

Hasina made the declaration amid repeated requests at the function to declare jute as an agro-based product.

Currently, agro-based products are getting 20 percent cash incentives on their exports.

Earlier, she distributed crests to 41 individuals, who played an important role in making sure that the mandatory jute packaging law was enforced consistently in 13 categories.

The prime minister also inaugurated a three-day jute fair at the same venue. More than 135 products from the Jute Diversification Promotion Centre were put on display at the fair. Bangladesh currently ranks first in the world in jute export, and second in jute production.

The prime minister said the fate of millions of farmers and workers

depends on the jute sector. "Awami League is the organisation of farmers and labourers as we always work for the change of their lot," she added.

She said the government has taken steps to reopen the closed jute mills for the sake of the country's jute sector. "We've reopened some closed jute mills and made sure these mills run properly."

Hasina said if these mills could be operated well then it would be possible to resume the operation of other mills as well.

Putting emphasis on the diversification of jute products, she said jute mills will have to replace their old machineries.

"There're so many modern machineries in the market, we'll have to bring those, we'll have to use those, and if we can do that, there'll be no tension regarding jute," said Hasina who wore a jute-made sari and shoes.

Terming jute as an environment-friendly product, the prime minister said the domestic demand for jute has increased a lot

due to various steps taken by her government.

She also said the government will form a wage commission to increase the wages of workers and hoped that their problems would be solved through the commission.

Hasina came down heavily on the previous governments, including those of Ziaur Rahman, HM Ershad and Khaleda Zia, for their activities that led to the destruction of the country's jute sector.

All governments after the assassination of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman neglected the jute sector, she said.

The prime minister mentioned that BNP during its rule in 1991 signed an agreement with the World Bank to shut down jute mills in Bangladesh. "But the same organisation (WB) signed another agreement at the same time with India to help establish more jute mills there. Then I put this matter in parliament and sought the government's clarification."

# Latin America, a new export destination for Bangladesh

State Minister Shahriar Alam says at seminar

DIPLOMATIC CORRESPONDENT

Bangladesh plans to go beyond the traditional export markets and establish new politico-cultural and economic relations with Latin America, which Bangladesh thinks could be a prospective market for exports.

Bangladesh sees Latin America not only as a market for its exports, but also as a valued partner with whom its people could share its culture, State Minister for Foreign Affairs Shahriar Alam said yesterday.

He spoke while addressing a seminar titled "Bangladesh's relations with Latin American countries: unlocking potential".

One resident and eight non-resident envoys from Latin American countries attended the daylong seminar co-organised by the foreign ministry and Bangladesh Institute of International and Strategic Studies or BIIS.

"We are eyeing the large Latin American market for our pharmaceuticals, leathers,

ceramic wares, plastic and melamine goods, IT products and services, jute products and handicrafts, agricultural products and services," Alam said.

Bangladesh wants to explore new areas of cooperation with all the countries of the region, he said.

Garment exports from Bangladesh to Latin American countries have shown a healthy growth in the last few years, he said.

The state minister invited investments in infrastructure, energy, information and communication technology and automobile from Latin American countries.

Alam said Bangladesh's relationship with Latin America is not only centred around issues and matters of bilateral interests and benefits but also about seizing the growing opportunities for cooperation and collaboration on contemporary global importance and development.

BIIS Chairman Munshi Faiz Ahmad moderated the inaugural session while Director General AKM Abdur Rahman also spoke.

# Green equipment fair begins Friday

STAR BUSINESS REPORT

A three-day exhibition of eco-friendly industrial equipment makers will begin in Dhaka on Friday.

The seventh International Innovation and Development Expo will take place at Bangabandhu International Conference Centre, organisers said at a media briefing at the National Press Club yesterday.

Some 130 companies from 13 countries, including Bangladesh, will showcase generators, solar PV & irrigation pumps, fire safety and building construction equipment, LED lighting, heat control and air conditioning systems, eco-industrial products, green technology and services at the exhibition.

Industries cannot be modernised without modern technology, innovative financing options, information and joint collaborations, said Rashedul Haque, managing director of ExpoNet Exhibition, the organiser of the event.

Ananta Ahmed, managing director of 360 Total Solution, the co-organiser, said industries need a healthy environment to grow. "Today it is very important to adopt different sustainable development technologies to keep our environment healthy." The exhibition will remain open from 10am to 8pm until March 13.



Geir Sikko, general manager of Radisson Blu Chittagong Bay View, and Mahmud Hasan, president of Asean Bangladesh Business Forum, Malaysia, open an exhibition on "afternoon tea" by photographer Shoeb Faruque on the hotel premises in the port city. The hotel also launched afternoon tea service with various accompaniments on the day.

# Robbery at Incepta Pharma's depot in Barisal

OUR CORRESPONDENT, Barisal

Robbers made away with Tk 1 crore in goods and cash from a depot of Incepta Pharmaceuticals in Barisal city yesterday.

A gang of four or five robbers attacked four security guards and broke into the depot from the rooftop of the five-storey building, said Md Abdur Rouf, deputy police commissioner (south).

The robbers also took a covered van of Incepta Pharmaceuticals as their getaway vehicle, he said.

The covered van was found later in Batajore area, about 25km away from Barisal city.

Police started an investigation, Rouf added.

Jahidul Islam, depot in-charge of Incepta Pharma, said the robbers took 17 computer hard disks and surveillance cameras, and then broke into the vault, stealing more than Tk 60 lakh in cash.

# Bankers jostle to be junior as UK accountability rules kick in

REUTERS, London

New rules to hold bosses responsible for wrongdoing at British banks is deterring some bankers from taking on senior management roles and even prompting big-hitters to play down their own importance, say legal and compliance experts.

Public anger that so few senior bankers were punished after taxpayers bailed out the industry in the financial crisis, or for scandals such as Libor and currency-market rigging, has led to the rules which make it easier to hold them to account.

The Senior Managers Regime (SMR) from Monday replaces a system that UK lawmakers criticised for giving illusory control over individuals with little prospect of enforcement action.

A step change in banking rules, it will allow regulators to pin blame on named people rather than just firms, which lawyers said has triggered anxiety among top bankers.

"I have had some clients with staff resistant to being a senior manager, worried they are going to be kept awake at night about what their team is doing, and if something goes wrong, will they be the scapegoat," said Sarah Henchoz, an employment partner at Allen & Overy law firm.

Unlike the old system, bankers deemed to wield significant managerial influence will have to sign up to a legal duty of

responsibility for their units, and show they took reasonable steps to prevent or stop rulebreaking that comes to light.

They include CEOs, heads of big business units, and non-executive directors who chair key committees and will amount to about 10,000 staff across 900 banking companies, or an average of about 12 per firm, rising to 40-50 for the biggest lenders.

Ron Gould - a former UK regulator who is now European Chairman of Compliance Science, which helps financial companies comply with rules - said some senior bankers were looking at whether they could convince regulators that they did not have significant managerial influence over their teams.

"One thing I have seen that does make me smile is the wonderful term used by some firms that want to 'juniorise' positions," Gould said. "It may be more wishful thinking than anything else."

One person familiar with how the SMR is being introduced said regulators were aware of this and were pushing back against banks that fail what the person described as the "sniff test" - or too many senior managers saying that they did not have full responsibility over teams but simply reported to other more senior managers.

But such attempts at creating a chain of senior managers to blur direct accountability were not widespread, the source said.

# Women-led startups show strength

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"So we have developed a package to help people get support in voice and written formats."

Twenty other women entrepreneurs also attended the programme.

Shohoz.com, a leading online ticket-selling platform, showcased its products at the event.

Shohoz.com began its journey two years back, creating a new hype in online business, selling bus and train tickets as well as booking hotels and selling movie tickets.

"The market is not yet ready as customers do not fully trust online sales," said Maliha M Quadir, managing director of Shohoz.com.

Luna Shamsuddoha, president of BWIT, chaired the inaugural event, where Sonia Bashir Kabir, managing director of Microsoft Bangladesh and vice president of BWIT, was also present.

"From Microsoft, we want to deliver our services to the 16 crore people of the country. With that aim, we are taking different initiatives to make their lives digital," said Sonia.

Luna Shamsuddoha, also the chairman of Dohatec New Media, said a good number of women are using technology for their daily lives, but the percentage of women taking initiatives to develop new IT products is low.

At the programme, Rokia Afzal Rahman, president of Bangladesh Federation of Women Entrepreneurs, emphasised the need for establishing a strong network of women entrepreneurs.

Yasoja Gunasekera, Sri Lanka high commissioner in Dhaka; Christine Hunter, country representative of UN Women in Bangladesh, and Ahmadul Hoq Bobby, president of Bangladesh Association of Call Centre and Outsourcing, were also present.

# Drugmakers to get a boost

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"We will also be able to export the API easily," he added.

Shafiuzzaman said at least half of the companies that will get plots in the API park will go into operation by 2018. "It will create many jobs," he added.

"We are ready. The government has developed the land and built roads to support the establishment of plants," said Abdul Basset, project director of the industrial park.

The entrepreneurs will be required to establish the central effluent treatment plant as per the contract with BAPI.

The government has so far spent Tk 189.46 crore on the park, according to Basset.

The local pharmaceutical industry, which now has 198 firms, meets 98 percent of the domestic requirement for medicines.

# Some financial institutions at risk: governor

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The central bank has recently served notice on the managing director of a state bank for irregularities committed.

Digital transactions are on the rise throughout the world, and the cyber crime gangs are taking advantage of the loopholes in technology to launder money.

"Bangladesh is not out of bounds of cyber attacks," he said, adding that the entire financial sector will have to be more active in risk management.

Taking advantage of strategic weaknesses and liberal economies, the laundered money easily flows into the foreign shore masquerading as investment from abroad.

"This money is siphoned off very easily and quickly," Rahman said, while asking bankers to remain alert such that no borrower can launder money from large loans through layering.

Laxity has been found in some financial institutions in carrying out the directives for preventing money laundering and terror financing.

"In the meantime, we have fined many banks and financial institutions for the non-compliance issue," said the BB governor, while urging banks to be more cautious so that such incidents do not occur in future.

Meanwhile, in the backdrop of recent frauds in ATM booths of a number of banks an eight-point directive has been sent to all financial institutions.

Besides, at the end of this week the BB will hold an exclusive meeting with the heads of the banks' card divisions.

# WB's new country director for Bangladesh

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Fan brings a wide range of development experiences to the job. He joined the WB in 1991 and held leadership positions in different countries.

Prior to his current assignment, Fan served the WB as the country director for Belarus, Moldova and Ukraine. From 1998 to 2002, he took leave from the WB to work in the private sector in senior executive positions in China.

After returning to the WB, Fan worked as a programme leader for the Investment Climate Programme in the World Bank Institute and later as country manager for Cambodia.

"Bangladesh has made significant gains in development in recent years. I am looking forward to working closely with the government and people of Bangladesh in realising their goal of achieving middle-income status by 2021," said Fan.

He holds a PhD in economics from the University of Birmingham, England. He has published widely on topics related to investment climate and problems of economies in transition.

The WB's current IDA portfolio in Bangladesh stands at nearly \$8.7 billion with 36 active projects. Since Bangladesh's independence, the WB has been the country's largest development partner in terms of financing volume.



Nissan cars are on display at the new Pacific Motors outlet on Tejaago Link Road in Dhaka. The cars come with a guarantee of three years or 40,000 kilometres.

# United Airways suspends flights once again

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United Airways was desperately looking for funds from different sources. Unless the company can arrange the funds, it may not be able to resume flights, they said.

The net operating cash flow of the airline also shows its financial weakness. It was only Tk 0.26 during the July-December period of last year, down from Tk 0.40 a year earlier, according to data on the DSE website.

Set up in 2007, the airline has 11 aircraft in its fleet: two Airbus 310-325, five MD-83, three ATR-72-212 and one Bombardier Dash-8 100.

It has permissions to operate domestic flights to Chittagong, Sylhet, Jessore, Cox's

Bazar, Rajshahi, Barisal, Saidpur and Ishwardi.

On the international front, it has permissions to fly to Dubai, Kuala Lumpur, Kathmandu, Kolkata, Jeddah, Bangkok, Muscat and Singapore.

The latest trouble at the airline, however, did not have a major impact on its share prices. On the DSE yesterday, its shares traded between Tk 6 and Tk 6.4 before closing at Tk 6.1.

Earnings per share of the airline during the July-December period of last year were Tk 0.07, which were Tk 0.39 a year earlier.

Listed on the stock exchange in 2010, the airline's market capitalisation stands at Tk 419 crore.