

# Hasina urges Saudi businesses to invest in Bangladesh

JEDDAH, Saudi Arabia — Prime Minister Sheikh Hasina yesterday urged Saudi investors and entrepreneurs to be partners of Bangladesh in investment, trade, profit sharing and prosperity to help the country achieve the goals of its Vision 2021 and Vision 2041.

"As we strive to achieve these goals, I request you to be our partners in investment, trade, profit sharing and prosperity. Together we can bring a change in the lives of millions of people," she said.

Hasina said this at a meeting with leaders of Jeddah Chamber of Commerce & Industry. After the meeting, the prime minister's Press Secretary Ihsanul Karim briefed reporters.

He said Hasina also welcomed the Saudi entrepreneurs to invest in Bangladesh's emerging sectors like shipbuilding, textiles, leather, jute, ceramics, petrochemicals, agro-processing and pharmaceuticals.

She also sought investments in sectors like plastic goods, light engineering and electronics, telecom and IT, power, energy, water and marine and other infrastructure projects as well as in hi-tech manufacturing and micro-processors.

Karim said a memorandum of understanding (MoU) was also signed between Bawani Group

of Saudi Arabia and Bangladesh Sena Kalyan Sangtha for supplying skilled manpower, including engineers and architects, in the construction sector of Saudi Arabia.

Referring to her government's initiative of establishing 100 special economic zones in the country, Hasina said the move has been taken as part of the new plan to industrialise Bangladesh. "We're also developing a number of hi-tech parks in the country for IT industries. Bangladesh offers competitive incentive packages for the investors in these zones and parks," she added.

Pointing out that Bangladesh has the most liberal investment policy, the prime minister said the country has been providing protection of foreign investment by law, general tax holiday, concessionary duty on import of machinery, remittances of royalty, and 100 percent foreign equity.

She said, along with the garment sector, other industries like pharmaceuticals, ICT and shipbuilding are making significant progress.

Hasina said Gartner has billed Bangladesh as one of the top global destinations for software and IT services. Thousands of 'Made in Bangladesh' applications are running on iPhones, Samsung Galaxy, and other Android and Blackberry phones, she said.

She said the country's IT companies and freelance IT professionals earn more than \$360 million a year, while about 20,000 young IT graduates are joining the sector.

The prime minister said Bangladesh's shipbuilders have drawn global attention by making world-class light to medium-size oceangoing vessels. "The industry now commands 1 percent share of the \$200 billion global market," she said.

The prime minister said Bangladesh is now on way to becoming a digitised, knowledge-based middle income country by 2021 and a developed one by 2041, BSS reports.

Mazen M Batterjee, vice chairman of Jeddah Chamber of Commerce & Industry, said trade and commerce between the two countries should be enhanced further.

Mentioning that Saudi Arabia could be the second home of Bangladeshi businesses, Mazen said the chamber would send a business team to Bangladesh to explore business opportunities.

Referring to the Vision 2030 of the kingdom, he said emphasis has been given on enhancing international investment.

Foreign Minister AH Mahmood Ali, FBCCI President Abdul Matlub Ahmad, and BGMEA President Siddiqur Rahman were also present.

# WB to lend \$213m to improve weather forecasting, college education

STAR BUSINESS REPORT

The World Bank said it will lend \$213 million to Bangladesh for two projects that aim to improve weather and climate information services and strengthen college education provided through National University.

The weather and climate services regional project of \$113 million will help Bangladesh provide reliable weather, water and climate forecasts and enable communities, especially farmers, to access those easily.

On the other hand, the college education development project, which will cost \$100 million, will help improve the teaching and learning environment at government and non-government colleges affiliated with National University.

The Washington-based lender approved the projects on Friday.

"To reach a middle-income country status by 2021, Bangladesh needs to focus on priority areas, which include creating a skilled and competent workforce, and helping weather-dependent sectors cope better with climate uncertainties and natural disasters," said Qimiao Fan, country director of the WB, in a statement.

Modern hydro-meteorological forecasting services would improve disaster preparedness, while a stronger college education system consisting of 1.6 million students would help university graduates become more employable, he added.

"These two projects will help raise income-levels and reduce poverty."

The weather and climate services regional project will strengthen hydro-

meteorological monitoring and forecasting, and improve early warning systems.

The project will help develop agro-meteorological services to farmers and provide tailored weather and climate data and services; it will also support community level early warning systems for extreme weather events in Netrakona, Sunamganj Rajshahi and Naogaon.

"By providing access to weather and climate related information, the project will help farmers cope with weather and climate extremes and increase agricultural productivity," said Poonam Pillai, task team leader of the project.

She said agro-meteorological information kiosks will be set up in 487 upazilas and display boards at 4,051 union parishads, enabling at least 300,000 farmers adjust to weather variability at the farm level.

In Bangladesh, more than two-thirds of the students at tertiary level are enrolled at government and non-government colleges. The college education development project will support better education for graduate and master's students at the colleges under National University.

The project will help fill vacant teacher positions at government colleges and provide training to about 8,000 college teachers and managers.

"As the first donor-supported intervention in college education, the project will support an improved teaching and learning environment and contribute to creating a globally competitive workforce," said Yoko Nagashima, task team leader of the project.



From right, Latifur Rahman, a member of the council of Bangladesh International Arbitration Centre (BIAC) and chairman of Transcom Group; Wendy Jo Warner, country manager of IFC; Mahubur Rahman, BIAC chairman; Anisul Huq, law minister; Muhammad A (Rume) Ali, BIAC CEO; Hossain Khaled, a member of BIAC council and president of Dhaka Chamber of Commerce and Industry, attend a seminar on alternative dispute resolution, on the occasion of BIAC's fifth anniversary, at Le Meridien Dhaka on June 4.

# Govt will cooperate with BIAC: law minister

## Anisul Huq speaks at the fifth anniversary of BIAC

STAR BUSINESS DESK

The government will work hand in hand with Bangladesh International Arbitration Centre (BIAC), in alternative dispute resolution methods, which will encourage businesses and government offices to seek the centre's intervention in resolving disputes, Law Minister Anisul Huq said.

He said the amendment to the Code of Civil Procedure 1908 that made mediation mandatory in all civil cases has been given effect through an official gazette in January 2016.

"This will surely lighten the burden of Bangladesh courts and provide the method for speedy resolution of disputes for all."

He expects BIAC will play a leading role in

ensuring that the ADR cases are taking place successfully and businesses are resolving their disputes in a cost-effective manner.

The minister spoke at a seminar on alternative dispute resolution (ADR), at Le Meridien Dhaka on June 4 on the occasion of the fifth anniversary of BIAC.

BIAC Chairman Mahubur Rahman presided over the seminar, the centre said in a statement.

BIAC CEO Muhammad A (Rume) Ali said high economic and social transaction costs are taking a toll on the economy.

Keynote speaker Francis Xavier on the basis of his observation on BIAC and legal system of Bangladesh recommended that BIAC should have full judiciary support and the government should ensure the foreign direct investment

settlement provision.

Mohammad Shahidul Haque, secretary of the Legislative and Parliamentary Affairs Division, said the government has instructed inclusion of arbitration clause in every government contracts that have a value of up to \$50 million and to hold the arbitrations in Dhaka alone.

Mutual Trust Bank CEO Anis A Khan urged all banks and corporate houses to use BIAC's services.

BIAC has been creating awareness in the legal and business community for the past five years, BIAC Chairman Mahubur Rahman said.

Since 2011, BIAC organised 80 seminars/workshops, 35 training programmes on arbitration, mediation and negotiations and administered 50 ADR cases.

# Pakistani budget expected to target revenue generation

REUTERS, Islamabad

Pakistan is expected to target tax revenue growth of up to 20 percent by focusing on tax evaders and will offer concessions to the industrial and agricultural sectors to spur growth, analysts said on Thursday, a day before the annual budget was released.

Finance Minister Ishaq Dar will release the federal budget in parliament on Friday, in the absence of Prime Minister Nawaz Sharif, who is recovering from open-heart surgery in London.

Annual budget outlay is expected to be around 4,400 billion rupees (\$42.04 billion), with a fiscal deficit target of around 3.8 percent, according to a pre-budget briefing from Topline Securities Ltd, a Karachi-based research organisation.

Similar briefings from Arif Habib Research Ltd, Elixir Securities, Foundation Research and other analysts corroborated those expectations, with fiscal deficit expectations ranging between 3.8 and 4 percent.

"I think tax increases would be across the board, but right now it looks like non-filers

[of income tax] would be the target," said Mohammed Sohail, CEO of Topline Securities.

"Another target is elimination of subsidies and discretionary tax incentives [for industries]."

The government last year targeted tax dodgers by introducing higher rates of withholding taxes on banking and other transactions for those who do not file annual income taxes.

The tax revenue target is expected to be around 3,700 billion rupees (\$35.35 billion), an increase of 20 percent in absolute terms from last year's target of 3,100 billion rupees (\$29.62 billion), analysts say.

The government is on track to miss its tax target of 3,672 billion rupees (\$35.12 billion) for this fiscal year ending June 30, with tax revenue hitting 2,481 billion rupees (\$23.73 billion) through March 2016.

Around 200 billion rupees (\$1.91 billion) in new tax measures are expected, including the renewal of a so-called "Super Tax" of 3 percent (4 percent for banks), imposed last year as a one-time measure to pay for the war against Islamist militants.

# GP, Telenor roll out digital health service

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"Tonic is an example of Telenor's commitment to Bangladesh and Asian markets," Vivek Sood, chief marketing officer of Telenor Group, said in a statement.

"Combining broad technical know-how and deep healthcare expertise, we are excited to reach people previously underserved and create further positive impact in support of the national health system."

All of Grameenphone's 56 million subscribers can join Tonic for free and access the benefits.

Any Grameenphone customer can join Tonic for free via USSD at \*789#, online at www.mytonic.com, or by calling 789.

"We look forward to playing a small role as an integrated part of the Bangladesh healthcare system," said Sajid Rahman, chief executive of Telenor Health.

# Twin bourses want tax exemption to continue

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The stock exchanges, on behalf of the government, collect the tax on the value of shares, mutual fund units or other securities transacted, and deposit the revenue to the state coffers.

The twin bourses also urged the government to increase the ceiling for tax-free dividend income to Tk 100,000 in bids to

attract more investors to the market, which is going through a liquidity crisis.

At present, the ceiling for tax-free dividend income is Tk 25,000. If the proposal is taken into consideration, it will help ease the liquidity crisis in the capital market.

It will help small investors and ultimately enhance growth and development of the capital market, the bourses said.



LankaBangla Investments, a concern LankaBangla Finance, signed a deal with Rancon Motor Bikes, a concern of Rangs Group, for an initial public offering of Rancon Motor at a programme on May 25. Mohammed Nasir Uddin Chowdhury, managing director of LankaBangla Finance, and Shawn Hakim, managing director of Rancon Motor Bikes, attended the event.



Iqbal Ahmed, chairman of NRB Bank, attends a managers' conference of the bank, at Lakeshore Hotel in Dhaka on May 28. Zeeshan Hasib, managing director, was also present.



Bangladesh Bank and Meridian Finance & Investment Limited has recently signed Three MOU under the refinancing scheme. Meridian Finance will extend loans at a subsidized rate to the entrepreneurs under Agro based product processing industries in rural areas; Cottage, Micro & Small sector and Woman Entrepreneurs. Mr. Swapon Kumar Roy, General Manager, SMESPD of Bangladesh Bank and Mr. Irteza Ahmed Khan, Deputy Managing Director of Meridian Finance signed the MOU in presence of high officials from both the organizations.