

# Work begins to establish rail link with Agartala

PALLAB BHATTACHARYA, New Delhi

Railway ministers of Bangladesh and India yesterday laid the foundation stone of the 15km broad gauge rail link between Agartala and Akhaura, giving a boost to connectivity between the two countries.

Bangladesh Railways Minister Md Mazibul Hoque and his Indian counterpart Suresh Prabhu laid the foundation stone for the much-awaited railway track.

Addressing a function on the occasion, Prabhu said the rail link between Agartala and Akhaura is strategic in nature and would not only benefit northeastern states of India but would be part of trans-Asian rail connectivity.

The agreement between the two countries on the rail link was signed during Bangladesh Prime Minister Sheikh Hasina's visit to New Delhi in January 2010.

"We are committed to better connectivity with Bangladesh. The relations between India and Bangladesh are very cordial and they (Bangladesh) are cooperative in our initiative," Prabhu said.

The rail track would be extended to Sabroom, the southern-most town in Tripura, which is only 75 km from Chittagong port in Bangladesh, he said.

"Chittagong port is the best port in Asia. We want to connect Indian railways track with Chittagong port through Sabroom."

Indian Prime Minister Narendra Modi is very keen to make northeast region a tourist hub, Prabhu said.

"We want to develop railway network in the entire northeast India and want to make it a tourist hub. We want to bring Bangladesh also into the same tourist circuit."

Speaking at the function, Md Mazibul Hoque said: "We always respect the people of India for giving us support and shelter during our Liberation War. We want people-to-people contact."

Bangladesh has decided to launch a new train between Khulna and Kolkata in addition to the Maitri Express train that run between Dhaka and Kolkata, the minister said. Hoque also sought India's help to combat terrorism. "It is a global phenomenon and we (Bangladesh) seek India's active cooperation in combating terrorism."

All northeast Indian state capitals will be linked with railways by 2020 and work is already on in Manipur, Mizoram and Arunachal Pradesh, said Rajen Gohain, India's minister of state for railways.

Tripura Chief Minister Manik Sarkar and members of his cabinet were present at the programme. Acquisition of land for the Agartala-Akhaura rail link has already started and the laying of the 15.054km rail track will be completed by 2017.

Of the total track, only 5km will be on the Indian side and the rest in Bangladesh.

# Spaniards chased away by crisis attempt return home

AFP, Madrid

Luis Lag is one of thousands of Spaniards who went abroad during the crisis. This "very good decision" allowed him to find a better job when he eventually came back.

But many others who left their country in search of work are still unable to return home due to Spain's sky-high unemployment. Before leaving in 2011, Lag says he was giving private lessons as he was unable to find work as a chemist, earning between 500 and 1,500 euros (\$550 and \$1,700) a month.

Speaking just weeks after he finally returned, the 40-year-old said it had been difficult to live well and reimburse his mortgage with that amount of money. So he decided to leave for Germany.

He first worked for a laboratory near the Austrian border in the southeast, and then moved west near Switzerland.

Having now returned to Alcalá de Henares near the Spanish capital with his wife and son, who was born in Germany, he manages a team of 15 people at a laboratory.

This rise up the career ladder would have been impossible had he not moved abroad, he says.

"I made progress in Germany," he says, from a professional and salary standpoint. "It helped to get a good job here."

Andreu Domingo, an expert in international migration at Barcelona's Centre for Demographic Studies, told AFP that since 2008 when Spain plunged into financial

crisis to 2015, "473,000 Spaniards have left."

And the prospect that these may not come back, emptying the country of its young and qualified workers, is of huge concern in Spain.

But as the country emerges out of the crisis, with its economy growing at 3.2 percent last year -- one of the fastest rates in the eurozone -- some have decided to return.

According to Germany's Federal Statistical Office, the number of Spaniards arriving in the country -- which had for years been on the rise -- reversed its trend in 2014 just as Spain began its economic recovery and started dropping.

Meanwhile, the number of Spaniards leaving Germany is on the increase, it adds.

"A multitude of little things" -- the language, being closer to family, quality of life -- prompted Lag to come back, even if he was going to be paid less.

And he is not the only one.

Three friends in February created a platform called "Volvemos.org" (translated as "we are returning") to help people like Lag connect with potential employers.

Since then, 4,600 migrants have contacted the website -- engineers, architects, professors, researchers or sociologists currently living in a total of 86 countries attracted by Spain's improved outlook, says founder Raul Gil.

The government is predicting that Spain's economy will grow 2.9 percent this year, better than Germany and France.

# Muklesur Rahman joins Shimanto Bank as CEO

STAR BUSINESS DESK



Muklesur Rahman has recently been appointed as the managing director and CEO of Shimanto Bank, the bank said in a statement yesterday.

Rahman has over 32 years of experience in the banking sector, according to the statement. Prior to joining Shimanto Bank, he was the founder managing director of NRB Bank. He completed his post-graduation from Dhaka University. He has also worked with Eastern Bank, United Commercial Bank, Standard Chartered bank, Citi NA and Grindlays Bank.

The sponsor of Shimanto Bank, the country's 57th bank, is BGB Welfare Trust and it is a scheduled commercial bank.

# Air France strike, in fifth day, has affected 150,000

AFP, Paris

Thousands of people faced flight cancellations in France on Sunday, the fifth day of a strike by Air France flight crew at the height of the holiday travel period, the airline said.

So far the strike has affected around 150,000 people, the airline said.

Some 900 flights, or about one in five, have been cancelled since the action began on Wednesday, the airline said, estimating the cost to the company at "tens of millions of euros". Some flights have gone ahead but with a reduced passenger load for security reasons as there were not enough flight attendants.

Millions of people are returning home from their July holidays this weekend as millions more set off for an August break, causing long tailbacks on the roads and frenetic scenes at rail stations and airports.

Unions representing around half of the Air France strikers called the stoppage after marathon talks failed to reach a breakthrough on renewing a collective labour accord on rules, pay and promotions that expires in October. Management wants to limit the extension of the agreement to 17 months, while unions are asking for between three and five years.

Talks are at an impasse, union leader Christelle Auster said Sunday, threatening a new strike following the current action, which ends Tuesday.

Air France has also grappled with pilot strikes. The last one took place June 11-14, right at the start of Euro 2016 football championships. The airline estimated that stoppage cost it some 40 million euros (\$45 million).

# Ensure security all over the country: EU

FROM PAGE B1

The highest security assurance has been given; if any foreign organisation seeks personal security, it will be provided. The foreign nationals travelling outside the capital will be escorted to their destinations, he said.

The minister also said the incidents that took place in Gulshan and Sholakia earlier in July were aimed at hampering trade and commerce in the country.

After the twin incidents the government has taken strict steps, he said, while hoping that the situation will become normal very soon. A national unity has been forged after the attack in Gulshan, Ahmed said, citing the fact that the families of the slain militants are yet to take their bodies from the morgue for burial rites.

"Just like the Rana Plaza tragedy was a wake-up call for us and no such accidents occurred in the garment sector after that, the incident in Gulshan is one too. The government hopes to root out the menace."



Bilquis Jahan, head of human resources at Brac Bank, hands over a cheque for Tk 10 lakh to MA Raquib, founder president of the National Heart Foundation in Sylhet, as part of the bank's support to establish National Heart Foundation Hospital.

# Pakistan's central bank keeps main rate at 5.75pc

REUTERS

Pakistan's central bank kept its key policy rate unchanged at 5.75 percent on Saturday, citing steady remittances and low oil prices.

State Bank of Pakistan Governor Ashraf Mahmood Wathra also told a news conference that foreign direct investment is projected to increase as work on projects under the \$46 billion China Pakistan Economic Corridor (CPEC) gains momentum.

Pakistan's \$250 billion economy is growing at the fastest pace in eight years, but it has struggled to attract large-scale investment and is counting on planned CPEC roads, a deep-water port and several energy projects for a boost.

Wathra also said he expected the newly consolidated Pakistan Stock Exchange to attract new inflows in the wake of its reclassification from a frontier to an emerging market.

# Provide low-cost housing for the poor: analysts

FROM PAGE B1

He went on to invite the garment factory owners to come to the BB with the necessary documents and use the fund at 1.5 percent interest rate.

Recently, the central bank held a meeting with officials from the World Bank who also assured them of support in case of low-cost housing, Chowdhury added.

Rubana Huq, managing director of Mohammadi Group, a leading garment maker, said she has been planning to build low-cost housing for workers for many years and finally the BB responded to her call.

The entrepreneur is very close to implementing her dream: Mohammadi Group is constructing a housing project in Gazipur where 1,200 of its employees and workers will have inexpensive accommodation from 2019.

The workers would be the owners of the apartments after staying for nine years by paying rent, Huq said.

"If we don't invest in workers, we will not have sustainable business."

Citing the different survey results, Huq said currently, the garment workers take small amounts of loans from different private banks at nearly 25 percent interest rate. In future, Mohammadi Group will give them loans at 8-9 percent rate.

Mahmud Hasan Khan, vice-president of the Bangladesh Garment Manufacturers and Exporters Association, said currently there are 3,200 active members of the BGMEA.

Of them, more than 300 factory owners have the capability to build low-cost housing for their workers with their own costs.

The owners will probably build such housing for their workers in the near future, but it

would not be wise to compel them to construct housing for the workers, he said.

The government should facilitate the owners with policies and finance so that the owners feel encouraged to build low-cost housing for the workers, he said.

Apart from the government, Khan also sought cooperation from the housing companies in building low-cost housing for garment workers.

Abdul Momen, a professor of the Institute of Business Administration at the University of Dhaka, said it might not be possible to build low-cost housing projects in all parts of Dhaka due to higher land prices.

He called for conducting a national survey of land usage for obtaining the real areas of land and for future assessment.

Binayak Sen, research director of the Bangladesh Institute of Development Studies, said access to finance for the poor workers is inequitably distributed. As a result, the question remains whether they would get financing.

He said industries are relocating from Dhaka as land price is skyrocketing. So, the transport facility should also be linked with the low-cost housing so that the workers can commute easily to their factories.

The low-cost housing should be made available not only for garment workers but also for workers of other sectors, he said.

Sen questioned why the workers will only pay the rent of low-cost housing from their wages. It would be easy for the workers to pay the loan if a certain percentage of profit of the companies is shared with them, he said.

Khan of the BGMEA said factory owners

have started depositing 0.03 percent of their exports to the workers' welfare fund managed by the government. The fund collected Tk 80 crore in its first year, which started in July.

"We can use the fund for different welfare purposes of the workers," Khan added.

Mahfuz Anam, editor and publisher of The Daily Star, said the housing sector is facing a crisis in many ways. Low-cost housing has been practically unaddressed in Dhaka, he said.

Akter Mahmud, general secretary of the Bangladesh Institute of Planners, said low-cost housing offers huge growth opportunity for real estate, which has slowed down.

Liakat Ali Bhuiyan, first vice-president of the Real Estate & Housing Association of Bangladesh, said the BGMEA, the REHAB and the government would have to work together to provide decent housing to workers.

Babul Akhter, president of the Bangladesh Garment Industrial Workers Front, said housing projects like that of Mohammadi Group should be replicated in many other areas, as a significant portion of the workers' wages goes towards house rent.

Khaled Ashraf, director for architecture at Bengal Group, said the housing policy requires major revision, as most resources have been directed to the upper-class instead of the lower middle- and middle-income groups, who need it the most.

Ashraf Uddin Chowdhury, dean of Bangladesh University's faculty of business and economics, said workers have to be provided a healthy environment so that they are free from diseases and seasonal ailments.

Golam Rahman, acting vice-chancellor of Bangladesh University, also spoke.

# BB raises farm credit target for banks by 7pc

FROM PAGE B1

Also, agriculture employs 45 percent of the country's workforce. Overall farm production increased to 4.5 crore tonnes now from 1.1 crore tonnes 40 years ago.

Yet, access to finance was a major barrier to this sector. As the private banks have hardly any presence in rural areas, it did not disburse farm loans.

The situation started changing after Atiur Rahman became the governor of the banking regulator in 2009. He began rolling out a farm loan target for banks.

Of the total target for 2016-17, Tk 2,890 crore will be disbursed by six state-owned commercial banks, while two specialised state banks will provide Tk 6,400 crore to the interested farmers. Besides, 39 private commercial banks will lend Tk 7,827 crore, while nine foreign commercial banks will disburse Tk 433 crore, according to the new policy.

According to the BB, a bank has to deposit 3 percent of its undisbursed farm loans to the central bank as a penalty. The central bank does not give any interest on this deposit as it is a penalty. The BB would repay this 3 percent fund to the respective banks if they distribute the undisbursed amount with the fresh targets for the following financial year.

A total of 34.26 lakh farmers received agricultural and rural credit in the immediate past fiscal year. Of them, 15.2 lakh borrowers were women. A total of 31.94 lakh farmers got loans under the scheme in 2014-15.

# Industrialists demand easy green funds

FROM PAGE B1

Subsequently, he urged the government to immediately set up a dedicated green funding agency manned by qualified personnel who can offer one-step services as well as low-cost long-term funds for the capital expenditure needed to adopt more environment friendly processes such as zero discharge. Manzur also demanded industrial zoning to prevent unplanned industrial use of ground water.

In response, Muhih said industrial zoning is very important especially for Bangladesh, where land is scarce. "But we are yet to do that."



Nurun Nahar, general manager of the financial inclusion department of Bangladesh Bank, and Jaheed Parvez, team leader of Sarathi, a jointly funded project of MetLife Foundation and Swisscontact, pose at a ceremony where MetLife and Swisscontact signed a deal with Bangladesh Bank to promote financial inclusion in the garment sector through agent banking.



M Moniruzzaman Khandaker, chairman of Midland Bank, hands over a cheque for Tk 5 lakh as part of the bank's corporate social responsibility to Rafiqul Islam, chairman of the managing committee of Babutipara Girls High School in Comilla, at a programme at the bank's head office in Dhaka on Thursday.