

African nations hail maritime deal

AFP, Lome

African leaders on Saturday signed a deal to boost security off the continent's economically crucial coasts, hoping to shore up development by tackling maritime crimes like piracy and smuggling.

Congolese President Denis Sassou Nguesso hailed the African Union agreement as "historic", while Kenya's President Uhuru Kenyatta said it showed Africa's ability to put together a continent-wide strategy.

Sassou Nguesso said 43 nations had adopted the binding agreement -- which will see countries pay into a special fund for maritime security -- at a summit in Togo's capital Lome.

The deal is designed to improve information-sharing between African nations, a weakness that pirates and smugglers have benefited from in the past, slipping between territorial waters with little trouble.

The talks drew 18 heads of state -- an unusually high figure for an AU meeting of this kind, signalling the importance that governments have

placed on the need to cut piracy and other crime in Africa's waters.

As he opened the summit, Chad's President Idriss Deby, the current AU chief, noted that some 90 percent of Africa's imports and exports are transported by sea, making maritime security key to the continent's economic future.

Of the AU's 54 member states, 38 have coastlines.

Deby said the charter would "allow the promotion of commerce and the exploitation of the huge potential of the maritime sector, as well as the creation of wealth and jobs in several industries".

It would also "mark a decisive new step in the push to preserve the maritime environment", he added.

The deal will create new national and regional institutions to improve security in African waters, while the signatories pledged a string of measures to protect the maritime environment and fight trafficking in drugs, arms and people.

But Timothy Walker, a maritime security researcher at the Institute for Security Studies (ISS), said the deal would allow countries to withhold information from each other

if they judge this to be in the interests of national security.

"It's a big step but it can not be the final step. There is still a lot of work to do," Walker told AFP.

Leaders have started to realise that the maritime domain is a source of economic opportunity for the future," Walker added.

Togo's Foreign Minister Robert Dussey told AFP ahead of the summit that there was a clear need for African countries to work together to combat an upsurge in piracy in order to make full use of the continent's maritime resources.

Piracy, smuggling and other crimes at sea have cost the African maritime sector hundreds of billions of dollars in recent decades, according to the AU.

Large-scale illegal fishing also helps drive piracy as it depletes stocks, reducing the legitimate economic activities of coastal communities.

In West Africa alone, the AU estimates that illicit fishing causes losses of 170 billion CFA francs (\$285 million, 260 million euros) every year.

World piracy has been on the

decline since 2012 after international naval patrols were launched off East Africa in response to violent attacks by mostly Somali-based pirates. But the focus of concern has shifted to the Gulf of Guinea, where a new class of pirates -- mostly offshoots of militant groups from the Niger Delta -- have become active. At least 27 attempted or successful hijackings and kidnappings at sea have been recorded off west Africa since April, according to the International Maritime Organization, compared to just two off east Africa.

The 17 countries lining the Gulf of Guinea have poor maritime surveillance capacities and have been trying for several years to boost cooperation to clamp down on piracy.

The deal will need to be ratified by at least 15 countries before it comes into force, and Barthelemy Bledé, an ISS maritime researcher in Ivory Coast, said it remained to be seen whether there was "real will" to make the deal a reality.

"It's a historic act, but it's one thing to adopt a text and sign it, and another thing to ratify it," he told AFP.

New chairman, vice chairperson for City Bank

STAR BUSINESS DESK

Mohammad Shoeb has recently been elected as the chairman of City Bank. The Board of Directors of the bank also elected Tabassum Kaiser as vice chairperson.

Shoeb joined the board of the private commercial bank in 1990 as a director. He has also served the bank as vice chairman, the bank said in a statement yesterday.

He is a director of Rangdhanu Spinning Mills Ltd, Phoenix Spinning Mills and Phoenix Textiles Mills.

Tabassum Kaiser joined the board in



Mohammad Shoeb



Tabassum Kaiser

2002. She is also a director of PartexStar Group and Fairhope Housing Ltd. She is also the chairman of Partex Agro Ltd, according to the statement.

Pran joins Paris fair to expand global reach

FROM PAGE B1

Rahman said Pran will participate in over 40 fairs worldwide this year to net foreign buyers. "We want to be a global agro-processing company in future."

He said the Americans and Europeans are very strict about the quality of products. They test the products at the respective customs offices before allowing them to enter their markets.

Golam Rasul, assistant general manager of Pran, said they are attending the largest

food fair in Paris for a number of reasons, including finding new buyers and meeting the existing customers.

"Above all, we also learn from other companies which are attending the exhibition. This has helped us develop new products," said Rasul. He said Pran has developed more than 100 products in the last one and a half years. In addition to Pran, two other Bangladeshi companies—Sajeeb Group and Bombay Sweets—are also taking part in the fair.

Tap all channels to bankroll development projects

FROM PAGE B1

Steps must be taken so that export-oriented sectors can increasingly participate in the global value chain, he added.

The current magnitude of flows of financial resources in South Asia does not seem to be adequate given the level of development gaps, said Priyadarshi Dash, research associate of the Research and Information System for Developing Countries in India.

"Public resources are not enough and also not properly mobilised for development projects, while private investment is low even for commercially viable infrastructure projects."

There is a low-level financial integration and bank-based finance systems restrict the financing options, he said. Also, sub-national and municipal level governments cannot raise funds on their own for building and

maintenance of the infrastructures they manage.

Dash's recommendations, which were aimed at plugging infrastructure financing gap, include issuance of local currency bonds and other debt instruments, issuance of municipal bonds and harmonisation of regulations across South Asian capital markets.

Countries have to build basic infrastructure for the private sector to come forward and operate, said Sreeradha Datta, director of Maulana Abul Kalam Azad Institute of Asian Studies in Kolkata. "Projects must also be implemented in a timely manner," Datta added.

Asif Ibrahim, former president of the Dhaka Chamber of Commerce and Industry, called for widening the tax net in the region, as less than 1 percent of the people pay taxes in Bangladesh and Pakistan. In India, less than 3

percent pay taxes. "There is a lot of room for improving tax collection."

The garment entrepreneur called for liberalising exchange control regulations and cutting governments' involvement in the economy.

Bangladesh achieved the Millennium Development Goals largely riding on low-cost solutions, said Selim Raihan, a professor of economics at Dhaka University.

"You can't bank on the same approach in case of Sustainable Development Goals. High-cost solutions have to be taken, and quality is an issue in this respect."

SDGs are a set of 17 aspirational "global goals" with 169 targets between them to end all forms of poverty, fight inequalities and tackle climate change, while ensuring no-one is left behind.

He said it is encouraging that

Japanese and Chinese financings are coming for various projects but South Asian countries would have to use resources in a better way, by carefully dealing with the terms and conditions and interest rates of the loans.

There is huge emphasis on building large infrastructures in South Asia. But the economist urged the countries not to disregard the importance of small-scale and sector-specific infrastructure and linking them with the big ones.

Raihan also said the special economic zones need to be efficient and efforts must be made to develop a congenial environment for investors who fail to get space in the zones.

Otherwise, the dominant investors or sectors would get priority and then the whole idea of economic diversification may get lost, he added.

Saadiya Razzaq, senior research associate at Pakistan's Sustainable

Development Policy Institute, called for investing in developing quality data for making policies more responsive. She also said prioritisation of projects is important as resources are scarce.

South Asian countries need to mobilise more resources to finance development and achieve SDGs, said AB Mirza Azizul Islam, a former finance adviser of Bangladesh, while moderating the discussion. "However, raising resources are not enough -- the resources have to be used efficiently."

South Asian countries can use capital markets as market capitalisation is quite low in all the countries in the region save for India, he added.

Speaking during the open-floor discussion, Mahmuda Rahman Khan, senior programme development specialist at USAID Bangladesh, said an enabling environment has to be created so that women, who make up half

of the population in the region, have easy access to the financial system.

Siddiqur Rahman Chowdhury, a former finance secretary of Bangladesh, said financing development is always a challenge and more so for South Asian nations.

The management of state-owned enterprises is a problem in Bangladesh as well as other South Asian countries. "They have become burden for treasuries, and we are slow to privatisation."

The Centre for Policy Dialogue jointly hosted this year's conference -- under the theme "Reimagining South Asia in 2030" -- along with the Institute of Policy Studies of Sri Lanka, the Research and Information System for Developing Countries of India, the Sustainable Development Policy Institute of Pakistan and the South Asia Watch on Trade, Economics and Environment of Nepal.

Deals with China a turning point for Bangladesh

FROM PAGE B1

For example, China gave \$46 billion to Pakistan, \$20 billion to India and \$1.4 billion to Sri Lanka, as it has surplus funds for the improvement of infrastructure and export development.

"So this time, China has committed nearly \$40 billion for Bangladesh. We need to negotiate effectively for the fund, but at the same time, we have to keep in mind whether we have the capacity to spend the huge fund or not," Mansur said.

"Yes, we have the need for infrastructure. But the issue is whether we are ready or not. Do we have ready information on the cost of the fund?" "Before receiving the fund, we have to analyse the project costs and cost of benefit of the projects," he said.

"We must not spend money for unnecessary projects. We must use the fund for our essential infrastructure projects," he added.

"First of all we need internal preparation for using the fund. Otherwise,

it will open scope for corruption in the spending of such funds. We need to safeguard the fund."

Zahid Hussain, lead economist at the World Bank's Dhaka office, said: "We need to do a lot better in attracting Chinese direct investments. Hundreds of Chinese investors have come and gone in recent years without any palpable results."

"Most of these failures are attributable to the high cost of doing business in Bangladesh, which in turn are attributable to deficiencies in our institutions and infrastructure."

"These problems can be addressed relatively quickly if we can speed up progress in implementation of the Chinese Investment Zone that the Bangladesh government has already approved," said Hussain.

Humayun Rashid, acting president of Dhaka Chamber of Commerce and Industry, described the agreements as a turning point for Bangladesh's economy.

"Our cost of doing business will come down significantly if the agreements on improving infrastructure are implemented. We need infrastructure, power and higher export earnings for development of the country and China can help us attain those goals."

However, the implementation of those agreements is a challenge. "We have to negotiate for a win-win situation."

Mahmud Hasan Khan Babu, vice-president of Bangladesh Garment Manufacturers and Exporters Association, said Bangladeshi businesses will become more competitive globally if the agreements are implemented.

Most of the agreements have been signed to meet the demand for infrastructure, like construction of the Payra seaport, he said.

If the Payra seaport is developed, vessels from Bangladesh will not need to go to Colombo or Singapore to carry outbound goods, he added.

Create equal opportunities for the poor: analysts

FROM PAGE B1

The pattern of growth matters in cutting inequality, and policy choices can determine how broad-based, inclusive and pro-poor would be the future growth, said Quazi Shahabuddin, a former director general of the Bangladesh Institute of Development Studies, during the open floor discussion.

"Sectors that are principal providers of the poor's employment and income such as agriculture and labour-intensive exports should be prioritised as a vehicle for growth promoter and equity."

Of particular importance is the stimulation of social sector investments that would help to compensate for the adverse initial effects of unequal assets distribution and, more importantly, facilitate the inclusion of the poor in the growth process, he added.

Saadiya Razzaq, senior research associate at Pakistan's Sustainable Development Policy Institute, suggested utilising digital technologies in providing health and education services as the governments endeavour to cut inequality.

She said there are solutions in healthcare in Pakistan that can be applicable in other South Asian countries and they are also scalable. "The 2030 agenda is such a big goal that we have to think in an innovative way," she added. The 2030 agenda is a set of 17 aspirational goals with 169 targets between them to end all forms of poverty, fight inequalities and tackle climate change, while ensuring no-one is left behind.

While moderating the session, M Syeduzzaman, a former finance minister of Bangladesh, said they have been

talking about inclusiveness, equitable growth and sustainability since the time the SAES was launched in 2008.

He called for improving the quality of education and developing skills so that the youth can find jobs.

Countries should seriously concentrate on achieving the Sustainable Development Goals by aligning them with their development plans, Syeduzzaman added.

The Centre for Policy Dialogue is jointly hosting this year's conference -- under the theme "Reimagining South Asia in 2030" -- along with the Institute of Policy Studies of Sri Lanka, the Research and Information System for Developing Countries of India, the Sustainable Development Policy Institute of Pakistan and the South Asia Watch on Trade, Economics and Environment of Nepal.



Dhaka Stock Exchange Limited

Search for:
STRATEGIC INVESTOR

Request for Expression of Interest (EOI)

Dhaka Stock Exchange Limited (DSE), the premier bourse of Bangladesh, was demutualized in 2013 under the Exchanges Demutualization Act, 2013 by separating the trading rights from ownership with an objective to bring in superior corporate governance.

According to the provision of the Demutualization Scheme of DSE and the Exchanges Demutualization Act, 2013, up to 25% of total issued shares shall be sold to Strategic Investor. Additional shares may be sold to the strategic investor, if allowed by the Bangladesh Securities and Exchange Commission (BSEC) in greater interest of the capital market.

In pursuant with this requirement and with a vision to be the leading exchange in the region and a key driver of economic growth, DSE is seeking potential Strategic Investors locally and internationally.

The potential strategic investors are expected to have, among others:

- Strategic fit (industry experience, market experience, credibility, etc);
- Value proposition balanced with strategic considerations; and
- Cultural compatibility.

Interested parties may submit EOI as potential strategic investor. Internationally renowned investment banks or local institutions in collaboration with renowned international investment banks may submit EOI to act as agent for this purpose.

Details of the Demutualization Scheme and financials of DSE are available on its website www.dsebd.org.

Interested potential strategic investors or agents are requested to submit sealed EOI to DSE at the following address by **November 15, 2016**.

Dhaka Stock Exchange Limited
Stock Exchange Building
9/F Motijheel C/A, Dhaka-1000, Bangladesh
E-mail: strategic.investor@dse.com.bd

DSE reserves the right to relax any of the above condition(s) and to accept or reject any EOI without assigning any reason whatsoever.

Platform Partners




Technology Partners











www.dsebd.org