

Social businesses on sanitary napkin, drinking water launched

STAR BUSINESS DESK

Two open social business projects were presented at the 375th Social Business Design Lab yesterday.

Yunus Centre organised the event at the Grameen Bank auditorium in Dhaka with nearly 160 participants from national and international organisations.

Nobel Laureate Professor Muhammad Yunus chaired the Design Lab, Yunus Centre said in a statement. Ashraful Hasan, managing director of Grameen Fashion and Fabrics, presented a project on sanitary napkin.

The project aims to address the menstrual hygiene issue in the country especially among the low-income group with cost competitive sanitary napkin products.

The company intends to scale up from its current manual production to an automatic production line, which will produce 600,000 pieces per day compared to the current 3,000 pieces per day. The company would be able to produce 150 million pieces per month that would meet 15 percent of total market demand in the country.

The second open project was



Participants of the 375th Social Business Design Lab are seen with Nobel Laureate Professor Muhammad Yunus. Yunus Centre organised the event at the Grameen Bank auditorium in Dhaka yesterday.

presented by Biplob Chakma of Ashika Manabik Unnyan Kendra.

The project—Shuvolong (Supply of Safe Drinking Water)—is a joint venture between Ashika Manabik Unnyan Kendra and Grameen Telecom Trust (GTT).

The project aims to address drinking water crisis in the hilly district of Rangamati.

This is the second social business joint venture between Ashika

and GTT. The first one facilitates mushroom production involving indigenous women in the same region of the country. There was also a guest project on social business—Vila Brasil—presented by Marina Lourenço of Brazil.

Her project aims to educate local communities about social business and its impact through workshops. The project came through Yunus Centre at AIT

Thailand where Lourenço has been working as a researcher.

Four new Nobin Udyokta business plans were also presented by the children of Grameen Bank borrowers' families, at yesterday's event.

The plans included Mayer Dua Peyara Khamar by Mim Sardar. The next plan was presented by Kohinur Begum for her Surma Cloth and Tailors.

Md Khalid Hasan presented Trust Poultry Farm project. The last one was presented by Md Hashim for his Hashim Handicrafts.

The projects were approved for funding by their groups. The projects are joint ventures with Grameen social business fund.

Managing Director and Chief of Administration of Grameen Credit Agricole—Eric Campos and Pascal Webanck—attended the Design Lab as special guests.

Grameen Credit Agricole is a joint venture microcredit institution between Grameen and French Banking Giant Credit Agricole and it is currently active in around 30 countries.

Since the beginning of the Design Lab in January 2013, over 8,865 projects have been presented in the last 375 Lab programmes, of which 8,859 projects have been approved for equity funding investments ranging from Tk one lakh to five lakh for Nobin Udyokta projects.

Yunus thanked the participants for the innovative social businesses and invited them to join the next Design Lab which will take place on November 22 this year.

Uganda central bank takes over key commercial bank

AFP, Kampala

Uganda's central bank said Thursday it had taken over management of the country's largest locally owned commercial bank, Crane Bank, saying its lack of capital posed a risk to the financial system.

Bank of Uganda Governor Emmanuel Tumusiime-Mutebile said in a statement the bank would remain open, continue to operate normally and that the central bank would protect deposits. Crane Bank, which says on its website it is Uganda's fourth largest bank in terms of assets and fifth in terms of deposits, is controlled by private Ugandan conglomerate, Ruparella Group.

According to Forbes magazine in 2015, the head of the family owned business, Sudhir Ruparella, was the 27th richest man in Africa with a personal net worth of \$800 million (730 million euro).

Dubai group completes \$2.4b purchase of Kuwait food firm

AFP, Kuwait City

A Dubai-based investor group led by the head of property giant Emaar on Thursday completed the nearly \$2.4 billion acquisition of a majority stake in Kuwaiti food company Americana, Kuwait's stock exchange said.

Emaar chairman Mohamed al-Abbar's investment firm Adeptio and Kuwait's Al-Khair National for Stocks and Real Estate signed the deal for a 66.8-percent stake in Americana worth 711.5 million Kuwaiti dinars, the bourse said in a statement.

Al-Khair manages equity and real estate stakes for Kuwait's wealthiest business family, Al-Kharafi.

Established in 1964, Americana is the parent group that brought to the Middle East more than a dozen major food brands like Pizza Hut, KFC, Costa Coffee and TGI Friday's.

Merge social safety net schemes for greater benefits: WB

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The Awami League-led government introduced social safety net programmes in 1996 and now 142 programmes are in place.

He said the government has taken steps to address the faults and failures in the distribution of rice at subsidised rates.

Kamal said Bangladesh would be able to reach its target on cutting extreme poverty well before the UN-fixed deadline of 2030.

The WB report said the first step to addressing fragmentation among similar programmes and rationalising the delivery of scarce resources would be to consolidate programmes with overlapping objectives and functions.

It called for improving implementation efficiency, as weak administrative capacity and systems introduce inefficiencies and increase the scope for fraud and corruption.

"This is particularly prominent in food-based programmes."

Subsequently, it called for strengthening the administrative systems while phasing out food-based programmes.

The practice of monitoring and evaluating programme effectiveness, let alone rigorous impact evaluation, is not very common in Bangladesh, pointing to the need for improvement in the area.

The government has allocated Tk 45,230 crore for the social safety net projects this fiscal year.

The allocation is 2.31 percent of the gross domestic product and 13.28 percent of the budget allocation, according to a presentation made by Alam.

However, the allocation would stand at 1.4 percent of GDP if the pension for retired government officials and monthly honorarium for insolvent freedom fighters are excluded.

Still, the allocation is relatively higher than India and Sri Lanka, which spend 0.64 percent and 0.49 percent of their respective GDP,

according to the WB report.

The number of active social safety programmes grew from 56 in fiscal 2008-09 to 145 in fiscal 2015-16.

Had the social safety net programmes been efficient, the poverty rate would have come down by 3 percent, Rahman said.

"One can't take the 3 percent cut in poverty lightly if it can be gained by improving efficiency," he said, while urging the government to focus more on new ideas and efficiency gains.

The former caretaker government adviser said labour market reforms have to be brought in. There has to be health insurance.

Rahman said technical education suffers from social stigma that only the poor go to the technical schools. It is a barrier in cutting poverty.

Technical education has become the poor people's education because it pays poorly, said Rushidan Islam Rahman, research director of the Bangladesh Institute of Development Studies.

"We have to improve the skill training and create jobs that can absorb these people."

The economist said she had recently carried out a research on women garment workers.

She said some garment workers told her that they return empty-handed to their homes as there is no pension despite working for a long time.

There could be a monthly pension system for garment workers for, say, five to 10 years. The employees will contribute to the system while the employers and the government would also join in.

Fan said social safety net programmes have played an important role in Bangladesh in helping the country reduce poverty and achieve human development success.

"But 28 million people are still living below the poverty line, and that's a challenge."

He said efforts of the social safety net are undermined by weak targeting, inefficiency and fragmentation, and these have to be addressed.

Fan called for strengthening and augmenting the current social safety net system. A comprehensive pension system could be prepared as a long-term plan as the population ages, he added.

Alam said studies showed that the average benefit of social safety net programmes in Bangladesh is falling in real terms in many cases.

There has been considerable leakage of allocated funds and 27 percent of the beneficiaries are non-poor, according to the paper he presented.

The National Social Security Strategy aims to shift from current discretionary to a targeted universal approach to avoid leakages and under-coverage.

Under the NSSS, the government would initiate a social insurance system that enables people to invest in their own social security, he said.

Yoonyoung Cho, senior economist of the WB, presented the Bangladesh Social Protection and Labour Review.

The review report said creating more, better and inclusive jobs is critical for Bangladesh to benefit from the ongoing favourable demographic transition and progress in human development.

The quality of jobs in Bangladesh is a concerning issue for many workers as one-third of the male and half of the female workers are either engaged in unpaid family work or work as day labourers.

Bangladesh's current social protection and labour systems, characterised by a large number of social safety net programmes with under-developed social insurance and labour market programmes, are not adequately equipped to address the formidable challenges in the dynamically changing country.

The WB review calls for policy efforts to improve existing social assistance programmes and promote earnings opportunities for the poor utilising a wider set of policy instruments.

Iffath Sharif, programme leader of the WB, also spoke.



Saurabh Prakash Khare, Grameenphone's head of Dhaka circle business, hands over an iPhone to a customer in the presence of the mobile operator's brand ambassador Wasfia Nazreen, at the launch of iPhone 7 and 7 Plus, at a Grameenphone Centre in the capital yesterday.

Euro drops to four-month low

REUTERS, New York

The euro fell to a four-month low against the dollar on Thursday, and helped the dollar index rise to a seven-month high, after European Central Bank President Mario Draghi said the bank did not discuss ending bond purchases.

The ECB did not discuss at its latest meeting either ending its asset-buying program or extending it, Draghi said.

"Draghi pushed back strongly against the idea that they could discuss tapering or adjusting QE and that weighed on the euro," said Vassili Serebriakov, FX strategist at Credit Agricole in New York. "The markets took (Draghi's comments) as a little bit dovish," he said.

Bloomberg reported earlier that ECB policymakers were building consensus that quantitative easing would need to be wound down gradually when the central bank decides to end the program.

New B2B service on the block

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Membership will be free for all, but like all other B2B services paid members will get the priority. The BDTDC will charge half of what alibaba is charging now (\$1,000-\$3,000 for membership for whole year). "To start with, I'm going to focus on five main products -- garment, footwear, frozen food, software and indigenous handicrafts," said Kazi, who thrives on his global business network and experiences with RainbowBrush.

"I'm in a position to bring in a lot of government software contracts from Japan and North America."

Eldest son of poor parents in Comilla, Kazi

grew up in extreme hardship and worked really hard to his way up in the west. He passed days without proper meals but stayed focused on rewriting his own fate that went through numerous twists and turns. As a child he worked.

As a student he taught others. As a lodging teacher he earned meals. It was a long struggle, but it was a story of inspiration for many others like Kazi.

Like all other self-made men, Kazi also hardly believes in luck. "I believe luck will be on my side only if I continue to work harder with BDTDC," said the man with multiple citizenships.

Muslim business traveller market to be \$22b by 2020

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While booking a flight, the availability of halal food and airfare emerged as the most important considerations for Muslim business travellers.

The majority of respondents (70 percent) avoid travelling during Ramadan.

Asia and Europe are the two leading regions for attracting Muslim visitors, accounting for 87 percent of the entire market.

When planning their trips, 88 percent of them rely on online research, while only 44 percent seek advice and information from family and friends.

More than one in two book their own flights and hotels rather than rely on their company or travel agents.

DCCI worried over proposed anti-dumping duty on jute

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Then in October last year, the Indian anti-dumping authority started its investigation into the matter.

The Directorate General of Anti-Dumping and Allied Duties under India's commerce ministry has concluded its probe into the matter last week, said an official of Bangladesh Tariff Commission.

The report is likely to be disclosed next week. "There is no clear finding of injury caused by our exported price and volume on Indian local finished producers," the DCCI said.

At present, India accounts for 20 percent of Bangladesh's jute and jute good exports. "Our 20 percent jute export to India accounts for 8 percent of entire India's local market share."



The Board of Airline Representatives-Bangladesh organised an annual general meeting at Le Méridien Hotel in Dhaka. The organisation elected Shafiqur Rahman of Biman Bangladesh Airlines as its chairman and Ashish Rai Chaudhry of Regent Airways as vice chairman for the next two years.

Citycell switched off

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The number of Citycell subscribers fell sharply following the biometric SIM registration process and stood at 6.68 lakh as of July. Most of the connections were using data through modems. The operator's subscription reached a peak of 19 lakh in 2011, but it has been a minor player in the market for at least 10 years now.

In 2014-15, its total revenue stood at Tk 139.77 crore, while its investment was zero, according to BTRC.

Earlier in April, the regulator filed a case against the operator to realise the dues. Though its licence was awarded in 1989, Citycell started its operations in 1993.

Singapore's SingTel owns 44.54 percent shares in Citycell, Pacific Motors 37.95 percent and Far East Telecom 17.51 percent. The shareholders had tried in the last few years to sell the licence of the operator but did not find any interested party. Citycell had told BTRC several times that it was going to bring in international investors.

"But none of those assurances materialised. As a result, we lost confidence in it," said the BTRC chief.



A roadshow programme for the initial public offering (IPO) of Index Agro Industries Ltd under the book building method was held at Trust Milonayoton in Dhaka on October 18. The company will issue ordinary shares through the IPO totaling to Tk 40 crore.