

star BUSINESS

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GDP growth seen at 7.1pc this fiscal year

BMI Research keeps forecast unchanged

STAR BUSINESS REPORT

Bangladesh's economic growth will remain strong at 7.1 percent in the ongoing fiscal year based on rising foreign direct investment in energy and transport infrastructure projects, the BMI Research said in a report.

The forecast from the London-based firm is unchanged from the previous year.

"We believe that the country will be able to sustain average growth above 7 percent in the coming years riding on competitive labour costs, large export-oriented garment sector, and improved access to energy supplies," it said.

Owned by Fitch Group, the BMI Research provides macroeconomic, industry and financial market insights.

Bangladesh's longer term growth performance will likely remain below potential over the coming years, according to the report.

It said both political tensions and a challenging business environment weigh on the country's long-term growth prospects.

"Bangladesh's political climate remains fraught with uncertainty, and the risks of public violence remain elevated."

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DataSoft plans big on tech solutions

Bangladesh's first lab of 'internet of things' opens today

MUHAMMAD ZAHIDUL ISLAM

The 'internet of things' or IoT can increase efficiency in manufacturing, beef up security and make life easier, said an international expert on the matter.

For instance, fire-related accidents in the garment sector in Bangladesh can drop 90 percent if the system can be monitored through the IoT, said Michael Wang, a professor at Columbia University in the US.

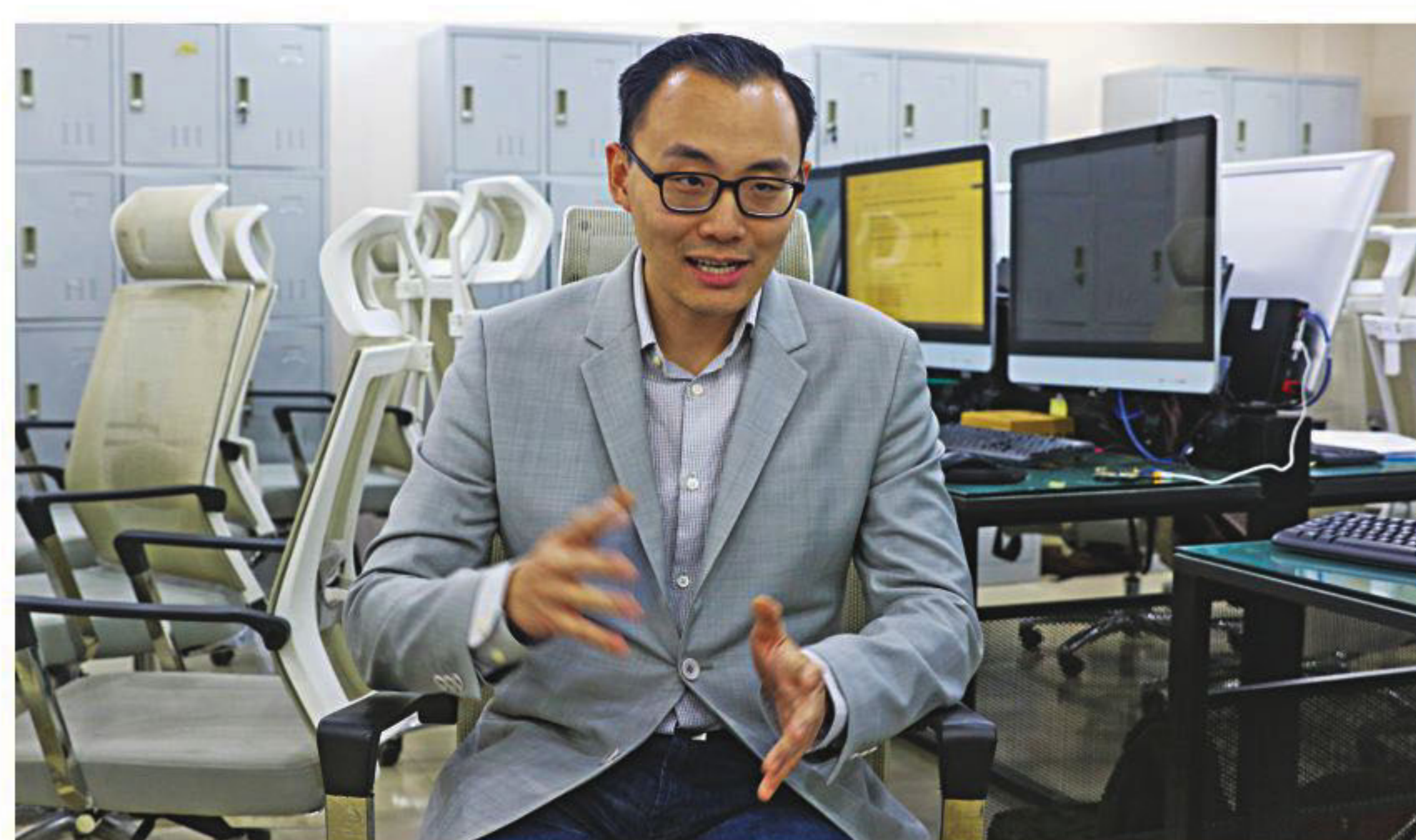
The IoT is the proposed development of the internet in which everyday objects have network connectivity, allowing them to send and receive data.

"Most of the devices are now connected with the internet. Garment factory owners can monitor the whole system from their offices or houses by installing a smart chip. During emergencies they can take precaution," Wang told The Daily Star in an interview yesterday.

Wang is now in Bangladesh to help establish the country's first IoT lab at the capital's Shyamoli.

DataSoft, a renowned Bangladeshi software company, is establishing the lab, where around 300 students will take degrees on the IoT system in a four-month course.

Already 30 students from different public and private universities are taking lessons and trying to find out solutions to different



Michael Wang, a professor on internet-of-things (IoT) at Columbia University, USA, shares his thoughts with The Daily Star in an interview at an IoT lab established by DataSoft at Shyamoli in Dhaka.

problems of Dhaka city in the state-of-the-art IoT lab.

The lab is a result of collaboration between the US, Japan and Bangladesh.

It will be formally inaugurated today by ICT State Minister Zunaid Ahmed Palak. US Ambassador Marcia Bernicat will also be present.

After completing the course, most of the participants will be absorbed by DataSoft. Some may

opt to become start-up entrepreneurs or join other companies.

Wang, who formulated the course curriculum of IoT at Columbia University, said the students are extraordinary and their motivation level is very high.

"Now students are trying to find out smart solutions to different real life problems confronting Dhaka city."

The infrastructure is readily

available for using IoT but the challenge lies in finding its best use.

"In the lab, students are trying to find out a solution to the traffic congestion in Dhaka, and I am quite hopeful they will find one."

The class is also trying to find out how garbage collection and factory production can be more efficient, he said.

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Garment factories hit by gas crisis

The BGMEA president demands adequate gas supply

STAR BUSINESS REPORT

Production in garment factories in major industrial hubs has been hampered over the last three days due to stoppage of gas supply from CNG stations.

In the absence of supply from the main lines, the garment makers in Savar, Ashulia and Gazipur were running their units by diverting gas from CNG stations, said Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association.

But in the last three days, that has stopped, he said, adding that the sector might not reach its target of hitting \$50 billion in exports by 2021 if the gas crisis continues.

"We hope that the government will supply gas with adequate pressure to factories soon so that production is not hampered," Rahman said at the BGMEA-BUFT Journalism Fellowship award at the BGMEA auditorium in Dhaka.

He also touched upon the corporate tax rate of 20 percent for the sector.

"The rate is very high. The government should reduce the corporate tax to 10 percent if we want to attract fresh investment in the garment sector."

Rahman also complained that the garment makers are becoming victims of harassments in case of trade licence renewal as some officials demand bribes from them.

Similarly, some officials in the government's customs department also harass the garment makers.

"We are becoming the victims of unnecessary harassment in almost every government office. If you do not stop the harassment, we will stop garment business in Bangladesh."

Rahman said 35 garment factories have already been certified by the US Green Building Council, while another 150 are waiting to receive their green certification from the agency.

Foreigners are taking away billions of dollars from Bangladesh every year in the absence of local experts in the sector, he said, adding that the BGMEA University of Fashion and Technology has been producing a lot of skilled manpower to fill in the gap of mid-level technical people.

"It is true that if the factory owners do not get the gas timely, they will not be able to reach the target of exporting \$50 billion of garment items by 2021," said Commerce Minister Tofail Ahmed.

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Energy and Mineral Resources Secretary Nazimuddin Chowdhury, Japanese Ambassador to Bangladesh Masato Watanabe, President of Saisan Co Ltd Takehiko Kawamoto, Chairman of East Coast Group Azam J Chowdhury and CEO of Omera Gas One Toshiyuki Shimbori attend the launch of Omera Gas One Ltd, a joint venture between Omera Petroleum Bangladesh and Saisan Japan, at Radisson hotel in Dhaka yesterday.

New joint venture to provide LPG solutions

STAR BUSINESS DESK

A new joint venture started its journey to meet the growing demand for liquefied petroleum gas in households, industrial units and the automotive sector.

Omera Gas One Ltd, the joint venture between Omera Petroleum of Bangladesh and Saisan Co of Japan, will provide large-scale LPG engineering solutions and supply bulk LPG.

The company will also focus on the construction, operation and management of LPG auto gas stations, according to a statement.

"The demand for LPG is soaring. Omera Gas One will meet the demand through the construction of LPG infrastructure and auto gas stations," Toshiyuki Shimbori, chief executive officer of Omera Gas One, said at the launch of the company at Radisson hotel

in Dhaka yesterday.

"We will also supply bulk LPG to these users by adopting the best of Japanese quality and safety standards," he said.

Nazimuddin Chowdhury, secretary of the energy and mineral resources division, attended the function, while Azam J Chowdhury, chairman of East Coast Group, the owning company of Omera Petroleum, and Tanjil Chowdhury, a director of Omera Gas One, were also present.

Omera Petroleum is one of the leading LPG operators in Bangladesh. Having a state-of-the-art import terminal in Mongla, and satellite filling stations in Mongla, Ghorashal, Bogra and Mirsarai, Omera Petroleum imports and markets LPG across the country.

Saisan Co, established in 1945, is one of the major LPG distributors in Japan. It has business in Mongolia, Vietnam, Indonesia, Cambodia and Australia.

SME law on the horizon

STAR BUSINESS REPORT

The industries ministry plans to prepare an SME law to provide policy support to the development of small and medium enterprises, said a high official of the government yesterday.

"We are now working on an SME guideline that we will submit to the cabinet within a month for approval. We will formulate the act in a year or two," said Mosharraf Hossain Bhuiyan, senior secretary of the industries ministry.

The ministry will gather experiences from implementing the SME guideline once it is in place, he said.

Bhuiyan disclosed the plan at a daylong workshop on the role of media in promoting SME development and sustainability, held at The Daily Star Centre.

The industries ministry and Bangladesh INSPIRED, a European Union-funded project on SME development, jointly organised the workshop for journalists. Some 35 journalists attended the event.

The senior secretary said the media can play a role by highlighting the development of the SME sector that is benefiting from projects like Bangladesh INSPIRED.

The word INSPIRED stands for integrated support to poverty and inequality reduction through enterprise development.

It is a Tk 200 crore project; the EU is providing about Tk 180 crore and the industries ministry the remaining Tk 20 crore.

Momtaz Uddin Ahmed, a professor of economics at Dhaka University, also stressed the need for an SME law. Many countries such as India, South Korea, the Philippines and Japan have SME laws, he said.

Although a uniform definition of SME has been adopted, it still needs to be revised by scaling down the amount of investment and number of employees.

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Regent to bring four aircraft, expand routes

STAR BUSINESS DESK

Regent Airways plans to add four aircraft to its fleet to start services on six new international routes in the next one year.

The private airline will bring one 183-seat Boeing 737-800, two 165-seat Boeing 737-800 and one 265-seat Boeing 777-200.

The new international destinations will be Kathmandu, Doha, Guangzhou, Jakarta, Colombo and Male, the carrier said in a statement.

The airline plans to start the Dhaka-Kathmandu-Dhaka flight by the next month, according to the statement. The information was shared at a function to celebrate the sixth founding anniversary of the airline in Dhaka yesterday.

Chairman of Regent Airways Yasin Ali and CEO M Fazole Akbar spoke on the occasion, while Deputy Managing Director Salman Habib, Director for Finance Tanzina Ali, Chief Commercial Officer Akhter U Ahmed and Head of Marketing Anisul Alam Chowdhury were also present.

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