



Anis A Khan, managing director of Mutual Trust Bank, cuts a ribbon to open the bank's agent banking centre at Badda in Dhaka on June 4.

# South Korea unveils \$10b stimulus to boost jobs, welfare

South Korea launched on Monday a \$10 billion stimulus package to create jobs and bolster welfare programmes in the country faced with slow growth and ageing population. The 11.2-trillion won plan is the first since Moon Jae-In was elected president of Asia's fourth-largest economy last month and the finance ministry said it will be mostly funded by tax revenue rather than issuing state bonds.

Under the proposals, Seoul will spend 4.2 trillion won to help create 110,000 jobs -- including 71,000 in the public sector -- while 7 trillion won will be set aside for welfare for the elderly, working mothers and low-income households.

Among the new jobs being targeted are firefighters, police, assistant teachers and social workers, while young job seekers, small businesses and tech startups will also be helped.

Financial assistance will be increased for women on maternity leave, more daycare centres and nursing homes for the elderly are to be opened, while businesses hiring more full-time workers are to be given extra funding.

"We launched this extra budget as the

high unemployment rate among young South Koreans will not be solved without drastic measures," Park Chun-Sup, the ministry's chief of budget, told reporters.

"There is a concern over a potential mass unemployment... we have nearly 1.2 million young, jobless people," he said.

Decades of rapid growth saw the South rise from the ashes of the Korean War to become a member of the OECD group of leading economies, but expansions has slowed more recently.

Economic frustrations were among the factors that fuelled the mass anti-corruption protests that saw former president Park Geun-Hye impeached and arrested over corruption. Moon has described creating jobs, especially for the young, as a top policy priority.

Unemployment among under-30s hit 11.2 percent in April, more than double the rate for the entire working population. South Korea's economic growth, which hit 2.8 percent in both 2015 and 2016, is expected to further slow to 2.6 percent this year, according to the central Bank of Korea.

The country's birthrate is one of the world's lowest and has led to concerns about the burden of welfare funding for the ageing population.

# Oil prices dip

REUTERS, London

Oil prices reversed gains to trade down on Monday on concerns that the cutting of ties with Qatar by top crude exporter Saudi Arabia and other Arab states could hamper a global deal to reduce oil production.

Saudi Arabia, the United Arab Emirates, Egypt and Bahrain closed transport links with top liquefied natural gas (LNG) and condensate shipper Qatar, accusing it of supporting extremism and undermining regional stability.

The move pushed Brent crude prices up as much as 1 percent, before paring gains to trade down 30 cents at \$49.65 a barrel at 1046 GMT (6:46am ET).

US West Texas Intermediate futures were at \$47.40 a barrel, down 26 cents.

With a production capacity of about 600,000 barrels per day (bpd), Qatar's crude output is one of Opec's smallest but tension within the Organization of the Petroleum Exporting Countries could weaken the supply deal, aimed at supporting prices.

"I think it's still going to be a bit of a debate on the true impact it can have on the oil market," said Olivier Jakob, strategist at Petromatrix.

"In terms of oil flows it doesn't change very much but there is a wider geopolitical impact one needs to consider," Jakob added, explaining that a breakdown in relations between Qatar and Saudi Arabia could make the Opec-led agreement on production cuts less effective. There are already doubts the effort to curb production by almost 1.8 million bpd is seriously denting exports.

While there was a dip in Opec supplies between February and April, a report on Monday by Thomson Reuters Oil Research said Opec shipments likely jumped to 25.18 million bpd in May, up over 1 million bpd from April.

Brent futures are still down about 7 percent from their open on May 25, when Opec opted to extend production cuts into 2018.

Crude output in the United States, which is not participating in the cuts, has jumped more than 10 percent since mid-2016 to 9.34 million bpd, close to levels of top producers Saudi Arabia and Russia.

# India's services activity accelerates in May

REUTERS

Activity in India's services industry accelerated in May as domestic and foreign orders rose, prompting firms to create jobs at the fastest pace in nearly four years, a private business survey showed on Monday.

The Nikkei/IHS Markit Services Purchasing Managers' Index rose to a seven-month high of 52.2 in May, from April's 50.2. A reading above 50 indicates expansion.

A sub-index on new business, an indicator of domestic and foreign demand, picked up to 51.6 from 50.4 in April.

But it was still well below the 54.3 it was at just before Prime Minister Narendra Modi's announcement on Nov. 8 to ban high-value currency notes, which shocked the cash-reliant economy.

"Despite accelerating from April, rates of increase in both services activity and new work are much weaker than typical for India," said Pollyanna De Lima, an economist at IHS Markit.

A sister survey on Thursday showed factory activity growth cooled in May as new orders expanded at a more modest pace.

Taken together, they pushed the composite PMI, which includes both manufacturing and services, to 52.5 in May from 51.3,

its highest in seven months.

Input prices rose for a ninth consecutive month but at a slower pace than in April. Companies were able to pass on only a small part of that to customers, pointing to continued pressure on profit margins.

The pace of new hiring also rose sharply, reaching its highest level in nearly four years, after companies cut staff only four months ago.

Service providers were optimistic about growth in the year ahead, although the expectations index slipped to a three-month low.

"Business confidence fell as a reflection of firms' concerns regarding competitive pressures and lackluster demand," De Lima added.

India's economy grew 6.1 percent from a year earlier in the January-March quarter, unexpectedly slumping to its lowest in more than two years and stripping the country of its status as the world's fastest growing major economy.

The Reserve Bank of India is not expected to make any changes to policy on Wednesday and to leave the repo rate at 6.25 percent, despite inflation remaining below its medium-term target of 4 percent, but will strike a less hawkish tone.

# Nepal, China sign mega hydropower agreement

AFP, Kathmandu

Nepal has signed an agreement with a Chinese company to build the largest hydroelectric plant in the impoverished landlocked country, which suffers from a chronic energy shortage.

Nepal's energy minister Janardan Sharma on Sunday signed the agreement for the China Gezhouba Group Corporation (CGGC) to build the long-mooted 1,200 megawatt Budhi-Gandaki hydroelectric project.

Estimates put the project cost at \$2.5 billion. A financing agreement will be signed later, ministry spokesman Dinesh Kumar Ghimire told AFP.

Water-rich Nepal has a mountain river system that could make it an energy-producing powerhouse, but instead it imports much of its electricity from neighbouring India. Experts say it could be generating 83,000 megawatts, but its total installed generation capacity currently stands at less than two percent of that.

Demand for electricity has long out-

stripped supply in Nepal due to chronic under-investment and inefficiencies in the power network.

The result has been crippling for domestic industry and deterred foreign investment. Crucial infrastructure development has flagged in the years of political paralysis that followed the end of the Maoist insurgency in 2006 and the overthrow of the monarchy two years later.

India and China have vied for influence in the small country, with both pumping money into Nepal through large-scale infrastructure projects.


CGGC is currently building three smaller hydropower plants in Nepal and has completed another one, though critics have complained that the projects have consistently run over time and over budget.

Nepal's government is also currently building a 750 megawatt plant with China's backing.

Meanwhile, construction of two large India-backed projects -- each with a price tag of over \$1 billion -- is expected to begin later this year after years of delays.



Md Abul Bashar, general manager of Bangladesh Bank, and Sohail RK Hussain, managing director of City Bank, open City Bank's agent banking service at Dhaka Udyan in the capital.



## BASIC Bank Limited

**Serving people for progress**

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### TENDER NOTICE

#### For Support Renewal from Oracle for Oracle GoldenGate 11g Software

01. Sealed tenders are invited from bona-fide suppliers for supplying the following item:
  - Oracle GoldenGate 11g Software (Support Renewal)
02. The participating company must have at least 3 (three) years' proven experience in supplying software in any scheduled Bank in Bangladesh / Bangladesh Bank or must have previous record of successfully supplying software to BASIC Bank Limited. The participating company must submit relevant document(s) as proof of its experience as mentioned here.
03. The participating company must be an authorized dealer/distributor/partner of Oracle.
04. 2.5% of the quoted price has to be submitted with the offer/tender through PO/DD in the name of BASIC Bank Limited, Head Office, Dhaka as earnest money. Earnest money can be forfeited for reasons mentioned in the tender schedule.
05. The tender schedule may be obtained from ICT Division (Peoples Insurance Bhaban-5<sup>th</sup> Floor, 36 Dilkusha C/A) of BASIC Bank Limited between 10:00 A.M. and 02:00 P.M. of all working days at a price of Tk 500/- only in cash (non refundable). No schedule will be sold after 02:00 P.M. of June 12, 2017.
06. Sealed offers/tenders have to be dropped in the tender box kept at ICT Division (Peoples Insurance Bhaban-5<sup>th</sup> Floor, 36 Dilkusha C/A) of BASIC Bank Limited on or before June 13, 2017 by 02:00 P.M., and the offers/tenders will be opened at 02:15 P.M. on the same day in presence of participating companies, if any.
07. Other terms and conditions can be found in the tender schedule.

**General Manager**  
ICT Division

## French private sector growth rises to 6-yr high

AFP, Paris

France's private sector growth accelerated in May to its fastest level in six years, a key survey showed Monday.

Services were the main driver behind the expansion, according to the Purchasing Managers Index (PMI) compiled by Markit, a financial services firm.

The PMI rose to 56.9 points in May, its highest level since May 2011, from 56.6 points in April, Markit said in a statement.

Any reading above the boom-bust 50 points line indicates the economy is expanding while a reading below suggests it contracting.

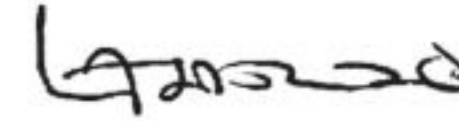
The sub-index for the services sector alone rose to 57.2 points above 56.7 in April, Markit said.

Govt. of the People's Republic of Bangladesh  
 Ministry of Power, Energy and Mineral Resources  
 Power Division  
**Power Cell**  
 Biddiut Bhaban (Level 10), 1, Abdul Gani Road, Dhaka 1000, Bangladesh.  
 (www.powercell.gov.bd)

**REQUEST FOR EXPRESSIONS OF INTEREST (REOI)  
 FOR CONSULTING SERVICES FOR FEASIBILITY STUDY FOR  
 ELECTRIFICATION OF RANGABALI UPOZILA WITH RENEWABLE ENERGY**

No: 27.71.0000.005.10.060.17.601 Date: 01-06-2017

1. The People's Republic of Bangladesh has received a credit from the International Development Agency towards the cost of the Rural Electrification and Renewable Energy Development II (RERED II) Project and it intends to apply part of the proceeds of this credit to payment under the Contracts for appointment of consulting services for Feasibility Study For Electrification of Rangabali Upozila with Renewable Energy Resources.
2. The vision of the Government of Bangladesh is to provide electricity to all by 2021. To fulfill the GOB's vision and objectives of electrification, development of renewable energy resources will play a vital role. Government has taken appropriate measures for generating environment-friendly electricity from renewable energy sources. An initiative has been taken to electrify Rangabali Upozilla under Patuakhali District from renewable energy resources by Bangladesh Rural Electrification Board (BREB). For successful implementation of the project a detailed feasibility study of the site is required.
3. Power Cell now invites applications from eligible consulting firms with the following team composition for the above titled study. Detailed qualification and the required eligibility of the consultants are given in TOR.
  - (i) **Renewable Energy/Technical Expert (Team Leader)**
  - (ii) **Wind Resources Specialist**
  - (iii) **Power Distribution Expert**
  - (iv) **Environmental Expert**
  - (v) **Legal & Institutional**
  - (vi) **Financial/Economic Analyst**
4. The consultants will be selected based on the following evaluation criteria:
  - a. Age of the firm
  - b. Experience of the firm in Bangladesh Power Sector
  - c. Qualification of key professionals
  - d. Experience of firm in similar assignment
  - e. Work methodology and project plan
5. Detail Scope of Work will be available in the Terms of Reference (TOR) which can be downloaded from the websites of Power Cell ([www.powercell.gov.bd](http://www.powercell.gov.bd)), BREB, CPTU and UNDB from the date of publication of EOI.
6. Consulting firms are requested to submit their EOI to the above mentioned address within the submission deadline of 6<sup>th</sup> July, 2017, 17:00 hrs (BST). Any submission received after the confirmed submission date will not be accepted.
7. The Authority reserves the right to accept or reject any or all EOIs without showing any reason.

  
**(Mohammad Hossain)**  
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