

Bimstec bound to succeed

Its secretary general says

UNB, Dhaka

Bimstec Secretary General Sumith Nakandala yesterday said the Bay of Bengal regional cooperation is bound to succeed as the regional bloc will emerge as an effective, pragmatic and sustainable organisation benefitting vast people.

"Much has been done. We've concrete achievements. Bay of Bengal regional cooperation is bound to succeed. I'm a firm believer that it'll be a reality," he told the news agency in an interview at his office sharing his mixed feelings over the activities of the 20-year-old organisation.

Nakandala, however, acknowledged that they could not yet conclude the Bimstec Free Trade Agreement (FTA) though the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (Bimstec), established on June 6, 1997 enters the third decade since its establishment.

"This is one of the unresolved things. I think, with the renewed political commitment, as seen at Bimstec Retreat in Goa, we're now poised to achieve that as early as possible," said the Bimstec secretary general.

Nakandala, also a former Sri Lankan diplomat, said this is the kind of focus area on which all need to work in a cooperative manner to translate the directives given by Bimstec leaders.

"We're living in a highly interconnected world and information and technology enhanced that connectivity," he said highlighting the benefits of regional cooperation.

Nakandala said such cooperation will ultimately benefit the people of the region improving their lifestyle, bringing in prosperity and holistic human security.



Sumith Nakandala

Citing the establishment of its secretariat in Dhaka as one of the biggest achievements, the secretary general said it bought momentum in Bimstec's activities.

Two multilateral documents are ready for signing now -- one is Bimstec MoU on Transgrid Connections and another is mutual legal assistance on criminal matter ahead of the 4th Bimstec Summit to be held in Nepal this year.

"We're in touch with our leaders in Nepal,

and we're looking for a convenient date for the 4th Summit," the secretary general added.

Responding to a question, he said the draft on Bimstec Motor Vehicle Agreement has been circulated among its member states. "We're planning to resume the first round of talks on the issue as early as possible."

Asked about a perception that India-China rivalry holding back Bimstec, Nakandala ruled out it saying, "No, no. I don't subscribe that view at all. There's nothing that is holding back Bimstec."

Appreciating Indian Prime Minister Narendra Modi's efforts, he said India is the largest economy and largest country in the region and Prime Minister Modi has effectively taken the leadership in steering Bimstec.

When his comment was sought over former Sri Lankan president Chandrika Kumaratunga's observation on Bimstec he said, "I was there. I listened to what she said. She was not quoted properly."

A leading online newspaper ran a story headlined 'Saarc, Bimstec inactive, ineffective' quoting her.

Stressing the importance of Bimstec, he said despite ups and downs this regional grouping has certain achievements in some areas though not much has been done in many areas.

"It takes time," he said, adding that the European Union and Asean also took lot of times to reap benefits.

Bimstec is a regional organisation comprising seven member states -- Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand.

Aamra Tech wins Microsoft award

STAR BUSINESS DESK

Aamra Technologies Ltd has won Microsoft Country Partner of the Year Award 2017 for Bangladesh, the company said in a statement.

The company was awarded among the global field of top Microsoft partners for demonstrating excellence in innovation and implementation of customer solutions based on Microsoft technology.

Awards were presented in several categories, and the winners were chosen from a set of more than 2,800 entrants from 115 countries.

The company was recognised for providing outstanding solutions and services, as well as representing excellent subsidiary

engagement in Bangladesh, according to the statement.

"We are very proud to be recognised by Microsoft as Country Partner of Year 2017 for Bangladesh. At Aamra we believe in collaboration and synergy through the 'Power of We'. We would like to thank Microsoft Bangladesh for their stellar support and our customers for trusting in Aamra with our innovative solutions," said Syed Farhad Ahmed, managing director of Aamra Companies.

The Microsoft Country Partner of the Year Award honours partners at the country level that have demonstrated business excellence in delivering Microsoft solutions to multiple customers over the past year.

Govt spends 65pc of ADP outlay in 11 months

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The most complex work in the Padma bridge project is piling, which is taking a long time. "The physical progress is more than what the amount spent suggests," he added.

The science and technology ministry spent only 41.86 percent of its allocation in the first 11 months of the fiscal year.

The road transport and highways division spent 68 percent of its revised allocation in the first 11 months, health ministry 50 percent, railways 42 percent, secondary

and higher secondary education division 59 percent, primary and mass education 70 percent.

However, the power division implemented 80 percent of its revised allocation and the local government division 81 percent.

Of the total allocation for the fiscal year, 66.39 percent of the government's own fund was spent, which was 60.77 percent in the same period last fiscal year.

Some 58.25 percent of foreign funds have been utilised during the period in contrast to 60.82 percent a year earlier.



Analysts attend a discussion on "discriminatory tax policy and life of bidi workers" organised by Research and Development Collective (RDC) at The Daily Star Centre in the capital yesterday.

Tobacco workers to lose jobs for new taxes: analysts

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RDC General Secretary Zannat-E-Ferdousi in her keynote said price of one packet of bidi went up by Tk 8 and low segment cigarette by Tk 4, while prices of high segment cigarettes were not increased at all.

"This is actually helping the multinational cigarette companies capture the market and eliminate the local bidi industry," she said.

Ferdousi said cigarette-making is a mechanised industry, which employs only about 10,000 workers. On the other hand, bidi is a labour-intensive sector and some 15-20 lakh people, especially poor women are involved in the industry. "But the finance minister said the number of workers in the bidi industry has shrunk by 90 percent. The statement is absurd," she said.

Amin Uddin, a bidi worker and labour leader from Rangpur, said the finance minister has declared to eliminate the bidi industry within two years. "Will he be able to create jobs for us?"

"We will stop working in the bidi industry if the government provides jobs. If the government truly wants to discourage tobacco consumption it has to discourage cigarette consumption first because most smokers smoke cigarettes," he added.

Bangladesh Bidi Workers Federation Organising Secretary Hanick Hossain said the minimum wage for a bidi worker is Tk

157 for binding 5,000 bidis, but the tax on it is Tk 1,650 as per the proposed budget. Hossain said the workers would be compelled to wage a tougher movement if the government does not deal with their concerns and bidi workers lose jobs because of the closure of domestic bidi factories.

Lawmaker Fazle Hossain Badsha, general secretary of the Workers Party of Bangladesh, said he would raise the issue in parliament because it involves livelihoods of a lot of poor people.

Manzurul Ahsan Khan, an advisory council member of the Communist Party of Bangladesh and Addur Rahman, joint secretary of Bangladesh Bidi Workers Federation, also spoke.

accounts rose 31 percent in the first quarter to 712,499 from 544,536 in December. Dutch-Bangla Bank, the leader in agent banking, disbursed Tk 168 crore of remittance in the quarter, followed by Bank Asia and Al-Arafah Islami Bank.

Outstanding balance with agent banking accounts stood at Tk 481 crore in March, which was Tk 380 crore in December. The total number of agents rose to 1,755 in March from 1,646 in December. Social Islami, Modhumoti, Mutual Trust, NRB Commercial, Standard, Agrani, Midland, and First Security Islami Bank also provide agent banking service.

Agent banking getting popular with remitters

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Currently 11 banks are providing agent banking service while 17 banks run mobile banking operations.

Remitters prefer agent banking to send money home because it does not require any additional fee to withdraw money from accounts, said a senior executive of a private bank.

But mobile banking charges Tk 2 for cashing out every Tk 100, a fee which is deemed costlier by many beneficiaries, he said.

Mobile banking is mainly popular for local transactions involving small amounts, according to the agent

banking guideline in 2013 but it was only last year when the licencees started full-fledged operation.

Agent banking offers limited banking and financial services to the underserved population by engaging representatives under an agency agreement. It is the owner of an outlet who conducts banking transactions on behalf of a bank.

Agents provide services such as cash deposits, withdrawals, remittance disbursement, small value loan disbursement, recovery of loans, and cash payments under the government's social safety net programmes. The number of agent banking

New DMDs of Jamuna Bank

STAR BUSINESS DESK

Muhammad Shahidul Islam, Md Mofazzal Hossain and Md Abdus Salam have recently been promoted as deputy managing directors of Jamuna Bank, according to a statement.

Islam started his banking career with Bangladesh Shilpa Bank in 1980, and joined Jamuna Bank in 2015.

Hossain began his banking career with Uttara Bank in 1990, and joined Jamuna in 2003, while Salam started his



Muhammad Shahidul Islam



Md Mofazzal Hossain



Md Abdus Salam

career in banks with Islami Bank in 1989, and later came to work for Jamuna Bank in 2010.

They have received extensive training on bank management at home and abroad and obtained

higher education in banking and strategic leadership, according to the statement.

Airbus sees 'very slow year' for orders

AFP, Cancun, Mexico

This will be a "very, very slow year" for orders for Airbus, a top executive said Monday.

"Will this year be a big year for orders? Absolutely not. It will be a very, very slow year for orders for Airbus," said its chief operating officer for customer relations, John Leahy.

Private sector credit growth edging towards target

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The government had intended to borrow Tk 23,903 crore from the banking system this fiscal year, but instead of borrowing it repaid Tk 16,402 crore, according to finance division data. In the budget for the incoming fiscal year, the government has set the borrowing target at Tk 28,203 crore, 18 percent higher than the current year's.

InterContinental's renovation costs soar

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"By this time we will line up our marketing channels and re-establish other business process as well. We are very much encouraged by where we are right now," he said.

But Menon said they are planning to go for a soft launch first in October. Bangladesh Services Ltd had signed a 30-year management deal with the InterContinental Hotels Group in February 2012, but the deal will become effective from the first day of commercial operation.

McDonald said InterContinental Dhaka will be a highly profitable venture and it will take hardly 15 years to recoup the investment.

"The other new entrants in the market have invested nearly \$100 million and are making very good amounts of revenue -- I expect to have good returns."

Before Ruposhi Bangla was shuttered in 2014, it logged in net profit of Tk 28 crore for the first eight months of the year.

Its net profit plunged 59 percent year-on-year to Tk 19 crore in 2013 due to political turmoil. In 2011, its profit was Tk 40.12 crore.

Asked why guests will choose InterContinental Dhaka over other options, McDonald said the property will have the latest technology, stylish design, modern furniture and amenities, the most sophisticated security systems and a long legacy of superior hospitality service.

"All that will make InterContinental the most desired destination for business and

leisure travellers in Dhaka."

After renovations the hotel's total number of rooms will come down to 226 from 272. The reason being the room sizes were expanded. The hotel's location is also crucial: all government offices, the central bank, Dhaka's business district and some other important institutions are in the property's vicinity. "Most of the hotels are located in Gulshan or the northern side of the city -- their business and our business are completely different."

Currently, all the human resources of the hotel are engaged in Bangabandhu International Conference Centre and Balaka Executive Lounge at Hazrat Shah Jalal International Airport and most of them will return to InterContinental prior to its opening, McDonald said.

InterContinental had earlier run the iconic Dhaka hotel from 1966 to 1983, after which Sheraton took over.

Sheraton's contract ended in December 2008 but the government requested it to continue the operations until April 30, 2011 for the ICC Cricket World Cup.

Starwood, the parent company of Sheraton, gave Bangladesh Services Ltd a conditional extension offer in 2009, but there was a disagreement between the two parties over the renovation cost and the fate of the employees. Eventually, Bangladesh Services Ltd took over the hotel's operations, renaming it to Ruposhi Bangla Hotel.



Mohammed Jahangir Alam, chairman of GPH Group, and Ferdinand Schipfer, managing director of OeKB, an Austrian bank, attend a programme at the bank's head office in Vienna. GPH Ispat received letter of guarantee for \$94.85 million loan under export credit agency (ECA) facilities from OeKB.



MA Mannan, chairman of Butterfly Marketing Ltd, and M Nazeem A Choudhury, head of consumer banking of Eastern Bank Ltd, exchange the signed documents of a payroll banking agreement in Dhaka recently.