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Treble spending on infrastructure

Analysts say private sector should also come forward

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Analysts take part in a seminar on "Building infrastructure for growth and SDGs" on the sidelines of the daylong Impact Bangladesh Forum, at Radisson Blu hotel in Dhaka yesterday.

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Bangladesh needs to increase allocation for infrastructure development by more than 3.5 times from its current annual spending of $3.5 billion if it wants to benefit from regional and international connectivity, experts said yesterday.

The idea that only the government should develop and maintain the infrastructure needs to be changed.

"The private sector should also participate in the development of infrastructure," said Syed Afsor H Uddin, chief executive officer of PPP (public-private partnership) Office.

In Bangladesh, the government accounts for 90 percent of the infrastructure spending and the private sector only 10 percent.

"That has to be changed," Afsor said while presenting a keynote paper at a seminar on 'building infrastructure for growth and SDGs', jointly organised by the Dhaka Chamber of Commerce and Industry and the United Nations Development Programme on the sidelines of the daylong Impact Bangladesh Forum.

It is feasible for the private sector to develop airports and other ports.

Similarly, the potential of the private sector can also be utilised in education and health sectors, Afsor said at the event held at the capital's Radisson Hotel.

The government should spend at least 5 percent of the total budget on the development of infrastructure if it is not possible to spend 10 percent, which is the standard, said Selim Raihan, professor of the University of Dhaka's economics department.

The Bangladesh government should take a lot of initiatives to be integrated into the Bangladesh, Bhutan, India and Nepal (BBIN) corridor and China's Belt and Road Initiative.

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$400b private investment needed by 2030 for SDGs

DCCI president says at Impact Bangladesh Forum

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The private sector has to play a big role to help Bangladesh achieve the Sustainable Development Goals (SDGs), analysts said yesterday.

Private investment to gross domestic product needs to be scaled up to 40 percent or $400 billion by 2030 to meet the SDGs, said Abul Kasem Khan, president of Dhaka Chamber of Commerce and Industry (DCCI).

He was addressing an event titled "Impact Bangladesh Forum 2017" at Radisson Blu Dhaka Water Garden, organised by DCCI and United Nations Development Programme (UNDP).

The event was meant to create awareness among businesses about investment opportunities and the role of the private sector for ensuring an equitable sustainable future for all.

More than 150 business leaders, government officials and UN representatives attended the event where entrepreneurs pledged to increase their investments in the SDGs along with maximising corporate and national growth, according to a statement.

UNDP and DCCI, referring to a report, said achievement of global goals creates at least $12 trillion in business opportunities representing foods and agriculture, cities, energy, materials, health and wellbeing.

These sectors are approximately 60 percent of the real economy and they are also critical to delivering the SDGs, said the UNDP.

Khan said there were some key challenges that might overshadow potential opportunities for the private sector in Bangladesh.

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Debapriya Bhattacharya, distinguished fellow at the Centre for Policy Dialogue, speaks at a seminar on the sidelines of Impact Bangladesh Forum at Radisson Blu hotel in Dhaka yesterday.

The challenges are absence of affordable and reliable energy sources, inadequate technology, expensive compliance and preparedness measures, climate change impacts, outdated infrastructure facilities, high cost of doing business, weak regulatory framework, including business process and lack of institutional capacity.

Debapriya Bhattacharya, distinguished fellow at the Centre for Policy Dialogue, cited a cross-country study on early signals of implementation of SDGs in the developing world.

He said engaging the private sector in the SDG implementation beyond its traditional role of investment and income generation has come out as one of the challenging issues.

"We need an institutional structure in each country within its own context by bringing together existing mechanisms and new ones, where the private sector gets an opportunity to interact with the highest possible policymaking process in an open and candid way. That mechanism is very important."

He said such a mechanism would enable policymakers, particularly the government, to get the direct inputs from the private sector.

"Not on an occasional basis, not during when they are giving cheques for the Prime Minister's relief fund, but on a sustained, regular, structured basis," said Bhattacharya.

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Workers get only 4pc of price of clothes sold in Australia: Oxfam

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Just 4 percent of the price of a piece of clothing sold in Australia goes toward workers' wages in factories across the globe, according to a new study by Oxfam released yesterday.

The research, which is the first of its kind in Australia, shows an even dire situation in Bangladesh, where wages are extremely low. On average, just 2 percent of the price of an item of clothing sold in Australia goes to the wages of factory workers.

While many leading and iconic Australian fashion brands are enjoying increases in revenue, the workers making the clothes -- the vast majority of whom are women -- are trapped in a cycle of poverty, said the report titled 'What She Makes'.

"The women making the clothes Australians love and wear are being denied decent lives by being paid poverty wages and are unable to afford even the basics no matter how hard they work," said Helen Szoke, chief executive of Oxfam Australia.

Women are working six-day weeks and as much overtime as they can, and yet they are forced to live in slums, often separated from their children and families, and going without enough food as they struggle to make it to their next pay.

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China to give $550m for petroleum project

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Bangladesh and China yesterday signed a $550 million framework agreement for loan that will be used to implement a petroleum project with a view to ensuring energy security for the country.

Under the project, crude and finished petroleum products will directly be taken to the Eastern Refinery in Patenga of Chittagong from the deep sea by way of two pipelines.

At present, the petroleum products are unloaded from big ships and taken to the port in small ships. It is then taken to the refinery by oil tankers.

In the previous system, 12 days were needed to take petroleum products from the ship to the refinery.

Once the pipeline is built, the products will reach the refinery in 48 hours, said Nasrul Hamid, state minister for power, energy and mineral resources, at the agreement signing ceremony.

"It will not only save us time but also $100 million a year," he added.

The work for implementing the project titled -- Installation of Single Point Mooring with Double Pipe Line -- will start in January next year.

The project is one of the 27 that the Chinese government agreed to finance during its premier's visit to Dhaka in October last year.

Xi Jinping had promised to give soft loans of about $21.5 billion for 27 projects.

But the implementation of the projects has not been smooth, said Kazi Shofiqul Azam, secretary of the Economic Relations Division.

As of now, framework agreements have been signed for a total of three projects, including the Single Point Mooring one.

The other projects are: the Development of National ICT Infra-Network for Bangladesh Government Phase III ($157 million) and Modernisation of Telecommunication Network for Digital Connectivity ($231 million).

The government's loan disbursement target for this year is $7 billion, $1 billion of which is supposed to come from China.

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Poverty-free Bangladesh by 2024: Muhith

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Bangladesh will be a poverty-free country by 2024 if the current pace of development continues, Finance Minister AMA Muhith said yesterday.

He said currently 22 percent of the population live below the poverty line, which is quite unsatisfactory.

He spoke at the inaugural session of the six-day Development Fair 2017, at Bangabandhu International Conference Centre in the city.

The Palli Karma-Sahayak Foundation (PKSF), a state-run development agency, has organised the fair.

PKSF Chairman Qazi Kholiquzzaman Ahmad chaired the opening session.

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Indian ship on way with 185 truck chassis

PALLAB BHATTACHARYA, *New Delhi*

A ship carrying 185 truck chassis left Chennai port on Saturday for Bangladesh's Mongla port.

Nitin Gadkari, India's minister for shipping, road transport, highways and water resources, digitally flagged off the RoRo ship cum general cargo vessel—MV IIDM Doodle—carrying the chassis manufactured by leading Indian company Ashok Leyland.

There are problems at the border so the company has decided to explore sea, which will also help in controlling damages and reducing pollution, said Vinod K Dasari, Ashok Leyland's managing director.

Normally, truck chassis travel a distance of 1,500 km by road before reaching Bangladesh.

The ship is expected to reach Mongla in five days, down from 20-25 days needed for transportation by road, Gadkari said.

For this trip alone, a total of about 3 lakh vehicle-kilometre of road travel will be saved and it would also save time at the congested Petrapole-Benapole check-point, he said.

According to the minister, coastal transport will be more cost-effective and environment-friendly. He urged all automobile manufacturers to use coastal shipping mode.

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