

PUBLIC PROCUREMENT

Experts suggest policy reforms to engage women entrepreneurs

STAR BUSINESS DESK

Policy interventions are needed to engage more women entrepreneurs into public procurement, experts said on Sunday.

Reserving quota for women entrepreneurs and easing of the complex and lengthy documentation process of public procurement would encourage more female to get involved in government purchase, they added.

"The contribution of women entrepreneurs in the economy could be increased if proper facilities are

provided to them," said Ferdaus Ara Begum, CEO of Business Initiative Leading Development (BUILD).

She spoke at a dialogue on "Engaging women entrepreneurs in public procurement" at the conference room of the Central Procurement Technical Unit (CPTU).

The BUILD in collaboration with International Trade Centre organised the event with the support of the planning ministry and the CPTU.

The potential of women entrepreneurs remains unexplored

always due to lack of their access to finance, marketing and information, Begum said.

Market access and competitiveness of women entrepreneurs can be improved by engaging them more in public procurement, she added.

"The business environment is more favourable now for women than any time," said Nurul Amin, secretary to the planning division.

He also shed light on the women help desks that the government has built in every district.

Involvement of women in public

procurement can bring good results as they tend to be less corrupt than men, he said.

Some necessary steps could not be taken properly due to policy restrictions, said Ali Noor, director general of the CPTU.

He argued that women entrepreneurs can take part both in the quotation and limited tender methods, but they need to know the issues elaborately.

Tanvir Ahmed, country coordinator at Bangladesh International Trade Centre, also spoke.



Nurul Amin, secretary to Planning Division, and Md Ali Noor, director general of Central Procurement Technical Unit (CPTU), attend a policy dialogue on "Engaging Women Entrepreneurs in Public Procurement" organised by Business Initiative Leading Development at the CPTU in Dhaka on Sunday.



Tatsuo Sato, vice president of Mitsubishi Motors Corporation, poses during his visit to the corporate office of Rangs, the sole distributor of Mitsubishi vehicles in Bangladesh, in Dhaka yesterday. Shoeb Ahmed, divisional director at Rancon Automotive Division 3, and Yeasir Habib Khan, head of supply chain at Rangs, were present. Sato also visited a flagship Mitsubishi showroom in the capital.

Singapore-listed real estate trusts announce \$4b merger plan

REUTERS, Singapore

Two Singapore-listed real estate investment trusts under the Frasers Property group said on Monday they planned to merge to create an entity that will hold assets worth \$4.2 billion.

The proposed merger of Frasers Logistics & Industrial Trust and Frasers Commercial Trust will cost \$1.5 billion, mainly via the issuance of new units to existing investors.

China offers \$2.13b fresh loans for two projects

FROM PAGE B1

"Whatever the amount China has released thus far is a big step when viewed from a historical perspective. They always made negligible donations and their assistance was mostly in the form of cheaper contracts," the finance ministry official said.

He said if the last three years since 2017 were compared, around \$2 billion was committed on an average each year, which was in line with what the multilateral lenders do.

The official said the projects used to be scrutinised at two tiers earlier, by the Chinese ministry of commerce and Exim Bank of China, but now it is done at four tiers, including the Chinese embassy in Dhaka and a third party in China. China now wants to explore ways so that its companies can invest in projects of the Bangladesh government and sought to know of facilities that will be provided to Chinese companies to attract such funds, the official said.

The Chinese side also talked about expanding cooperation for the rapid implementation of a special industrial park, where their nationals would invest in different sectors. The official said China showed interest in public-private partnership projects, in which Chinese companies would be able to invest and their nationals get employment.

Lack of refrigerated containers slows onion import

FROM PAGE B1

After getting permission from the Plant Quarantine Centre, importers can open letters of credit (LCs) with banks. Traders opened LCs for 78,000 tonnes of onion in October and November, Bangladesh Bank data showed.

Traders, however, do not require the import permission and opening LCs to buy onions from Myanmar. Around 41,000 tonnes of the vegetable were imported from the southeast Asian country in the last two months.

S Alam Group has received approval to bring in 55,000 tonnes of onion from Egypt, Sonali Traders 18,060 tonnes from Turkey, BSM Syndicate 1,600 tonnes from China and Turkey, Wasif Enterprise 1,000 tonnes from Belgium, and Monir Enterprise 1,000 tonnes from China.

Of them, BSM Syndicate imported 530 tonnes of onion through the Chattogram Port on November 27 and S Alam Group brought in 102 tonnes of the vegetable from Egypt two weeks ago through the Hazrat Shahjalal International Airport.

Abul Bashar Chowdhury, chairman of BSM Group, said on average 80-120 tonnes of onion were imported per

shipment because of the inadequate number of refrigerated containers in ships.

He said a maximum 400-500 tonnes of onion can be imported if all the refrigerators in a ship are used.

As a result, most importers have not been able to import the onions in large volumes even after having the permission in hand.

Chowdhury said although it is possible to bring onions in bulk carriers, as the item can perish if it travels a long distance.

All these issues are failing the traders to increase its supply in the local market, he said.

According to the Chittagong Customs House, 370 tonnes of onions are on way to Chattogram port from Pakistan, China, and Sri Lanka in six consignments. The onions will take at least two weeks to arrive.

Ahsanul Huq Chowdhury, chairman of the Bangladesh Shipping Agents' Association, said a container-carrying ship has only 30-50 refrigerated containers and most of them carry fruits like apple.

Now onion has been added to the list, he said.

It takes nearly a month to carry onion in refrigerated containers through vessels, said Abdul Latif, senior information officer of the commerce ministry.

The importers are struggling due to the lack of refrigerated containers at a time when the government has been facing problem to solve the onion crisis, he said.

Some onions were imported from Pakistan and Egypt through air to boost supply, he said, adding that some companies are also trying to bring the vegetable by sea in large quantity.

The onions to be imported by City Group and S Alam Group will be sold through the Trading Corporation of Bangladesh at fixed prices, he added.

According to the National Board of Revenue, 63,000 tonnes of onions worth Tk 287 crore were imported in the last two months.

A total of 41,370 tonnes of onion worth Tk 171.22 crore were imported from Myanmar through the Teknaf land port.

The rest came from countries such as Egypt, Turkey, Pakistan, Thailand, Sri Lanka, the United Arab Emirates, Australia and Belgium.

Govt to build mega fertiliser factory

FROM PAGE B1

The information about the new plant was disclosed at a programme organised by the BCIC and HSBC at InterContinental Dhaka on Sunday night for exchanging the loan documents.

The deal was signed by the BCIC and the three lenders on November 22. Of the total, the HSBC will provide \$300 million and the two others the remaining \$1 billion.

The loan tenure will be of 14 years, of which four years will be the construction period and the remaining 10 years the repayment period.

Speaking at the programme, Industries Minister Nurul Majid Mahmud Humayun said the factory would be modern, sophisticated and energy efficient.

He said it would be the first fertiliser factory in Bangladesh which would capture the carbon dioxide released when it burns fossil fuel.

"As a result the production of urea fertiliser will increase by 10 percent. It will produce 2,800 tonnes of granular urea per day, which is about three times higher than that of the existing two fertiliser factories," said Humayun.

Bangladesh and Japan are also collaborating in the areas of industry, infrastructure, communication, ICT, agriculture, textile, power, health and

education, and other sectors, he said.

"I am confident that the new factory will ensure availability of urea fertiliser to the farmers at lower cost," he said.

Kamal Ahmed Mojumder, state minister for industries, hoped that the plant would meet growing demand of fertiliser in the country.

Naoki Ito, Japan's ambassador to Bangladesh, said this would be a milestone and success story in bilateral relations. "Many success stories will come in future through cooperation among us," he hoped.

He also thanked Japanese companies for their cooperation in implementing different mega project which would contribute to the economic development of Bangladesh.

Md Abul Kalam Azad, principal coordinator for SDG affairs at Prime Minister's Office (PMO), said the PMO was ready to provide necessary support to implement the project rapidly.

He hoped that the plant would be able to go into production in 2023 and provide quality fertiliser to farmers which would help increase agriculture production.

Md Mahub ur Rahman, deputy CEO and country head of wholesale banking at HSBC Bangladesh, said this was the largest commercial financing for any project in Bangladesh to date.

He said the project was ensuring sustainable agriculture and was directly linked to Sustainable Development Goals for Bangladesh.

"The HSBC is proud to be a key financing partner...arranging a total \$2.8 billion ECA-backed long term loan to support the government-owned large infrastructure projects in the power, energy, telecommunication, aviation and industrial sectors," he noted.

He further said this loan was not only a transaction but also a reflection of confidence and trust on the government as the economy was gaining strength continuously.

The HSBC is acting as the joint mandated lead arranger, co-arranger, lender, agent, security agent and account bank in this financing.

According to project documents, the new factory was expected to have an economic life of 25 years, reduce fertiliser import and save foreign currency outflows of over \$100 million per year, enabling maintenance of the country's current stability in foreign exchange reserve.

Besides, the project will directly create approximately 1,000 new jobs.

Among others, Md Abdul Halim, secretary to industries ministry, Md Haiul Quaium, chairman of the BCIC, and Md Rajiour Rahman Mollick, director of the new project, addressed the programme.

Good governance needed to keep up growth momentum

FROM PAGE B1

The minister, however, said the government's efforts to turn Bangladesh into a developed nation would continue.

About political governance, Mannan said the winner doesn't leave any space for others. "We are the winner and the winner takes it all. People give us the right."

KAS Murshid, director general of the BIDS, said Bangladesh has been successful in keeping macroeconomic stability in the last couple of years. However, some problems have surfaced.

"So, reforms are necessary and they are easier than ensuring good governance."

He said regulatory bodies lack good governance which impact development. "The government should emphasise ensuring good governance at regulatory bodies."

Murshid called for emphasis on the agriculture sector. He said the country should formulate a policy on how to adopt innovative technologies.

Rizwanul Islam, a former special

adviser of the International Labour Organisation, said the country needs economic growth along with equality, adequate jobs, and improved standard of living for its people.

"We don't want a higher growth only because it is not the lone benchmark of development," he said.

Islam said private investment in the country has been stagnant for the last couple of years. Economic inequality is rising and the growth of job creation is falling. Revenue compared to the GDP is also reducing.

"In these circumstances, a strategy should be formulated so that the country doesn't fall into the middle-income trap or premature industrialisation."

The strategy will be a guide to attract private investment and foreign direct investment, ensure universal quality education, adopt technology, and keep the macroeconomic indicators stable, he added.

Binayak Sen, research director of the BIDS, said the economy is heading in the right direction in some ways. If the present growth rate continues for

another 10 years, the poverty rate may drop to 3 percent though inequality exists. He said the poverty rate is going down but people are falling into time poverty.

"Some people do not have enough time for rest and leisure and they spend most of their time working, whether in the labour market, at home, or for others." Sen recommended ensuring good governance prioritising timely infrastructure development and reducing defaulted loans in the financial sector.

Zaidi Sattar, chairman of the Policy Research Institute of Bangladesh, said, "We have to draw up policies to integrate with the world economy."

"Without trade at international level and integrating with the world economy, 8 percent growth would not be sustainable," he pointed out.

The economist said Bangladesh's export basket relies largely on one product, which is garment, although it is exporting almost 1,400 products now.

"The government should promote the exports of other products."



Industries Minister Nurul Majid Mahmud Humayun and State Minister Kamal Ahmed Mojumder look on as Laura Galvin, regional head of international countries for commercial banking at HSBC Asia Pacific, and Md Haiul Quaium, chairman of Bangladesh Chemical Industries Corporation, exchange loan documents at InterContinental Dhaka on Sunday. Story on B1



Moshiur Rahman, chairman of Paragon Group, and Kazi Nazrul Islam, chairman of online marketplace Aadi, attend the signing of a strategic partnership agreement in Dhaka recently. The group now holds 35 percent equity of Aadi.

BSCIC probing graft allegation in setting up Savar CETP

FROM PAGE B1

The STIE is an entity of the BSCIC, an affiliated body under the industries ministry.

Many have complained that the Chinese firm, which is installing the CETP, has used 18-inch diameter pipes instead of 38-inch diameter pipes stated in contract papers. Currently, the BSCIC is conducting an investigation, particularly, about the pipe installation, Halim said.

The comments from the secretary came at a workshop on problems and prospects in the leather and leather goods sector at Economic Reporters' Forum (ERF) in Dhaka.

Halim said the BSCIC did not receive 18 containers from the importing company only because the equipment and materials for the CETP were not brought in as per recommendations of the experts.

"We are in discussion with the Chinese firm to find out why it imported the items that were not suggested by the experts," said Halim.

Bangladesh hasn't been able to obtain the very vital Leather Working Group (LWG) certification

because of poor compliance at the STIE and by tanneries housed at the estate, although the government has spent more than Tk 792 crore for installing the CETP, sludge management and for some other purposes at the estate since 2012.

Sometimes, tanners release untreated water into the nearby river, polluting it.

The secretary, however, is hopeful that the CETP will be fully functional before the visit of a team of the LWG to the STIE at the end of the current month.

Bangladesh is failing to avail international rates for the sale of leather and leather goods as the country is yet to receive the certification.

Local tanners and leather goods manufacturers sell goods at more than 40 percent below international rates to some non-compliant Chinese buyers. They can't export goods to European countries, the US and some developed nations as they follow compliance strictly.

What is more, local manufacturers use imported leather to make leather and leather goods for European and American buyers.

Because of the installation of low quality technologies at the STIE and tanneries, Bangladeshi factories consume the highest amount of ground water to wash rawhides.

Local tanneries use more than 66 tonnes of water to treat one tonne of rawhide whereas it is 25 tonnes as per international standard and 30 tonnes as per Bangladeshi standard.

In order to obtain the LWG certification, the consumption of water has to be brought down to international level.

Bangladesh produces nearly 400 million square feet of rawhide every year, of which local leather and footwear companies consume 30 million square feet. Leather goods and footwear companies import 20 lakh square feet high-quality leather to make exportable goods.

Nurul Majid Mahmud Humayun, industries minister, Kamal Ahmed Mojumder, state minister for industries, Shaheen Ahmed, president of the Bangladesh Tanners Association, Saiful Islam Dilal, president of the ERF, and SM Rashidul Islam, general secretary, also spoke.