

Overseas employment in February worst in five years

Experts warn of impending disaster

The Financial Express, Tuesday March 2, 2010

The country's overseas employment in February experienced the worst ever performance in the last five years, warning of an impending disaster to the largest revenue generating sector, experts have said. In line with drying-up employment opportunities in all major job generating countries, only 27,039 Bangladeshi secured jobs abroad in February 2010, a 38% fall from the corresponding month of 2009, state data revealed. According to monthly overseas employment records, none of the country's prime job destinations - the UAE, Saudi Arabia, Qatar, Bahrain, and Singapore - came up with positive growth in February.

http://www.thefinancialexpress-bd.com/more.php?news_id=93762

Mandarins dawdling on PPP guideline framing

Muhith tells ERF team

The Financial Express, Monday March 1, 2010

Finance Minister AMA Muhith pointed his finger at the bureaucracy for the delay in framing the proposed policy guideline on Public Private Partnerships (PPP). "The current delay in the finalisation of PPP guideline is a weakness in the budget implementation process and bureaucratic inertia is primarily responsible for it," he said. The finance minister, however, expressed hope in initiating some projects in power and transportation sectors under the PPP initiative in the current fiscal year.

http://www.thefinancialexpress-bd.com/more.php?news_id=93677

Stock Market News

Revised IPO guideline takes effect soon

Finance Okays SEC proposal

The Financial Express, Thursday March 4, 2010

The securities regulator plans to implement the new guideline on Initial Public Offerings as early as possible. The move came after a revised regulation was set by the finance ministry on Initial Public Offering (IPO) on February 25 based on a proposal sent by the Securities and Exchange Commission (SEC).

According to the regulation, a company, which has a paid-up capital of less than BDT 400mn, will not be allowed to go public, and at the same time a company having a minimum paid-up capital BDT 500mn must go public. The ministry of finance has brought about the changes in consultation with the securities regulator, which barred smaller firms from selling stakes to institutional investors in pre-IPO private placements. A company having a paid-up capital of BDT 500mn and above will require offloading a minimum of 40% share. A company, which has a paid-up capital of more than BDT 750mn to BDT 1500mn, would have to offload a minimum 25% of the paid-up capital or BDT 300mn worth of shares, whichever is higher. A company, which has a paid-up capital of more than BDT 1500mn, would have to offload a minimum 15% or BDT 400mn, whichever is higher in terms of its paid-up capital.

http://www.thefinancialexpress-bd.com/more.php?news_id=93999

Rigid rules blamed for IPO drought

The Financial Express, Saturday March 6, 2010

What experts say

- Tough rules make IPOs less attractive
- Revised IPO rules to hurt industrialisation
- 40 pc stocks now overvalued. There should be urgent flow of new shares

The country's stock market is seeing a drought in initial public offerings (IPO) after the government set new guideline for the offloading of shares by companies. Only six companies went public in the last six months, which is 40% lower compared to the corresponding period a year ago, according to statistics of the SEC.

"Financing for expansion of business should be entirely the matter of the firms not the regulators. Offering undue proportion of equity to the market might have adverse impact on company earnings," said Salahuddin Ahmed Khan, former CEO of DSE and professor of finance at Dhaka University. However, "Around 40% shares have become overvalued. Considering such condition, the flow of new shares is urgently needed to prevent the market from being further overheating," said Rakibur Rahman, president of the DSE.

http://www.thefinancialexpress-bd.com/more.php?news_id=94169

Active BO accounts now 2.24mn

The Financial Express, Sunday March 7, 2010

The capital market is facing a large number of additional investors every month, but it is not considered in excess. Central Depository Bangladesh Limited (CDBL) has said that in the last two months a record of 0.295mn BO (Beneficiary Owner) accounts were opened, which has taken the number of active BO accounts to 2.24mn.

The number of BO accounts including inactive accounts on June 30, 2009 stood at over 2.124mn, which is about six times the accounts opened up to June, 2005. In the last six months of 2009, more than 0.53mn BO accounts were opened by investors.

http://www.thefinancialexpress-bd.com/more.php?news_id=94279

Ocean Containers makes debut on March 4

The Financial Express, Thursday March 4, 2010

Share trading of the Ocean Containers Limited (OCL), a leading off-dock provider, will begin in March under direct listing regulations in both the bourses-Dhaka Stock Exchange and Chittagong Stock Exchange.

This is the first time a company will debut in the stock market after price discovered through Book Building Method (BBM) introduced in March of last year. The opening price will be at BDT 145 (USD 2.1), which is a cut-off price of the scrip determined through the BBM. Its face value is BDT 10 (US 1.45 cents) and market lot 100 shares. The company floated 50% or 11.90mn shares out of its total 23.80mn shares. It will have to offer for sale at least 5.95mn shares or 25% out of total offloaded shares within 30 trading days as per direct listing regulations. It has already sold 10% or 1.19mn shares out of 25% shares to the eligible institutional investors (EIs) through book building bidding that held from 22nd to 24th February 2010. Shares allotted for the EIs will be locked in for 15 trading days from the first trading day as per regulation.

http://www.thefinancialexpress-bd.com/more.php?news_id=93939

SEC settles on uniform face value of shares

The Daily Star, Tuesday March 2, 2010

The stock market regulator has decided to set a uniform face value of stocks in line with a government instruction. With the latest move, new companies having BDT 100 (USD 1.45) face value in shares will be allowed to go public. The face value of shares of the existing listed companies will remain unchanged as prescribed by the finance ministry.

The move will also restrict some 10 listed companies from denominating their shares, as the SEC has directed all the listed companies to refrain from taking any step to change the existing face value of their shares. The 10 companies, which declared denomination of shares from existing face value, include Prime Finance, Fareast Islami Life Insurance, Aftab Automobiles, First Security Bank, Al Arafah Islami Bank, Social Islami Bank, Southeast Bank and Premier Bank.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128306>

DSE suspends trade of AIMS 1st Mutual Fund

The Daily Star, Friday February 26, 2010

Dhaka Stock Exchange management suspended trading of AIMS 1st Mutual Fund on February 25 following a dividend declaration by the fund. The suspension, according to the prime bourse, will remain effective until further direction from the regulator over such declaration, announced February 24 and posted also on DSE website. The trustee committee of the AIMS 1st Mutual Fund has announced 70% stock dividend for the years 2007-08 and 2008-09 and a 130% right entitlement. The committee proposed the right offer, 13 units of BDT 1 each against holding of 10 units of BDT 1 each at a price equal to net asset value per unit of the fund. The declarations have already been referred to the Securities and Exchange Commission for approval, after which the fund manager is supposed to declare a single record date for both the disclosures.

<http://www.thedailystar.net/newDesign/news-details.php?nid=127959>

More textile IPOs in sight

The Daily Star, Tuesday February 23, 2010

The stock market braces for initial public offerings from a number of textile and garment companies, which plan to expand business to have a greater pie of the global apparel market. Envoy Textile, a unit of Envoy Group, is among the companies stepping into the stock market, as the SEC has already given a go-ahead to the company's move to raise capital. Envoy will float IPO of BDT 400mn (USD 5.78mn) on Dhaka and Chittagong stock exchanges with a face value of BDT 10 next year. The group has already sold a portion of the shares under a private placement.

A unit of Purbani Group, a leading fabric maker, is also in the pipeline to offload shares of approximately BDT 300mn (USD 4.33mn). SQ Celsius, a unit of SQ Group has announced a plan to offload shares to the tune of more than BDT 1500mn (USD 21.64mn) by year-end. On settlement of the pre-IPO or private placement by June, the formal share trade will debut in September.

At present, 26 companies in the textile sector are listed on the Dhaka Stock Exchange. Of the total scrips in the sector, some

under-perform due to delayed annual general meetings and lapses in awarding dividends to shareholders for years.

<http://www.thedailystar.net/newDesign/news-details.php?nid=127517>

RAK Ceramics discovers share price for IPO

The Daily Star, Friday March 7, 2010

The public offer price for each RAK Ceramics share has been fixed at BDT 48 (US 69.4 cents), as discovered by institutional investors through bidding under the book building method, now being used for the first time in an IPO. The institutional quota for shares of the Bangladesh-UAE joint venture was oversubscribed by more than 15 times, issue managers said. Of the 175 registered eligible institutional investors, 168 bid for 6.902mn RAK shares of BDT 10 (US 14.5 cents) each on March 1-3. Based on an indicative price of BDT 40 a share, the highest bidding price was BDT 48 (US 69.4 cents) and the lowest was BDT 40 (US 57.8 cents) and the cut-off price (the price for public offering) was determined at BDT 48 (US 69.4 cents). With the completion of institutional bidding under the book building method, public subscription may begin in the second week of next month.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128731>

Banking

Banks open up to women

Loans to female entrepreneurs increase manifold

The Daily Star, Thursday March 4, 2010

Women entrepreneurs' access to bank loans has increased manifold due to the government's decision to set aside 10% of SME funds for them. The number of women beneficiaries under a refinance scheme was fewer than 100 in January 2009, but the figure reached 211 in May, 326 in August and 498 in December of the same year. Two years ago, it was only one.

Loans disbursed among the women beneficiaries were BDT 138mn in May, BDT 220mn (USD 3.17mn) in August and BDT 354mn (USD 5.1mn) in December last year. The central bank introduced a refinance scheme for SMEs (small and medium enterprises) in May 2004, using three sources of funds -- BDT 100mn (USD 1.45mn) from BB's own resources, USD 20mn from the International Development Association under enterprise growth and bank modernisation project and BDT 30mn from Asian Development Bank.

Now the central bank has around BDT 12bn (USD 173.03mn) under different funds dedicated for SMEs and women entrepreneurs. All scheduled banks and non-bank financial institutions are eligible to avail themselves of this facility at a 5% interest rate.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128613>

Government to slash bank borrowings by almost half by fiscal-end

The Financial Express, Tuesday March 2, 2010

The government is going to slash bank borrowings by almost half by the end of this fiscal year because of the substantial surplus balance in its account and increased net sale of national savings directorate (NSD) certificates. The lower rate of implementation of the annual development programme (ADP) also contributed to the reduced government borrowing from the country's banking system. The finance ministry has already set the government's

revised bank borrowing target for fiscal year 2009-10 (FY10) down to BDT 86.60bn (USD 1.25bn) from the original BDT 167.55bn (USD 2.42bn) that would be placed in the parliament by the middle of this month for approval.

The government's net bank borrowing dropped by 21.91% to BDT 61.46bn (USD 886.7mn) during July-December period of this fiscal year against the target of BDT 78.71bn (USD 1.14bn). On the other hand, net borrowing of the government through NSD certificates recorded a significant rise by 300% to BDT 50.34bn (USD 726mn) in the first half of this fiscal year. The figure was BDT 12.19bn (USD 175.8mn) in the same period of the previous fiscal year.

http://www.thefinancialexpress-bd.com/more.php?news_id=93887

Move to amend Bank Company Act to limit number of directors shelved

The Financial Express, Monday March 8, 2010

The move to amend the Bank Company Act, 1991, meant to limit the number of bank directors and increasing the fines for banking frauds, has been shelved. The Bangladesh Bank (BB) initiated the move about six months back in line with an ordinance promulgated by the immediate past caretaker administration.

The ordinance of the immediate past caretaker government expired following non-placement of the same in the first session of the present parliament for adoption. The ordinance promulgated by the caretaker government limited the number of directors on a bank board to a maximum of 13. But the Bank Company Act, 1991 (amended) has not limited the number of bank directors. Commercial banks appoint directors as per their respective Articles of Association. The ordinance further said that a maximum of two members of a single family could be appointed as directors of a banking company if the family concerned owned more than a 5% share of that bank. Furthermore, the ordinance provided for a maximum one director from a single family could be appointed as director of a banking company if the family concerned owns up to a 5% share of that bank.

The Bank Company Act has no such provisions. The ordinance had also provided for a fine between BDT 0.2mn (USD 2866) and 2.0mn (USD 28860), in addition to seven years imprisonment if any person is involved in the banking business without a license; the Act has provision for only seven years imprisonment.

The ordinance had also increased the amount of fines by 10 to 20 times for indulging in a number of banking frauds. However, the fines are negligible for the similar crimes under the Bank Company Act.

http://www.thefinancialexpress-bd.com/more.php?news_id=94401

AB Bank, state financier to bankroll power plants

The Daily Star, Monday March 8, 2010

AB bank and a state-owned non-bank financier, IDCOL, have tied up to fund BDT 5.33bn (USD 76.9mn) to set up two rental power plants with a combined capacity of 215MW this year. The fund will be raised through syndication.

Of the two projects, a 110MW plant will be set up at Bheramara in Kushtia and another 105MW plant at Noapara in Jessore. Quantum Power Company, owned 60% by Otobi, will implement the projects. The 110MW plant is expected to start generating electricity in May in line with an agreement, while the Noapara plant by the year-end.

Of the BDT 5.33bn (USD 76.9mn) costs, IDCOL may provide about BDT 1.0bn (USD 14.4mn), subject to its board's approval, and the rest will come from banks and financial institutions, including co-lead arranger AB Bank.

<http://www.thedailystar.net/newDesign/news-details.php?nid=129134>

Banking overhaul reduces net classified loans

The Daily Star, Tuesday February 23, 2010

Net classified loans in the banking system have come down to 1.7% of total outstanding loans. The latest development brings a sense of security to depositors as banks have been taking responsibility for bad loans for the last few years. On the other hand, the central bank's move to monitor banks under a 'problem bank unit' since the early 1990s contributed to the development.

Central bank statistics show that total classified loans stood at BDT 420bn (USD 6.06bn) at the end of 2009, of which gross classified loans were BDT 224.42bn (USD 3.24bn) while banks wrote off more than BDT 200bn (USD 2.89bn). However, net classified loans reached BDT 38.92bn (USD 561.6mn) or 1.72% of total outstanding loans.

Private commercial banks performed well in terms of provisioning bad loans in the last years. However, state banks came forward in provisioning its bad loans, especially after becoming public limited companies in 2007. State banks had been reluctant to manage bad loans, but the trend changed gradually when banks were handed over to private management.

<http://www.thedailystar.net/newDesign/news-details.php?nid=127518>

Food and Agriculture

Potato in for industrial use

The Daily Star, Monday, March 8, 2010



Potato farming for industrial use is gaining momentum, widening the scope for existing and prospective flakes, starch and chips makers to get supplies of raw materials to boost operations. A number of business houses and big farmers have already started scaling up their stocks and production of industrial potato seeds to cash in on the demand at processing factories at home and abroad. Cultivation of potato for industrial use also offers the promise of higher prices compared to the potato varieties used for household consumption. Apart from the export potential, the cultivation will help farmers get a guaranteed market as industrial buyers will buy a specific amount of potatoes every year to run their factories.

<http://www.thedailystar.net/newDesign/news-details.php?nid=129133>

Insurance

BIA demands amendment to some articles of new Insurance law *The Financial Express, Friday March 5, 2010*

Bangladesh Insurance Association (BIA) has demanded amendments to some of the articles of the new insurance law, including one that has barred a director of an insurance company from becoming a director of any other financial institution, including banks. The BIA leader also ruled out the allegation of illegal transferring of funds if any person becomes director of both an insurance company and a financial institution.

The Association, however, underscored an urgent need for the formation of the Insurance Development and Regulatory Authority and formulates necessary rules and regulations for the sake of making the new laws effective and purposeful.

On March 3, 2010, parliament passed two insurance bills in a bid to further strengthen the regulatory framework and make the industry operationally vibrant. Among other new provisions, the new law has raised the minimum paid-up capital of a life insurance company to BDT 300mn (USD 4.33mn) from BDT 75mn (USD 1.08mn), and for non-life the capital-base has also been enhanced to BDT 400mn (USD 5.8mn) from BDT 150mn (USD 2.17mn) previously.

http://www.thefinancialexpress-bd.com/more.php?news_id=94094

Telecom & IT

Banglalink to go aggressive *The Daily Star, Sunday, March 7, 2010*

Mobile phone operator Banglalink plans to continue its aggressive marketing strategy after adding more than 14mn customers to its network in five years. The operator celebrated its fifth anniversary on March 5, 2010. The operator recently raised BDT 4.25bn (USD 61.6mn) by issuing bonds. This is an initiative to make ready the company's network to provide services to rural areas and introduce new technology. As a result after two or three years all operators are expected to go to the rural areas. However, it is very expensive to roll out rural operations.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128988>

GP launches BR e-ticketing service *The Financial Express, Friday, March 5, 2010*

The Bangladesh Railway (BR) has started an innovative service to allow its commuters to reserve train tickets 10 days in advance over their mobile phone through Grameenphone's 'Mobitaka' service. The electronic ticketing service was launched by Grameenphone (GP) with data support from Bangladesh Railway and CNS, the authorized ticketing partner of the Bangladesh Railway. Initially the electronic ticketing service will be offered for all the intercity trains starting from Dhaka Kamalapur Railway, Dhaka Airport and Chittagong stations and gradually all other intercity trains will be incorporated under this service.

To buy a digital train ticket through the 'Mobitaka' ticketing service a person will access a menu from his mobile phone and input the required travelling information. After providing input

the customer can either 'book' the tickets for a stipulated time period or purchase the ticket instantly subject to seat availability. A digital train ticket number will be sent to his mobile which can be used to obtain a paper-based ticket from the train station at the time of travel. A customer will pay a service fee of BDT 20 (US 29 cents) per seat for availing an electronic ticket though this service.

http://www.thefinancialexpress-bd.com/more.php?news_id=94047

Telecoms plan unveiled *The Daily Star, Wednesday, March 3, 2010*

On March 2nd, Prime Minister Sheikh Hasina unveiled an ambitious digitization plan to build Bangladesh as a country fully furnished with a modern telecommunications system for faster delivery of services to its people. Under the mega-scheme 'Digital Bangladesh: Plan of Connecting People', all Union Parishads will be linked with fiber-optic networks. Upazilas will also get Community e-Centres, and hospitals and schools will get computers, web-cams and internet. Already, 100 Union Parishads have been selected to receive fiber-optic cable connections while another 1,000 unions will be bound with the cross-country cable network soon. The ICT Policy 2009 has already been approved and the ICT ACT 2009, which will expedite the country's ICT industry's growth and joint efforts of public and private sectors. Some 1,500 laptops have been distributed to various educational institutions while computer labs equipped with internet facilities will be set up gradually.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128470>

JS passes three ICT-related bills *The Financial Express, Tuesday, March 2, 2010*

Three bills aiming at the promotion of Information and Communication Technology (ICT) were passed by voice vote in the Jatiya Sangsad (JS) on February 2, 2010. The bills are the National Science and Technology Museum Bill, the National Institute of Biotechnology Bill, and the Bangladesh National Scientific and Technology Documentation Centre Bill, 2010.

http://www.thefinancialexpress-bd.com/more.php?news_id=93896

Bharti explores another acquisition in Bangladesh *The Daily Star, Wednesday, February 24, 2010*

Indian telecom giant Bharti Airtel is going to explore another acquisition in Bangladesh after acquiring a 70% stake in Warid telecom. Bharti didn't provide further details about the acquisition. Bharti plans to make an investment of BDT 20.7bn (USD 300mn) for the recently concluded Warid deal in Bangladesh. Earlier this week, Bharti confirmed that it had entered exclusive talks with Kuwait's telco, Zain, for its South African assets. The two groups will be in dialogue until March 26 to set a future course of action.

<http://www.thedailystar.net/newDesign/news-details.php?nid=127637>

'Blue Flag' to promote tourism in coastal areas

The Daily Star, Friday March 5, 2010

The Department of Environment plans to introduce the 'Blue Flag' programme, a special international programme to promote eco-tourism in the country's coastal areas. The Blue Flag is a voluntary eco-label certification programme that is sponsored by the Foundation of Environmental Education (FEE), a Denmark based international non-governmental organisations representing 59 countries. The programme is designed to raise environmental awareness, increase environmental best practices as well as safety among tourists and local people. It has been awarded to over 3,200 beaches and marinas in 38 countries across the world since 1988.

A feasibility study will be conducted in a couple of months to design a project proposal for the country's coastal areas, which is to be funded by the UN Environment Programme. The Coastal and Wetland Biodiversity Management Project (CWBMP) under the Department of Environment organized a national workshop on March 4 to introduce the Blue Flag programme in the country.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128746>

Flights to link up domestic airports

The Daily Star, Tuesday March 02, 2010

Highlights



- Possesses 13 aircraft in fleet, five leased.
- Flies to 18 international and 3 domestic destinations
- Carries over 1 lakh travellers on average a month
- Posts gross profit of Tk 34.45 crore in the July-September quarter of fiscal 2009-10
- Rebrands its logo and livery to attain commercial viability

The government has decided to resume flights to all domestic airports across the country starting in April. The decision taken at a meeting of the civil aviation and tourism ministry was meant to deepen inter-district sky connectivity to help business travellers. Currently about four district airports lie unused, resulting in financial losses for the government and depriving customers of air services. According to the government decision, all private airlines and state-run Biman will coordinate among themselves to run a minimum of one flight a week to keep the airports operational.

Biman has three operational inter-district flights -- Chittagong, Sylhet and Cox's Bazar -- where other private airlines are also active. The country has three international airports -- Dhaka, Chittagong and Sylhet -- and five inter-district airports -- Barisal, Cox's Bazar, Jessore, Rajshahi and Saidpur. The Civil Aviation Authority is developing another district airport at Bagherhat. It has also seven registered short take-off and landing (STOL) airports -- Bogra, Comilla, Ishwardi, Lalmonirhat, Shamshearnagar, Tejgaon and Thakurgaon -- which could be made operational in future.

The civil aviation authorities have also ten underdeveloped, unused airports located at Sandwip, Chakaria, Tangail, Pahar

Kanchanpur, Feni-Noakhali, Ghatail-Tangail, Rajendrapur, Moulvibazar, Rasulpur and Sirajganj. These airports do not have adequate infrastructure to operate flights.

http://www.thedailystar.net/newDesign/photo_gallery.php?pid=128303

Bahrain Air to fly from Bangladesh

The Daily Star, Wednesday March 03, 2010

Budget carrier Bahrain Air is set to start flights from Bangladesh beginning on March 17, officials said. Initially, the airline will operate three flights from Dhaka and four from Chittagong to Bahrain every week, said Abdul Kader, chairman of Flight Link, the local representative of the carrier.

Bahrain Air, a privately owned national carrier in Bahrain, has decided to start Bangladesh operations as part of its move to net one million passengers by reaching new destinations this year, according to Flight Link. With the entry of the airline, the number of low-cost carriers will reach four in Bangladesh after Air AsiaX, Air India Express and Air Arabia.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128453>

Infrastructure & Energy

Power

CCC to set up 500 MW power plant, 12km elevated expressway

The Financial Express, Sunday, March 7, 2010

Chittagong City Corporation (CCC) is going to set up 500 MW power plant at Raipur area under Anowara Upazila and construct a 12.5 km elevated expressway in the port city at a cost of BDT 51.5bn (USD 746.4mn). The CCC has already acquired 20 acres of land and completed other survey of the power plant project. The Planning Commission (PC) asked CCC to amend a few articles of the project profile within March 15, 2010. With necessary amendment the project profile is likely to be sent to the PC for approval within May 2010.

If the proposed power plant is completed, the people of Chittagong would get rid of load shedding side by side the city dwellers would be relieved of the exhausted traffic congestion at Agrabad commercial area after construction of 12.5 km long Dewanhat to Airport Expressway. Foreign investors showed their eagerness to invest for operating the projects for 25 years. The investors would hand over the projects to the CCC after 25 years of their operation. The government is expected to provide security bond to the investors for their investment in the projects.

http://www.thefinancialexpress-bd.com/more.php?news_id=94142

Sirajganj power project set to be revived

The Daily Star, Saturday, March 6, 2010

The Power Development Board has primarily accepted a proposal of leading local power company Summit to revive the 450 MW Sirajganj power project. The Sirajganj power project was the first public-private partnership power scheme when its tender was floated in October 2002. Summit had submitted the revised proposal in October 2009 expressing its willingness to build this gas-fired plant in partnership with the PDB, offering its original 22-year-levelised power tariff of US 2.78 cents per kilowatt-hour. Summit's proposal outlines a few changes. The first change is

changing the power plant configuration to 350-450MW instead of the 450MW. When the first tender was floated, there was no power plant at Sirajganj. At present a tender has been floated to set up a 150MW plant there. In this context PDB opined that Summit's proposal of 350MW plant could be accepted. This would not affect the power tariff as it is calculated on the basis of per kilowatt-hour, not on the total power production capacity.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128871>

6-7pc rise in power tariff Farm sector exempted

The Daily Star, Wednesday March 03, 2010

On March 2, the government increased electricity prices of four distributing companies by 5.98 to 6.99 percent, with effect from March 1. Bangladesh Energy Regulation Commission (BERC) Chairman Syed Yusuf Hossain announced the price hike at a media briefing in his office in the capital. He said that the additional revenue earned by the four companies due to the power tariff hike will be spent to increase power generation, and to curb system loss.

He said that after a long hearing of different stakeholders' concerns, BERC decided to increase the power tariffs of Bangladesh Power Development Board (BPDB), Dhaka Electric Supply Company Limited (Desco), West Zone Power Distribution Company Limited (WZPDC), and Dhaka Power Distribution Company Limited (DPDC).

<http://www.thedailystar.net/newDesign/news-details.php?nid=128472>

4 Power Plants PDB starts bidding process

The Daily Star, Tuesday March 02, 2010

On March 1 the Power Development Board initiated the tender process for four independent power projects aiming to generate up to 820MW through publishing pre-qualification criteria for interested bidders. A top PDB source said the projects include Bibiyana-2 gas-fired 300MW to 450MW power project, Bhola gas-fired 150MW to 220MW, Katakali 50MW furnace oil and Saidpur 100MW furnace-oil power projects.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128365>

Govt takes U-turn on rental power plant projects

The Financial Express, Monday, March 8, 2010

The government has backtracked from setting up high-cost rental power plants and has already dropped three such projects despite their efforts to resolve the electricity crisis in the short-term. The power ministry has decided to turn some of the planned rental power plant projects into independent power producers (IPPs) to supply electricity for a longer duration and mitigate the country's electricity crisis. The state-owned Power Development Board has already dropped the planned oil-fired rental power plants of Katakali 50 MW, Syedpur 50 MW and Madanganj 100 MW projects, and the power ministry also decided not to go for any sort of rental power plant projects in future.

The present government has already approved five rental power plant projects to generate a total of 330 MW of electricity from Bheramara 100 MW, Thakurgaon 50 MW, Barisal 50 MW, Jamalpur 30 MW and Noapara 100 MW plants. Some of these rental power plants were approved to supply electricity for three

years, and the remaining for 15 years to the national power grid. At present nine rental power plants are supplying electricity to the national grid, which include Shahjibazar 50 MW, Sylhet 50 MW, Khulna 40 MW, Bhola 34.5 MW, Shikabaha 60 MW, Shahjibazar 80MW, Sylhet 10 MW, Bogra 20 MW and Fenchuganj 50 MW. Considering fuel availability, the government set up more than one rental plant in some areas. The average electricity tariff of these rental power plants is around BDT 4.5 per unit (1 kwh) against the average electricity generation cost of BDT 1.96 per unit in the state-owned power plants.

http://www.thefinancialexpress-bd.com/more.php?news_id=94398

Clean Energy

Solar power brings light to Noakhali char people

The Daily Star, Thursday February 25, 2010

Newly installed solar power systems have changed the lifestyle of the char people in three off-grid upazilas of Noakhali district. Grameen Shakti, a project of Grameen Bank, has so far provided a total of 3,800 solar power connections to people on an installment basis. Around 4,200 households and shops are benefitting from the lines by taking parallel connections. Locals are happy as they can now run fans, televisions, bulbs and other electronics in their houses and shops.

<http://www.thedailystar.net/newDesign/news-details.php?nid=127772>

Infrastructure

Preliminary study on city metro-rail route done

The Financial Express, Monday March 8, 2010

On March 7 the Japanese development agency Japan International Cooperation Agency (JICA) announced completion of the preliminary feasibility study of the city's 22 kilometer long metro-rail. The ambitious project aims at easing the city's chronic traffic congestion by linking two distant corners Uttara and Sayedabad with a speedy and uninterrupted mode of urban transportation, JICA officials said. According to JICA, it plans to float a tender after completing the project design based on the final feasibility report within a year.

"If everything goes as planned, the mega metro-rail would be open to commuters by 2018," the JICA experts claimed adding that the project, once complete, would be able to shuttle 40 thousands commuters every hour, speeding between 35 to 80 km per hour.

http://www.thefinancialexpress-bd.com/more.php?news_id=94405

China keen to construct bridge over Jamuna Ambassador tells prime minister

The Daily Star, Thursday February 25, 2010

China is eager to construct a bridge over the mighty Jamuna river at Balashi Ghat point in Gaibandha to further facilitate the communications system of Bangladesh. Apart from this, China also has expressed its eagerness to build a permanent structure for the Dhaka International Trade Fair with underground car parking facilities at Sher-e-Bangla Nagar in the city. The assurance came when Chinese Ambassador to Bangladesh Zhang Xian Yi called on Prime Minister Sheikh Hasina at her official residence Jamuna in the city on February 23.

<http://www.thedailystar.net/newDesign/news-details.php?nid=127824>

Top foreign companies line up to build Dhaka's elevated expressways

The Financial Express, Friday March 5, 2010

The foreign companies including several giants have formed consortiums and joint ventures with local firms and submitted proposals as the deadline for preliminary bidding for the three expressways ended on March 4. The last-minute rush of international firms for the key infrastructure is seen as a crucial "vote of confidence" to the projects, which will be built under a Public Private Partnership (PPP) financing scheme and aimed at easing chronic congestion in the fast booming capital.

"We have already got nine proposals including seven from joint ventures with foreigners," said project director Mohammad Abdul Quader. According to Quadir, the companies include Sino Global, one of the top construction companies based in the United States, and Bouygus of France, which has joined hands with an Indian constructor. "Almost all the foreign companies have experience in building big infrastructure," he added. The Bangladesh Bridge Authority, the execution agency of the projects, invited preliminary bids from intending companies on November 20 last year to build 32 kilometre expressways.

Officials said that among the interested bidders, Sino Global submitted its proposal independently and Bouygus with Indian Gammon House. Soma Enterprise is the only local company who has submitted a bid independently. Sikder Real Estate and MS Simplex placed bids tying up with four Korean companies and Indian Seri Infrastructure. Five local companies made a consortium under the banner of Bangladesh Construction Company in association with Malaysian company Binapuri. The other bidders are Italian-Thai Development Public Company, which made the first proposal to build the expressways under build operate and transfer basis, China Railway International and ARR Pack.

http://www.thefinancialexpress-bd.com/more.php?news_id=94096

Kuril flyover work to start March 2010

The Daily Star, Tuesday March 02, 2010

The construction work of the 3.1 km Kuril flyover will start in March 2010 to connect the capital with Purbachal New Town. It is scheduled to be completed in 2012. The cabinet purchase committee on March 01 approved the tender proposal to construct the flyover at a cost of around BDT 1.53bn (USD 22.11mn). "As we have the approval of the purchase committee we will issue the work order to selected two firms--Project Builders Limited and Major Bridge Eng Company JV-- soon," said an official of Rajuk.

On December 17, 2008, the foundation stone of the flyover was laid down at the meeting point of the Airport Road and Pragati Sarani to start its work in March, 2009. The flyover will be constructed from the fund of Purbachal New Town Project of Rajuk on about 12.68 acres of land. Of the land, about 10 acres belong to Bangladesh Railway and the remaining are private lands.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128323>

Shipbuilding & Ports

Shipyard owners get nod to form association

The Financial Express, Monday March 8, 2010

The Commerce Ministry recently gave permission to ship building owners to form their association, the "Association of Export Oriented Ship Building Industries of Bangladesh," it said in a release dated March 7.

http://www.thefinancialexpress-bd.com/more.php?news_id=94409

Scrap iron traders stage protest in Chittagong

The Daily Star, Sunday March 7, 2010

Traders of scrap iron and other materials that are produced in ship-breaking yards brought out a procession in Chittagong on March 6 protesting a policy for scrap vessel import. Thousands of protesters took part in the procession under the banner of Scrap Vessel-Related Businessmen-Owners-Workers-Employees' Oikya Parishad, a joint platform. Earlier, following a 10-day suspension of work, the Sitakunda ship-breaking yard in Chittagong returned to normalcy on March 3.

Ship-breaking workers suspended work on February 20 to protest the new import policy that made it mandatory for ship importers to submit pre-cleaning certificates before any ship enters the country's maritime territory.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128995>

Chittagong, Penang ports up for link-up

The Daily Star, Friday February 26, 2010



Ships line up at Chittagong port. The seaport, which handles more than 90 percent of the country's USD 35bn annual foreign trade, has received a positive response from Malaysia's Penang Port to work as a sister port.

Malaysia's Penang Port has finally agreed to work with Chittagong Port as a sister port to increase mutual trade starting in 2011, according to a letter last week from Tan Cheng Liang, Penang Port Commission chief, to Commodore RU Ahmed, chairman of the Chittagong Port Authority.

Liang informed her counterpart that an agreement will be signed on the sidelines of the next Organization of Islamic Conference (OIC) Economic Forum meeting, due in Kuala Lumpur on May 18-20. An agreement will officially link the two seaports in shared efforts to increase traffic and operational efficiency.

In addition, it will introduce opportunities for free exchange of information pertaining to cruise and cargo operations, statistical information and general market research between the two seaports.

<http://www.thedailystar.net/newDesign/news-details.php?nid=127764>

Deep-sea port likely by 2015

The Daily Star, Tuesday March 02, 2010

The first phase of work for the construction of the deep-sea port in Sonadia Island is likely to be completed by 2015 with an estimated cost of BDT 150bn (USD 2.17bn), Shipping Minister Shahjahan Khan told the House on March 1. "Bangladesh will earn over BDT 100bn (USD 1.45bn) in 2016 as revenue from the port and it will be double in 2020," he said in scripted answer to lawmakers' queries.

<http://www.thedailystar.net/newDesign/news-details.php?nid=128327>

Manpower

Government takes cautious stand in issuing Iraqi work-visa

The Financial Express, Friday March 5, 2010

The government has been moving with extreme caution in issuing clearances for Iraqi work-visas despite mounting demand for workers in its construction and hospitality industries. "Against around 10 thousands applications lodged during the last two months, the government approved only two thousand visas," an official in the Ministry of Expatriates' Welfare and Overseas Employment told. "It's a cautious stand of the government, meant to avoid repetition of its past experience of labor exploitation," he said.

The post war Iraqi government is yet to setup an organized department to monitor and regulate foreigner recruitment processes. Taking advantage of this situation, groups of unscrupulous elements in both Iraq and Bangladesh are involved in workers exploitation by issuing false demand letters. Because of Iraqi government's failure to ensure authenticity of these issued demand letters, a multiple-level verifications strategy has been adopted prior to allowing any worker to fly to Iraq, the official added.

According to the state-run Bureau of Manpower Employment and Training (BMET), nearly two thousand Bangladeshi job seekers secured employment in Iraq's construction and hospitality industries. Ending a six-year interval since the Iraq war in 2003, Bangladeshi labor migration to Iraq resumed in mid-November in 2009.

http://www.thefinancialexpress-bd.com/more.php?news_id=94107

Recruit more manpower from Bangladesh

President urges South Korea

The Daily Star, Thursday February 25, 2010

On February 24 President Zillur Rahman urged South Korea to recruit more manpower from Bangladesh to contribute to the economies of both the countries. The president made the call when outgoing Korean Ambassador to Bangladesh Suk Bum Park paid a farewell call on him at Bangabhaban.

<http://www.thedailystar.net/newDesign/news-details.php?nid=127829>

Cement & Ceramics

Limestone to roll in again for Lafarge, says Meghalaya's deputy CM

The Daily Star, Friday February 26, 2010

Deputy Chief Minister of Meghalaya BM Lanong says he is confident that the supply of limestone from the Indian state for Lafarge Surma Cement Ltd in Bangladesh will resume soon. Lanong expressed his optimism on February 25 while he was speaking at the North-East India-Bangladesh Trade and Investment Conclave at the Dhaka Sheraton Hotel.

Earlier this month, the Indian Supreme Court restrained the cement giant from mining limestone in Meghalaya, saying that mining cannot be allowed in an eco-fragile area. The court stayed the mining activities on the basis of a report from the Indian Ministry of Environment and Forest, which said the company had been extracting minerals from the land in the forest area. The case is pending with the court and the next hearing has been set for March 19. Lafarge used to bring in limestone for a plant in Chhatak in Sunamganj from the quarry across the border by a 17-kilometre conveyer.