



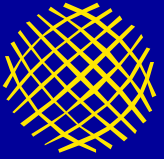
Corporate Governance for SOEs: The Bangladesh Context

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SOEs in Bangladesh

- SOEs are entities owned wholly or partially by government
 - engaged in commercial activities
 - under corporation, regulatory agency or other branch of govt.
 - mainly came under govt. control post liberation
- There are 44 non-financial public enterprises in Bangladesh, each are accountable to their respective ministries
- Industry:6
 - under these six sector corporations there are a number of factories and industries
 - the corporations have their own board and the factories again have their board
- Power, gas and water: 5
- Transport and communication: 11
- Trade: 3
- Agriculture:2



Reforms for SOEs

- Privatization
 - Closure as going concern; disposal of residual assets
 - eg: Adamjee Jute Mill (largest Jute mill in the world)
 - Restructure for resale; Management Change
 - Has worked well for an NCB eg: Agrani Bank
 - Restructure and continue under state ownership
 - Downsizing
 - Share offload
 - Some recommend this to be the best option
 - Continue as Minority Shareholder
 - Govt has shares in various multinational companies but no involvement in the Management
 - Govt has a seat on the Board



Reform Initiatives for SOEs

- BEI recommends Statement of Corporate Intent for all SOEs
- Has organized two training programmes for SOE Boards
- The Ministry of Commerce and the Ministry of Industries were very supportive of the programmes