

BDI ACTIVITIES 1992-1993

7. LETTER TO THE VICE CHANCELLOR OF BUET

(The Vice Chancellor of BUET, Dr. M. Shahjahan, requested BDI to give him a set of guidelines for forming a BDI-NIA Trust in Bangladesh. As a result, the following letter was written to Dr. Shahjahan on February 16, 1993.)

Professor M. Shahjahan
Vice Chancellor
Bangladesh University of Engineering and Technology
Dhaka, Bangladesh

Ref: Request to form a BDI-NIA Trust in Bangladesh

Sir,

As per discussion between Ashraf and you during Ashraf's visit to your office on January 25 1993, Bangladesh Development Initiative (BDI) requests you to form the BDI-NIA Trust in Bangladesh to handle the BDI-NIA award procedures. In October 1992, BDI wrote a letter to Professor Nurul Islam, the Director of the Institute of Appropriate Technology (IAT), suggesting a few guidelines regarding the rules and procedures of the BDI-NIA. Ashraf handed a copy of that letter to you during the meeting in your office. This letter summarizes our suggestions, making appropriate changes to accommodate the slightly altered circumstances. BDI would like to point out that these are mere suggestions, and in no way constitute a binding on the BDI-NIA Trust. The Trust shall have the final authority in making all decisions.

- (1) BDI feels that the Trust should be chaired by the Vice Chancellor of BUET, with the Director of IAT as the Chief Executive. BDI suggests that a representative from each of the Departments of BUET, one representative each from the Dhaka University, the Medical College and the Agriculture College, one Government Official, one Banker, one media person, one renowned entrepreneur be on the Trust. The Trust shall have the final authority to make decisions on the

- award announcement, the selection of the award recipient, the time, place and format of the prize-giving ceremony, etc.
- (2) The BDI-NIA Fund should be perpetual.
 - (3) BDI-NIA Fund (the initial 5000 US dollars and subsequent amounts) shall be deposited in a suitable bank in Bangladesh.
 - (4) Under no circumstances, the BDI-NIA Trust or BDI shall transfer or withdraw money from the BDI-NIA Fund except the prize-money and the overhead expenses each year, as illustrated in item 5.
 - (5) The annual proceeds from the Fund shall be divided as follows: 80 per cent as the BDI-NIA award, 10 per cent as the annual overhead expenses. The remaining 10 per cent shall add to the original amount for the growth of the Fund.
 - (6) After each award-giving ceremony, the Trust is requested to prepare a report on behalf of BDI for the purpose of record keeping, containing the following information:
 - (i) Name and occupation of the award recipient individual or institution.
 - (ii) Description of the product or idea for which the recipient was selected for the award.
 - (iii) A brief description of the commercial implication of the product or idea.
 - (7) BDI requests that a secretarial employee at IAT be identified who shall provide support regarding BDI-NIA matters. BDI agrees to pay an extra monthly salary of about 300 takas to this employee.
 - (8) BDI realizes that the BDI-NIA Fund should be monetarily prestigious. BDI will endeavor to work toward raising more fund here in USA to add to the initial 5000 US dollars. Please see the enclosed Press Release soon to be published in the relevant News Media in USA.
 - (9) Regarding the definition of "innovation", BDI offers the following interpretations. First, the word "innovation" should not be interpreted literally. Second, BDI thinks that the innovation does not have to be patented nor does it have to be a new invention. It could be an idea or a product that has broad commercial implications for Bangladesh. In order to facilitate the selection process of the award recipient, BDI next recommends the following guidelines, which the Trust may consider:

The individual or institution that has succeeded in actually producing 'durable' goods or components of durable goods or 'capital' goods or components of capital goods, or has generated ideas that have the potential of contributing toward the production of these goods in Bangladesh will qualify to be a recipient of the BDI-NIA award. The work of the BDI-NIA recipients should have future commercial implications, i.e., these goods should have sufficient existing domestic demand or should have the potential of creating sufficient domestic and international demand or should substitute important import items.

In general, the production of the commodities that has the potential to create productive employment for both skilled (technical as well as non-technical) and non-skilled Bangladeshi workers by broadening the industrial base can be considered for the award. Examples of the above-mentioned durable goods would be automobiles or components, refrigerators or components, computer or components, televisions, radios, advanced telecommunication devices, aircraft (also mechanized boats or trains) or components. Capital goods are those goods that are employed in the production of other goods, e.g., the machineries employed in the garment industries, jute mills, sugar mills, rice-husking mills, etc. and the petro-chemical, pharmaceutical, bio-technical intermediate products that are required to produce other products in these areas and so on. The production of consumer goods that lacks the potential to employ skilled technical and non-technical workers (besides the unskilled laborers) would not usually be considered for the BDI-NIA award.

Sincerely,
Shah M. Yunus, President, BDI
Ashraf Ali, Secretary and
Treasurer, BDI

cc. 1. Professor Nurul Islam, Director, IAT, BUET, Dhaka, Bangladesh
2. Professor J. R. Choudhury, President, IEB, Dhaka, Bangladesh