

Agreement signed to set up factory in Comilla EPZ

A Bangladesh-Taiwan joint venture company will invest over nine million US dollar to set up a denim fabrics industry in Comilla Export Processing Zone.

An agreement to this effect was signed between the Bangladesh Export Processing Zones Authority (BEPZA) and Nassa Taipei Denims Ltd, the joint venture company, in Dhaka on Thursday, says a press release.

M Nazrul Islam, joint secretary and member (Investment Promotion) of BEPZA, and Md Nazrul Islam Mazumder, chairman of Nassa Taipei Denims Ltd, signed the agreement on behalf of their organisations.

Nassa Taipei will set up its factory in an area of 3,200 square metres and employ more than 700 local people. The company will produce 3,600 million yards of denim fabrics annually, the release added.

Black & Decker showroom opens in Dhaka

Black & Decker, one of the world leaders in home appliances, opened its first franchise in Dhaka recently.

Usman Ghani, overseas representative of Black & Decker Home Appliances, inaugurated the showroom at Hairpool, says a press release.

Yahya A Zahed Khondker, chief executive officer of Ultra Corporation, distributor of Black & Decker products in Bangladesh, was also present at the function.

Black & Decker has been in operation in Bangladesh for the last six years.

FDI in China falls 28.3pc in August

AFP, Beijing

Foreign direct investment in China fell 28.3 per cent in August from the same month a year earlier to 3.3 billion dollars, the Ministry of Commerce said Friday.

This marked a deviation from the trend so far this year, as investment inflows rose 18.4 per cent in the first eight months to 36.7 billion dollars, according to ministry figures.

Contracted investment, which gives an indication of future fund inflows, rose 37 per cent in August from a year earlier to 8.4 billion dollars, the ministry said.

LDCs under pressure to agree on S'pore issues

UNB, Dhaka

Bangladesh and the other LDCs seemed heading towards swallowing the "poison pill" with the deliberations on the first two days of the WTO ministerial meet facing an overall pressure to agree on the Singapore issues.

But things are still hanging on the balance, leaving the LDCs lot uncertain until the last day of the meet on Sunday.

"LDCs issues are being addressed. However, it is not certain whether there will be any forward movement," one official of the Bangladesh delegation to the WTO meet told the news agency from the meeting venue in Cancun, Mexico.

"Seemingly, negotiations are centered on agriculture and the

Singapore issues," he said, commenting on some of the major issues discussed during negotiations over the last two days.

He added that some of the negotiators indicated that if there was a positive movement in agriculture, they might agree to initiate negotiations on the Singapore issues. "There is overall pressure to agree on the Singapore issues."

The negotiators were clearly divided on removing subsidy from agriculture.

However, the official said, all countries would be reiterating their earlier stand at the proceedings of the third day.

"Seemingly," he said, "agreement on the Ministerial Text (of Cancun declaration) will be reached on the last day." "Before that it is very

difficult to prejudge the outcome."

Commerce Minister Amir Khosru Mahmud Chowdhury, the leader of the 17-member Bangladesh delegation, prior to his departure for Cancun on Sept. 7, termed the Singapore issues as an added burden on the LDCs, when other issues such as Doha agreement still remained unimplemented.

He said developed countries were bringing the issues to the forefront to arrest corruption in the LDCs. "Even then, our position is not to entertain the issues."

The Singapore issues include investment policy, trade and competition policy, transparency in government procurement, and trade facilitation.

Bangladesh, however, would discuss the Singapore issues with

other fellow LDCs to determine the strategy, Khosru indicated.

WTO critics thought that the issues were designed as an added barrier to the LDCs trade to further marginalise them.

As apprehended earlier, agriculture became a very strong debating issue at the meet, which was one of the major issues for Bangladesh and other LDCs.

Issues of Bangladesh, as also of other LDC concerns, still expected to be discussed in the Cancun meet include non-agricultural market access, special and differential treatment, services, TRIPS and public health, rules, dispute settlement, trade-related capacity building, and implementation issues.

Trade ministers still search for headway at WTO talks

AFP, Cancun

WTO ministers on Thursday got down to the nitty-gritty in a bid to break a deadlock blocking progress toward a new global trade pact amid few signs of headway.

The streets of downtown Cancun were relatively calm after violent anti-WTO protests and the suicide of a South Korean farmer marred the opening day of the talks on Wednesday.

Dozens of South Korean militants turned out to mourn the suicide and demand a halt to the five-day meeting, attended by about 4,600 delegates from the 146 WTO member states.

Ministers from members of the World Trade Organisation will be holed up in this Caribbean resort until Sunday, trying to salvage a multilateral deal to lower barriers to trade in farm products, industrial goods and services.

The broad outlines of the pact were worked out by WTO ministers in Doha, Qatar in 2001.

Agriculture is the key sticking point, with some countries still entrenched in years-old positions. In addition, fresh demands are emerging from newly-formed alliances that are growing on a daily basis.

Singapore's Minister for Trade and Industry, George Yeo, who has been tasked with trying to close the gaps, reported earlier Thursday that divergences were still apparent after two days of meetings, WTO spokesman Keith Rockwell said.

Yeo told delegates he had started to see signs of flexibility, Rockwell said, adding: "The flexibility that has been seen is not of a great substantive nature at the moment."

Ministers endorsed the admission of Nepal and Cambodia into the fold on Thursday, making them the first of the so-called least-developed countries to complete negotiations to join the WTO.

They are expected to become full-fledged members in the coming months.

Countries also clashed over whether to launch talks on new WTO rules on cross-border investment and the three other so-called Singapore issues, revealing a stark division between developing countries on the one hand and the EU and Japan on the other.

Yoriko Kawaguchi, Japan's foreign minister, said of the issues, named after the venue where they were first taken up, that "new rules would benefit us all, including developing members".

Views are so divergent that a draft ministerial declaration currently offers two opposing options - either to begin negotiations now or settling for a statement that "the situation does not provide a basis for the commencement of negotiations."

The issue appears to be lining up behind agriculture as one of the hardest nuts to crack at the Cancun meeting.

But at a closed-door meeting, US Trade Representative Robert

Zoellick told his colleagues Thursday that unless the Cairns Group of major farm exporters and the Group of 21 developing countries made some concessions, the talks would collapse, one of the delegates said.

While the United States and the European Union have pledged to work for the reduction of farm subsidies, they are still far apart on how quickly such measures should be implemented.

Two other alliances, the 17-strong Cairns group led by Australia and the Group of 21 developing countries headed by Brazil, China and India, are pressing for deeper and faster cuts in subsidies.

The G-21 met with the EU and EU delegations for the first time in Cancun Thursday.

Brazilian Agriculture Minister Roberto Rodrigues said the meetings showed that the group of developing countries had become "an important actor" but added that the EU and US stance on export subsidies was not what they wanted to hear.

"But there is a dialogue going on. We are still hopeful that we can have some positive results," he told reporters.

But for its part, EU Agriculture Commissioner Franz Fischler's spokesman said the G-21 had not shown any flexibility over its demands on farm subsidies, market access and export subsidies.

Jamuna Oil declares 50pc dividend

STAFF CORRESPONDENT, Ctg

Jamuna Oil Company Ltd declared 50 per cent dividend for its shareholders for the year 2001-02.

This was announced at the company's 27th annual general meeting at Jamuna Bhaban at Agrabad in Chittagong recently.

The meeting chaired by Azizul Islam, additional secretary of the Ministry of Energy and Mineral Resources, was informed that the company contributed Tk 10.11 crore to the national exchequer during 2001-02.

Suzuki to buy stake in Indian bikemaker

AFP, New Delhi

Japanese motorbike and car maker Suzuki received the go-ahead Friday from India's foreign investment board to buy a large stake in a local motorbike firm for 3.07 billion rupees (65.31 million dollars), a report said.

The NDTV television network reported Suzuki had been given permission to buy a majority stake in Indian company Integra Overseas Private Ltd.

According to industry sources, Suzuki will acquire a 51 per cent stake in the local firm to enter the crowded and highly cost-competitive Indian motorbike and scooter market.



PHOTO: STAR

A mother keeps her six-month-old baby on the lap as she arranges vegetables for sale at a kitchen market in Motijheel Colony in Dhaka yesterday. Migrated from Gazipur to earn livelihood with the business, Lal Banu has to keep extortionists satisfied with monthly toll as her struggle for survival continues. As a ministerial meeting of the World Trade Organisation (WTO) is in progress in the Mexican city of Cancun, millions of struggling poor like Lal Banu living in the least developed countries wait for a decision on farm subsidies which is depriving the farmers in poor countries of fair price of their crops and force them to migrate to cities.

US catalogue show starts tomorrow in Sylhet

UNB, Dhaka

The United States Embassy in Bangladesh will hold an "American Week" in Sylhet beginning tomorrow with a catalogue show of American products.

Elements of the US Embassy, including the American Center, the United States Agency for International Development (USAID) and the US Trade Center will participate in the week's programme, with many activities to be conducted at the Hafiz Complex.

US Ambassador Harry K

Thomas, Jr., will formally inaugurate the week with the launching of a catalogue show of US products at 11 am. The show will remain open for public after inauguration.

The Ambassador will then conduct a press conference at 12 noon, also at the Hafiz Complex, to introduce key events taking place throughout the week.

A number of senior Bangladesh officials are expected to take part in the opening and participate in the weeklong programme.

American vocalists Lee Alison Sibley and Terri Khan will provide a

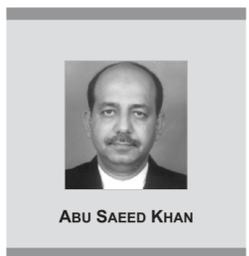
cultural dimension to the week's events at an evening performance on Sept. 17 at the Jalalbad Gas Auditorium.

Other events will focus on opportunities for study in the U.S. Consular Section Chief Richard Adams will offer a presentation on visas to the United States at 1 pm on Wednesday at the same venue.

The week will feature programme designed to showcase American co-operation with Bangladesh in a number of areas, including the work of the US Trade Center and the USAID.

Telecom law amendment

Conspiracy of piracy to people's privacy



ABU SAEED KHAN

by Hutchison Bangladesh Telecom Ltd, in the late 80s, had to obtain a so-called "security clearance" from that very military dictator's office (President's Secretariat). That hegemony of the establishment was eventually trashed by the exponential growth of mobile phone.

But the government has been violating simple civic norms by denying the mobile users' fundamental right to call the state-owned main telecom network of BTB. The

has its own agenda. It remains mum despite such continuous violation of fundamental human rights to communicate. The telecom regulator, which is littered with retired and seconded civil servants, does not have professional competence to address such a gruelling sectoral crisis.

All these factors have allowed the private sector to operate standard services followed by deceiving the consumers. Although the legal

oblivious, it is imperative to highlight the futility of such conspiracy to invade the people's privacy.

Anybody can be the user of devices like satphones in Bangladesh. Because the country is very much under the footprint of respective satellite constellation. It is nearly impossible to track the signals of these smart gadgets. Therefore, the users of such space age communications systems always remain in touch regardless their location.

cannot catch the caller, unless the corresponding GSM operator reveals the address.

But catching that suspect depends on the corresponding country's local police. That also depends on the state of bilateral relation. Suppose we have excellent relation with both India and Pakistan (which is impossible) and their police feel obligated to entertain the request of our police department (just joking) to nab a suspect.

Still the trickiest part of this cat and mouse game is yet to be played. What happens if the suspect carries multiple GSM mobile phones from different addresses or from different countries? Hello? Anybody home?

Let's quickly wrap up with the e-mail issue. The good old short message service (SMS) and more recent general packet radio system (GPRS) has empowered the GSM mobile users to send and receive text messages and e-mails using the handset.

Such features are available in both prepaid and post-paid GSM packages. Detecting the sender of such messages, in packetised signals from a pre-paid subscription is literally impossible. The operators are not bothered about contact details of such subscribers. (It took for this writer less than five minutes to subscribe a pre-paid GSM connection in Bangkok last month.)

The government is not expected to address these logical issues while amending the telecom law to legalise invading people's privacy. But the consumers must fight such move to legalise an illegal act. That is the best that can be done, at this stage.

The writer is a telecom analyst

PASSWORD

The government is not expected to address these logical issues while amending the telecom law to legalise invading people's privacy. But the consumers must fight such move to legalise an illegal act.

International Telecommunication Union (ITU) officially denounced such lapse of Bangladesh government in its Asia Pacific Telecommunication Indicator of 2000.

But the government remained unrepentant about its deliberate violation of the globally practiced standard of the telecom industry. It became a serious offence on the part of government after it enacted Bangladesh Telecommunication Act, 2001. Because section 47 of this law mandates seamless interconnection among the telecom operators.

Interestingly, neither the mobile operators nor the civil society ever raised their voices against the government's deliberate violation of the telecom law. Because the mobile operators have been exploiting the government's lack of moral authority to regulate the industry.

The sharply polarised civil society

obligations on interconnection issues are clearly defined in the telecom law, neither the mobile operators nor the civil society has bothered to sue the government on such a high profile public interest issue.

The bottom line? Bangladesh is the only country where the right to communicate is being systematically violated in consensus among the government, the regulator, the industry and the civil society.

Now the government is planning to eliminate the people's privacy in a more disgraceful manner. The ruling BNP-led alliance government is desperate to legalise the illegal act of tapping phone calls and reading e-mails.

Interestingly, Awami League, the major opposition, has not uttered a single word against such illicit move of the government.

Since our political leadership is

No wonder so many tech-savvy boys of Donald Rumsfeld are coming home, from Iraq, in body bags. Because, unlike the wartime, no AWACS aircraft is patrolling the Iraqi airspace to detect the enemy's eavesdropping on the ground. Since that is the case with the supreme global military might, where do we stand?

Forget about hi-tech and let's talk about the basics. "Roaming" is a general feature and the fundamental element of GSM mobile technology. It allows the customer to use the mobile, without changing its number, in another GSM network of different country.

A post-paid GSM mobile user either from India or Pakistan or from any other country can roam in Bangladesh. Thanks to GrameenPhone, country's only roaming provider. If one such user is an insurgent, or drug dealer or arms smuggler and visits Bangladesh, the local intelligence agencies may tap that call but

Global recovery may stumble without reforms: IIF

AFP, Washington

The fragile global economic recovery could be "short-circuited" without bold steps by industrialized and developing countries, a global association of banks and finance firms said Thursday.

The Institute of International Finance said the global economy appears to be coming out of its torpor but that the leading industrial countries "face the immediate challenge of consolidating, deepening and broadening global economic

recovery."

The IIF, in a letter to International Monetary Fund and World Bank policymakers meeting next week in Dubai, called for "a coordinated medium-term strategy that ensures that the recovery is sustainable."

"Without such a framework, there is a serious risk that the emerging global recovery could harbor the seeds of its own demise and be short-circuited in the next 12 to 18 months," the IIF said in its letter.

The IIF letter noted that there is mounting evidence of accelerating

growth in the United States and indications that the Japanese economy is also strengthening.

However, it said "significant medium-term challenges lie ahead for all major industrial countries and it will require political courage and economic coordination to address them effectively."

For the United States, the IIF warned against growing budget and trade deficits that could spark higher interest rates or weaken the dollar with "severely adverse consequences."

Malaysia's 2004 budget aims at economic competitiveness

AFP, Kuala Lumpur

Malaysia unveiled a series of tax cuts and incentives to boost key industries in its 2004 budget Friday, along with sharp increases in "sin" taxes on alcohol and tobacco while imposing new excise duty on imported cars.

Prime Minister Mahathir Mohamad, presenting his last budget before retiring next month after 22 years in power, said additional income tax incentives would be offered to foreign firms setting up operational headquarters in

Malaysia.

To boost local industries, he said the threshold of taxable income for small- and medium-sized industries would be raised five-fold to 500,000 ringgit (132,000 dollars) in a move that would free up 322 million ringgit for investment.

Local firms investing in machinery and equipment would get pioneer status with a 70 per cent tax exemption on increased income over five years, he said.

Ahead of the liberalisation of the auto market in 2005 under a regional free trade agreement, Mahathir also

announced new excise duties on imported cars from next year to offset losses in import duties.

To support the transition to a knowledge-based economy, he said state-owned Telekom Malaysia would cut internet access charges by 30-50 per cent.

The budget also involved cuts in the export duty on food, agriculture, building materials and minerals, with a 10 per cent import duty on health supplements abolished.

Import and excise duties on liquor, tobacco and cigar were raised by between 10 and 20 per cent.