

'K' Line's 15th anniversary celebrated

STAR BUSINESS REPORT

'K' Line Bangladesh Ltd, a Japan-Bangladesh joint venture shipping company, celebrated the 15th anniversary of its operation in Bangladesh on Tuesday.

Japanese Ambassador in Dhaka Matsushiro Horiguchi was present at the anniversary function at Spectra Convention Centre in Gulshan, Dhaka.

Kenichi Kuroya, managing director of 'K' Line Singapore, Badrul A Chowdhury, chairman, and Asif A Chowdhury, managing director of 'K' Line Bangladesh Ltd, spoke at the function.

'K' Line officials said they carry Bangladesh's export items, including ready made garments, frozen foods and jute products, to different countries throughout the world.

'K' Line Bangladesh, joint venture of Japan's Kawasaki and Bangladesh's Chowdhury Group, awarded their top ten clients on the occasion of its 15th anniversary.

'K' Line Japan started its journey in Bangladesh in 1988 as a foreign shipping company. In 1994, 'K' Line Bangladesh was founded with four companies -- 'K' Line Japan, 'K' Line Singapore, Bangladesh-Thai Plastic Ltd and Bay Consolidation Pvt Ltd.

ICB declares 8pc dividend

Investment Corporation of Bangladesh (ICB) has declared an eight per cent dividend for its shareholders for 2002-03.

The dividend was declared at the 27th annual general meeting of the ICB held in Dhaka yesterday. ICB Chairman Hasinur Rahman presided over the meeting, says a press release.

In 2002-03, ICB earned a net profit of Tk 10.68 crore, which is 2.44 per cent higher than that of previous year.

Earlier, the corporation also declared dividends on its Eighth Mutual Funds and on the Unit Fund, highest being 180 per cent on the First Mutual Fund, which was the highest cash dividend in the country for the FY 2002-03, the press release said.

During the FY 2002-03, the corporation committed a net financial assistance of Tk 44.88 crore to 19 projects in the form of pre IPO placement, lease finance and purchase of preference shares and debenture.

The ICB recovered an amount of Tk 67.79 crore from margin and project loans during the year, the release added.

Citigroup's 3rd quarter net earnings \$4.69b

Citigroup, the preeminent global financial services company and holding company of Citibank NA, made a record net income (after tax) for the three months ended on September 30, 2003 of 4.69 billion dollars, a 27 per cent increase over the prior year period, says a press release.

Income per diluted share of the company from continuing operations was 0.90 dollar, rising 25 per cent over the third quarter of 2002.

For the first nine months of 2003, Citigroup's income from continuing operations increased 19 per cent to 13.09 billion dollars, or 2.51 dollars per diluted share.

Repo auction

UNB, Dhaka

The reverse Repo auction of Bangladesh Bank for commercial banks and financial institutions was held here yesterday.

Seven bids of 2-day tenor amounting to Tk 585 crore were received and that were accepted.

The rates of interest against the accepted bids ranged from 2.40 percent to 2.50 percent per annum, said a press release of the central bank.

Jobless claims dip in US

AFP, Washington

The queue of people lodging new claims for US unemployment benefits shrank a little last week, seasonally adjusted government figures showed Thursday.

The number of new claimants fell 4,000 to 386,000 in the week of October 18, after a revised 2,000-strong increase the previous week, the Labor Department said.

Invest in Sierra Leone to reach US market

Ahmed Tejan Kabbah tells local entrepreneurs

STAR BUSINESS REPORT

Sierra Leone President Ahmed Tejan Kabbah yesterday invited Bangladeshi ready made garment (RMG) entrepreneurs to invest in the West African country for taking benefits from its duty-free access to the US market.

"Bangladeshis can enter the market of world's largest economy by relocating industries there," he told a luncheon meeting hosted by Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) at Dhaka Sheraton Hotel.

The Sierra Leone president said 16 Sub-Saharan countries including Sierra Leone enjoy duty-free access to the US market under the African Growth and Opportunity Act.

"The Sierra Leone market is open to Bangladeshi entrepreneurs. You can invest in any sector you like," he told the Bangladeshi businesspeople urging them to make single or joint venture investment in this country.

President Kabbah sought

Bangladeshi investment especially in agriculture, marine and mineral resources sectors in Sierra Leone which is renowned for gold and diamond mining as well as extraction of sea resources.

He agreed on a proposal from local businessmen to form a joint business council involving representatives from the two governments and private sectors.

"Visit Sierra Leone and meet members of Sierra Leone Chamber of Commerce and Industry and Agriculture for choosing field of investment," said Kabbah who left Dhaka yesterday ending a three-day official visit.

When businessmen proposed for investment in pharmaceuticals, telecommunication, information and communication technology and automobile assembling sector, the Sierra Leone president responded in the affirmative.

Speaking at the function, Commerce Minister Amir Khosru Mahmud Chowdhury said the government would soon form a team involving government and

private sector representatives for visiting Sierra Leone to explore trade and business opportunities there.

"Bangladeshi RMG manufacturers should take Sierra Leone as a base for exporting their products to the US," Khosru said seeing huge scope of expanding trade and business between the two countries.

Mentioning that Sierra Leone is rich in gold and diamond resources, FBCCI President Abdul Awal Mintoo proposed the two countries join hands in jewellery manufacturing in which Bangladesh has a long artisan heritage.

"Economic and trade benefits can be gained by bringing diamond and gold from Sierra Leone and cutting, polishing, setting and making designed jewellery in Bangladesh for exports as well as for internal market," he said.

Currently, Bangladesh only exports jute goods to Sierra Leone while the West African country does not export anything to Bangladesh, he said.

But the trade relation between the two countries can be expanded significantly in the field of medicine, electronics, ceramics, jute, melamine, agriculture, leather, toiletries, household appliance and light engineering sector, Mintoo said.

As some 5.2 million hectares of arable land remains uncultivated in Sierra Leone, he said Bangladesh can offer its tilling and farming expertise to the country to turn the fallow acreage into productive agricultural lands.

He said the two countries can also work together in pharmaceutical sector as Bangladesh exports pharmaceutical products to 52 countries.

Sierra Leone Foreign and International Co-operation Minister Momodu Koroma and Agriculture and Food Security Minister SS Monde, Bangladesh Foreign Minister M Morshed Khan, Food Minister Abdullah Al Noman, Water Resources Minister Hafizuddin Ahmed, members of FBCCI and business leader were present at the luncheon.



Sierra Leone President Ahmed Tejan Kabbah receives a crest from Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Abdul Awal Mintoo at a function at Dhaka Sheraton Hotel yesterday.

Textile manufacturers seek \$1.8b fund for RMG backward linkage

STAR BUSINESS REPORT

Bangladesh Textile Mills Association (BTMA) has proposed to the government to set up a \$1.8 billion textile technology upgradation fund (TTUF) to support the backward linkage industry for ready made garment sector.

In the proposal, the BTMA sought \$1.5 billion from the government while the rest would be contributed by the private sector, said MA Awal, chairman of BTMA, at a press conference at the association office in Dhaka yesterday.

"Backward linkage industries for the ready made garment (RMG) sector will be self-sufficient once the TTUF fund is constituted," Awal said. The BTMA submitted the proposal to the Ministry of Textiles

on Tuesday.

As Bangladeshi garment exporters will have to compete with big players like China and India in the quota free regime after 2004, entrepreneurs in textile sector are negotiating with the government to constitute the fund.

The proposed TTUF scheme would be in operation for a period of five years from January 2004 for extending financial support to the new and existing textile units.

Existing units can modernise their technology or expand their capacity with the state-of-the-art machinery. And new units must set up the entire facilities with the appropriate technology, the BTMA recommended in the proposal.

Under the scheme, only new machinery will be permitted to install

in the textile units.

The areas to be covered under TTUF are energy saving devices, effluent treatment plant, water treatment plant for captive industrial use and captive electrical power generation, factory building renovation and electrical technology upgradation.

The BTMA proposal said interest rate on the loan from TTUF should be the prevailing bank rate refinanced by Bangladesh Bank. Debt equity ratio for a textile unit shall be 80:20 and there should not be ceiling on the project cost.

The moratorium period will be maximum two years and repayment should be made on half yearly basis within nine to 12 years, the association said in the proposal.

Sierra Leone president visits DEPZ

Visiting Sierra Leone President Ahmed Tejan Kabbah visited the Dhaka Export Processing Zone (DEPZ) in Savar on Wednesday.

Commerce Minister Amir Khosru Mahmud Chowdhury welcomed Kabbah at the EPZ, says a press release.

During his visit to DEPZ, Kabbah lauded the success and achievements of Bangladesh Export Processing Zones Authority (BEPZA). He also expressed his desire to set up EPZs in Sierra Leone.

BEPZA Executive Chairman M Mofizur Rahman briefed the visiting president about the EPZs.

StanChart, Agora sign MoU

Standard Chartered Bank and Agora, a local chain shop, have signed a memorandum of understanding (MoU) on speedy checkout for Standard Chartered priority cardholders.

M Sajidur Rahman, head of Consumer Banking of Standard Chartered Bank, and Niaz Rahim, managing director of Rahimafrooz Super Store Ltd, signed the deal in Dhaka recently, says a press release.

This service, effective from Saturday, will be offered at both the Dhanmondi and Gulshan outlets of Agora.

National Bank, IIDFC sign term loan agreement

National Bank Limited (NBL) signed an agreement with Industrial and Infrastructure Development Finance Company Limited (IIDFC) on Monday in Dhaka to provide Tk 80 million as term loan to IIDFC, says a press release.

MA Mazid Khan, managing director of National Bank Limited, and AKM Nozmul Haque, managing director of IIDFC, signed the deal on behalf of their organisations.

Bandarban trade fair to begin on Dec 4

OUR CORRESPONDENT, Bandarban

A fifteen-day hill tract trade fair will begin here on December 4.

The trade fair, the second of its kind in the district, will be organised by the district chamber and district administration in collaboration with the Ministry of Commerce.

Organisers said the main objective of the fair is to woo investment in tourism in the region.

Tannery owners agree to go to Savar

BSCIC, leather exporters, tanners sign MoU

STAR BUSINESS REPORT

Tanners, leather goods manufacturers and exporters have reached an agreement with the government to relocate their plants from Hazaribag in the capital to the proposed leather industrial estate in Savar.

A memorandum of understanding (MoU) was signed at the Ministry of Industries in Dhaka yesterday between Bangladesh Small and Cottage Industries Corporation (BSCIC), Bangladesh Finished Leather, Leather Goods and Footwear Exporters Association (BFLLEA) and Bangladesh Tanners Association.

BSCIC Chairman Solaiman Chowdhury, BFLLEA Chairman Rezaul Karim Ansari and BTA Chairman M Harun Chowdhury

signed the tripartite MoU in presence of Industries Minister Matiur Rahman Nizami and secretary to the ministry.

The Tannery Industrial Estate-Savar project is now in progress and scheduled to be completed by December 2005. The executive committee of national economic council (ECNEC) approved the Tk 175.75 crore project on August 16 this year.

The special industrial zone will have a central effluent treatment plant (CETP) and a dumping yard for managing the wastes and protecting the environment. There will be 195 plots of four categories on 200 acres of land.

The CETP will be established for waste treatment and drainage. The government will set up the plant but

it will be operated and maintained by a company to be formed comprising the industrial units in the zone.

An in-member project implementation committee headed by BSCIC chairman will be formed and BFLLEA chairman and BTA chairman will be members of plot allotment committee of the industrial area.

The proposed industrial complex will create employment opportunities for one lakh people. It will have necessary infrastructures, including approach and internal roads, drainage system, culverts and utility services.

Industries Secretary Dr Shoaib Ahmed, officials of the Ministry and BSCIC and tannery industrialists attended the signing ceremony.

FTA with India

Textile entrepreneurs urge govt to negotiate carefully

STAR BUSINESS REPORT

Textile entrepreneurs have urged the government to protect the interest of local industries while negotiating with India for signing a free trade agreement (FTA).

"We support FTA but we should negotiate carefully so that local industries are not affected," MA

Awal, chairman of BTMA, told a press briefing in Dhaka yesterday.

He said Bangladeshi products are now facing different non-tariff and para-tariff barriers to enter into the Indian market. "Delhi should

show a positive attitude in allowing Bangladeshi products," he added.

The BTMA chairman said it is possible to export many Bangladeshi products to India. "We have a number of quality products and these are competitive in prices. So, we can be benefited from FTA with India."

"But the situation should not be like this that Indian goods are easily entering Bangladesh while Bangladeshi products are facing barriers despite having an FTA deal. That's our concern and that's why the negotiation should be handled

carefully."

The FTA issue with two other South Asian countries -- Pakistan and Sri Lanka -- are not as crucial as it is in case of India, Awal felt.

"Local industries will suffer if steps are not taken to improve the infrastructure at the land ports to check illegal entrance of goods from India," he said.

Mohammad Shahjahan, former president, Shawkat Aziz Russel, executive committee member of BTMA and other members of the association attended the press briefing.

Bush confident of free trade deal with Australia this year

REUTERS, Canberra

US President George W Bush said Thursday he was confident the United States could reach a free trade agreement with Australia this year and give a boost to both countries and to the Asia-Pacific region.

Australia and the United States, its second largest trading partner after Japan, are trying to thrash out a free trade arrangement by the end of the year, as major countries scurry to strike bilateral trade deals while multilateral talks stumble.

Australia and the United States

began free trade negotiations in March and both countries want to complete an accord by early next year so that it can be presented to the US Congress before the presidential election in November 2004.

Bush, on a whirlwind tour to Australia at the end of a six-nation Asia-Pacific tour, reaffirmed his commitment to a free trade pact with his close ally, saying the negotiations could be completed by the end of December as scheduled.

"There are a lot of important issues that we've got to work

through. I think we can," Bush told reporters.

"I think a free trade agreement with Australia will be good for America, for American workers. I also believe it will be good for Australia."

Trade between Australia and the United States -- two of the world's biggest farm exporters -- totals \$28 billion a year, but agriculture was expected to be a key stumbling block. No details on trade proposals from either countries have been given.



Investment Corporation of Bangladesh (ICB) Chairman Hasinur Rahman presides over the 27th annual general meeting of the corporation in Dhaka yesterday.

New Japanese firm at DEPZ

UNB, Dhaka

YKK (Bangladesh) Ltd, a 100 per cent Japanese-owned company, laid the foundation of its enterprise in the Dhaka Export Processing Zone (DEPZ) yesterday to go for making world-class garment accessories.

Addressing the inaugural and foundation-laying ceremony of the YKK enterprise, Foreign Minister M Morshed Khan said EPZs reflect growth of foreign investment in the country.

"Burgeoning growth of industries in the Export Processing Zones and increasing contribution of the EPZs to national exports bear testimony to the fact that EPZs have increasingly been the coveted areas for foreign

investors," he told the function.

The minister said there is no doubt that more foreign investors would be attracted to the EPZs if the facilities and prospects of the exclusive economic zones could be projected properly to them.

Morshed Khan called upon the officials of BEPZA to be more dynamic in their approach.

Addressing the function, the Japanese Ambassador to Bangladesh, Matsushiro Horiguchi, assured the BEPZA of his fullest cooperation in attracting more Japanese investment to the EPZs in Bangladesh.

"Keeping in view the facilities and incentives offered to the existing investors by extending all-out cooperation through one-stop

services more Japanese entrepreneurs will come forward to invest in the EPZs of Bangladesh," he said.

The function was also addressed by Dr Dewan Mohammad Salahuddin MP, Executive Chairman of the BEPZA Brig General (ret'd) M Mofizur Rahman, BGMEA President Quazi Moniruzzaman and Director of YKK (Bangladesh) Ltd, Eiji Sekine.

YKK (Bangladesh), which is the largest Japanese investor in the EPZs of Bangladesh, is to invest US\$ 17.743 million. This enterprise is producing 135 million pieces of zipper, button and fastening products. YKK (Bangladesh) has employed 175 Bangladesh nationals.

PHOTO: ICB