

Trade expansion hinges on harmonised customs rules

BIMST-EC experts say

STAR BUSINESS REPORT

Trade experts from BIMST-EC member countries yesterday underscored the need for harmonisation of customs procedure and quality standards for increasing trade and investment among the sub-regional trade bloc members.

They also called for promoting intra-regional banking relations and exchange information through electronic media to make Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation (BIMST-EC) a meaningful trade bloc.

The observations came from the second day's working sessions of the three-day expert group meeting of BIMST-EC that began in Dhaka on Monday.

"The group members have decided to initiate cooperation in some major sectors. But it is not possible without harmonisation of customs procedure

and banking facilities and exchange of information," Professor MA Taslim, chairman of Bangladesh Tariff Commission, told newsmen after a working session yesterday.

The sub-regional economic bloc earlier decided to initiate cooperation in textile and clothing, drugs and pharmaceuticals, gems and jewellery, horticulture and floriculture, processed food, automotive industry and parts, coconut and spices, and rubber, tea and coffee but there is no significant breakthrough in these areas.

Bangladesh mooted the idea of BIMST-EC free trade area, identifying it a tool for increasing cooperation in trade and investment among the member countries. The first group meeting on trade and investment was also held in Dhaka in November 1999.

Earlier, speaking at the opening session of the BIMST-EC expert group meeting, Commerce Secretary Suhel

Ahmed said geographical proximity could not help the BIMST-EC sub-region to boost trade and investment among its members.

Currently Bangladesh's export to BIMST-EC region is a little over 2 percent of her total exports while her import accounts for around 12 percent of total imports, he mentioned.

He said despite its thrust on the major markets in the USA and EU, Bangladesh has to find potential new markets like CIS, Middle East, South and Southeast Asia.

But Bangladesh's exports are facing non-tariff and para-tariff barriers, stringent rules of origin, and strict standards for labour, environment and quality, Suhel Ahmed said, seeking BIMST-EC's support to triumph over those market hurdles.

He invited investments from the members of the sub-regional economic bloc, BIMST-EC, so that they could

derive benefit from her duty- and quota-free access to the markets of the developed countries.

"The investors from other members, by establishing factories in Bangladesh, can reap the benefits of such special facilities; and reach the market of developed countries through Bangladesh," Ahmed added.

On the first day, the expert group discussed ways for reaching a common stand to face the post-2004 crisis in textile and clothing sector.

More than 10 trade officials and experts from India, Sri Lanka, Myanmar and Thailand have joined their counterparts in the talks to review past progress and set future strategy after identifying areas of cooperation in intra-region trade.

FBCCI team set to go on business expedition

Delegates start for S'pore, Vietnam, Cambodia next week

M ABDUR RAHIM

A team of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) is going to start a business expedition next week to three Southeast Asian nations to boost trade and investment.

The 30-member team comprising FBCCI President Abdul Awal Mintoo, First Vice-President Kamaluddin Ahmed and members will leave Dhaka for Singapore, Vietnam and Cambodia on November 10.

In first leg, the businesspeople will visit Singapore. They are scheduled to meet Singapore trade minister, Foreign Minister M Morshed Khan will join FBCCI team in Singapore and lead discussion with business leaders including members of Singapore International Chamber of Commerce, Malay and Chinese chambers. Bangladesh Embassy will arrange the meetings.

The FBCCI team will then fly to Hanoi on November 13. They will hold business and investment promotion meetings with members of Vietnam Chamber of Commerce and Industry.

In the last leg, businesspeople will fly to Phnom Penh on November 15. The business team will meet business leaders of Cambodia Chamber of Commerce and Phnom Penh Chamber of Commerce. They will wrap up the week-long trip on November 18 when they will leave Cambodia for Bangladesh.

Talking to The Daily Star yesterday FBCCI President Abdul Awal Mintoo said in line with government's 'look east policy' they would try to persuade business leaders of those countries to invest in Bangladesh.

"The FBCCI will hold interactive meetings with businesspeople and inform them about investment incentives available in Bangladesh," he said.

"As the Association of Southeast Asian Nations (Asean) is closing to a free trade agreement from 2010, economic importance of the bloc is increasing and we should try to forge trade relation with association," he said.

The FBCCI team will invite entrepreneurs of those countries to visit Bangladesh to see the investment climate here. The chamber team will

also invite them to participate in Dhaka International Trade Fair to showcase their products.

The FBCCI chief said the trip would help increase investment flow and trade volume between Bangladesh and three Asean economies.

UNB adds: Meanwhile, Vietnamese Ambassador to Bangladesh Ngo Van Hoa met the FBCCI chief yesterday in Dhaka.

Ho expressed the hope the upcoming visit of a FBCCI delegation to Vietnam next week would be able to identify the potential and find ways of enhancing bilateral trade and economic cooperation between the two friendly countries.

President of Vietnam accompanied by a large business delegation is expected to visit Bangladesh in early part of 2004. Prime Minister Khaleda Zis has also been invited to visit Vietnam, the envoy said.

"She has accepted the invitation. Her visit is also expected soon after the visit of the Vietnamese President," the ambassador mentioned expressing optimism to strengthen bilateral economic relations.

Political relations between Bangladesh and Vietnam have always been excellent, but the economic relation does not commensurate with the economic potential of the two countries, he observed.

The Commerce Minister of Vietnam is also likely to attend the "International Business Conference on Global Economic Governance and Challenges of Multilateralism" in Dhaka in January next year.

These visits from the top level of the two countries as well as business leaders would enable the delegations to explore business potential between the two friendly countries, Hoahoped.

Mentioning the Joint Economic Cooperation signed in 1997, the FBCCI chief emphasised on activating the JEC. He also stressed the need for cooperation in agricultural sector where Vietnam has achieved tremendous success.

Mintoo said the Agriculture Minister of Bangladesh has recently visited Vietnam and it will certainly help improve the economic relations.

Rebuilt container yard opens in Ctg port

STAFF CORRESPONDENT, Ctg

Shipping Minister Akbar Hossain yesterday inaugurated the reconstructed container yard no. 9 at Chittagong Port.

The yard was reconstructed at a cost of Tk 2.78 crore. The 8500-square metre container yard has the capacity of providing space to 850 TEUs (twenty-foot equivalent units) containers in three layers, port officials said.

Speaking at the function, the shipping minister stressed the need for speedy implementation of the projects taken up by Chittagong Port Authority (CPA) for the modernisation and efficient operation of the premier seaport.

Reconstruction work of the container yard started on November 2 last year and completed by September 25 this year, the officials said.

CPA Chairman AMM Shahadat Hossain presided over the function while CPA Member (Finance) Ahmad Abul Kashem and Member (Operation) Capt Amrul Islam, and Chief Engineer Shafayet Hossain Khan attended, among others.

Royal Brunei Airlines' Eid shopping package

Royal Brunei Airlines has launched Eid shopping package.

The package offers 2 nights/3 days stay in Kolkata and 3 nights/4 days in Dubai with minimum of \$614 and \$554.

The package is valid during Ramadan only, says a press release.

The Royal Brunei Airlines recently appointed Travel Market Ltd as its new GSA for Bangladesh.

Copper wire making firm to be set up in Dhaka EPZ

UNB, Dhaka

A joint venture metal company will be established in the Dhaka Export Processing Zone (DEPZ) with an investment of 400,000 US dollars.

M/s Wiremech DB Pvt Ltd, jointly owned by Bangladesh and India, will annually produce 10,000 MT of copper wire and create employment opportunity for 30 Bangladesh nationals.

An agreement to this effect was signed between the Bangladesh Export Processing Zones Authority (BEPZA) and M/s Wiremech BD Private Ltd here on Monday, said a press release yesterday.

Joint Secretary and member (Investment Promotion) of BEPZA M Nazrul Islam and Director of Wiremech BD Pvt Ltd Dipankar Saha signed the agreement on behalf of their respective side.

BEPZA Executive Chairman Brig General (Retd) M Mofizur Rahman, Member (Finance) Md Didarul Anwar, Member (Engineering) Abu Reza Khan, Secretary Md Mahubul Alam and General Manager (Investment Promotion) AZM Azizur Rahman were present in the signing ceremony.

FBCCI chief finds essential prices 'almost normal'

UNB, Dhaka

The country's apex business-body leaders yesterday visited the capital's kitchen markets to see price situation of daily necessities.

Having talks with buyers and sellers they later told newsmen that prices had increased ahead of Ramadan for various reasons, but now came down to 'almost normal'.

"There were couple of reasons for the price hike. There was untimely rain that affected production of crops like cucumber. It also hampered the transportation," said FBCCI President Abdul Awal Mintoo.

As there were supply shortages due to the untimely rain, and demand also

increased because of Ramadan, there was a rise in prices of the local products, he said.

"On the other hand, prices of imported products like onions and edible oils had marked rise on the international market, thereby causing a hike also in the local markets."

But, the FBCCI President said that now the situation came to normal following adequate supply as well as different measures taken to check the upturn.

"The market leaders also told us that they were keeping a sharp eye so that any dishonest seller can't unnecessarily increase prices of essentials," said the business leader.

Tea sale witnesses good demand

UNB, Chittagong

The weekly tea sale, held here yesterday, witnessed quite a good demand owing to increased support from the Blenders and Loose Tea Buyers.

There was also fair interest from Pakistan buyers, said the weekly market report adding that clean well made teas were well supported often at slightly dearer levels.

Good liquoring Dusts continued to sell at around last levels, it said.

CTC Leaf: 28,129 g/s, 2,345 ppws, 2,019 c/s, 100 p/s (73 g/s of old session) on offer met with a fairly good demand.

Broken: A small weight of black, well made broken were strongly competed for and were fully firm to slightly dearer ranging between Tk 68/ and Tk 71.

Medium broken met with a fairly good demand but were often a little easier. Smaller broken were a good market and

sold at around last levels whilst neater varieties were strongly competed for and advanced by Tk 1 to Tk 2. All other broken particularly the large varieties were difficult of sale and eased further with heavy withdrawals.

Fannings: A handful of well made fannings were a strong market and were again fully firm to slightly dearer realizing between Tk 68 to Tk 70. Medium were also a good market but were slightly easier. Plain fibrous types were further discounted with heavy withdrawals.

CTC Dust: 2,911 g/s, 84 c/s, 330 ppws and (55 g/s of old season) on offer met with a better demand. Select few lines of well made good liquoring types sold around last levels. All others eased by Tk 2 to Tk 3 and sometimes more following quality.

Plain liquoring types were again neglected. Internal buyers lent fairly good support particularly the blenders.

Concord Group to use Asian paints

STAR BUSINESS REPORT

Concord Group will use Asian Paints products in all its construction projects.

Asian Paints will also be the official paint at Fantasy Kingdom, an amusement park constructed by the group at Ashulia on the outskirts of Dhaka.

Shahriar Kamal, director of Concord Group, and RV Ramanujam, director and chief executive officer of Asian Paints Bangladesh Ltd, signed an agreement to this effect in Dhaka yesterday.

Concord Group Marketing Manager Anup Kumar Sarkar and Sales Manager Sarwar Anam Raju, and Asian Paints Bangladesh Ltd's Marketing Manager Ashutosh Banerjee and Factory Manager SR Rao were present at the signing ceremony.

The two companies will also jointly carry out various promotional campaigns under the agreement valid for one year.

Concord has over 300 well-known construction projects. Asian Paints Bangladesh Ltd, having its factory at Gazipur, is the country partner of Asian Paints, a multinational paint company with manufacturing facilities in 23 countries around the world. The annual turnover of Asian Paints is US \$400.

GM to up China capacity by half

REUTERS, Shanghai

General Motors, the world's top auto maker, will hike output capacity at its Chinese plants by 50 per cent by 2006, a vote of confidence for a booming market that analysts see headed for a severe glut.

GM said on Tuesday it plans to raise total installed capacity in China to 766,000 vehicles by 2006, from 510,000 now, tacking on production lines at its main Shanghai plant and another in the southern region of Guangxi. It did not divulge investment.



PHOTO: FBCCI
Ngo Van Hoa, ambassador of Vietnam to Bangladesh, called on Abdul Awal Mintoo, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), in Dhaka yesterday.

False TIN documents detected in Ctg

BSS, Chittagong

Some businessmen and professionals in Chittagong are using false TIN (Taxpayer's Identification Number) certificates to take financial benefits, sources in the Department of Income Tax (DIT) said.

Officials at DIT said that they had detected some false TIN certificates purportedly issued from the department illegally. Some mid-level officials at the department in connivance with brokers issued those false TIN certi-

icates, they added.

The existence of false certificates came into light when some certificates were detected during plot allotment of Chittagong Development Authority (CDA). CDA recently detected more than 30 applications with false TIN certificates.

Those who submitted false certificate and got plot are likely to have their allotment cancelled, sources said adding that CDA has already written to the ministry of works recommending

cancellation of the allotment who submitted false TIN.

After detection of 30 cases of false TIN certificates, investigations are on to ascertain genuineness of 20 other TIN holders who also applied for CDA plots.

DIT sources said about 2.36 lakh tax payers are enlisted with DIT Chittagong division who paid more than Tk 800 crore in the last financial year.

About 20-25 per cent people eligible for income tax are evading payment by adopting various techniques, sources added.

GP expands Insta-Care service

GrameenPhone Ltd (GP) has expanded its automated customer inquiry service, Insta-Care.

Ola Ree, managing director of GP, inaugurated the new service in Dhaka yesterday, says a press release.

Customer Relations Division Director Naila Chowdhury, Director Personnel and Organisation Khalid Hasan and other senior GP officials were also present.

The system known as Insta-Care has an interactive voice response mechanism (IVR) to handle telephone calls from the subscribers in a systematic way, reducing the waiting period. It is operative round-the-clock. It was initially launched in 2001.

The newly-expanded Insta-Care is now even more simplified, customised and easily accessible to cater the need of both the pre and post-paid subscribers. For the first time, GP introduces hot-code dialing, which allows the subscribers to access directly to the desired information without going through the step-by-step menu system.

Insta-Care 123 is only for the billing queries, procedures and bank related information for the post-paid subscribers.

Insta-Care 124 is for both the pre-paid and post-paid subscribers for service, product, network and emergency information (hospital, police, taxi, travel).

Charge for calling at Insta-Care is Tk 2 following the first free minute.

India's gold import to grow as jewelers replenish stocks

REUTERS, Bombay

India, the world's largest gold consumer, is expected to step up imports this week as jewellery makers are likely to replenish stocks after a drop in prices, traders said Monday.

Many jewellers have been maintaining lower than normal stock levels as they preferred to refrain from gold purchases in the past few weeks due to firm and volatile prices.

"The market is quite active as many people think that world prices, which have fallen a bit, may shoot up and cross the \$400 mark in the near future," said Harnesh Arora, vice president of the Bombay Bullion Association.



PHOTO: STAR
Officials of Concord Group and Asian Paints Bangladesh Ltd exchange documents after signing an agreement in Dhaka yesterday. Under the deal, Concord Group will use Asian Paints products in all its construction projects.

Indian gas giant to invest \$4.3b in pipeline network

AFP, New Delhi

India's state-owned gas marketing giant Gail India Ltd announced on Monday that it would invest 200 billion rupees (4.3 billion dollars) in building a network of pipelines to create a national grid in five years.

"Our ambitious 200 billion rupee national gas pipeline grid will be in place by 2008. GAIL has already made significant progress with the development of the cross-country grid," Proshanto Banerjee, chairman of Gail India Ltd., told a press conference.

Banerjee said the proposed 7,900-kilometer (4,940-mile) cross-country pipeline network would help both state-owned and private firms transport gas across the country.

"We are talking to everyone -- Petronet LNG, Royal Dutch/Shell,

Reliance and Cairn Energy -- about the advantages of transporting their gas and liquefied natural gas (LNG) through our network," said Banerjee.

"The right-of-use surveys will be completed by June 2004," he added.

The GAIL chairman said the cross-country pipeline would also ensure "steady supplies" to India's main gas-consuming northern and western regions and create new markets in the southern and eastern parts of India.

The GAIL chief said the state-run firm would be split into two by 2008 so that one company owned and maintained the national pipeline network, while the new subsidiary company firm dealt only with marketing gas.

"For GAIL to become a national gas transmission company and win the confidence of producers and users alike, we plan to separate the

trading business by creating a Chinese wall between transmission and marketing functions," said Banerjee.