

## Boost farm export thru' more value addition

### PM urges entrepreneurs at agri-invest fair inauguration

BSS, Dhaka

Prime Minister Khaleda Zia yesterday underscored the need for flourishing agro-based and agro-processing industries to ensure more value addition to farm products and boost exports.

Inaugurating "Agri-invest 2003 Bangladesh", a three-day exposition of agro-products and technologies, at the Bangladesh-China Friendship Conference Centre, she also called for modernisation of the sector.

The prime minister laid stress on creating more employment in the agriculture sector and improving the processing of agricultural items for their further value addition for marketing and exporting.

She said the country's agricultural sector has immense potential and it could be explored by proper

utilisation of the farm resources.

Organisers said 67 stalls of agro-based products from 10 countries have been set up in the first ever exposition on agro-based industries. Among those, 52 stalls have been set up by Bangladeshi entrepreneurs and government departments.

Denmark, Taiwan, Thailand, Malaysia, Norway, India, Switzerland, Italy, Britain and host Bangladesh are participating in the fair.

Jointly organised by the Board of Investment (BoI), Ministry of Agriculture and South Asia Enterprise Development Facility (SEDF), the show aims at attracting local and foreign investment in the sector.

The Prime Minister in her speech urged both local and for-

eign entrepreneurs to invest more in agricultural sector in the context of Bangladesh's prospects and demands in agriculture and in the light of the government's liberal policy.

Finance and Planning Minister M Saifur Rahman, State Minister for Fisheries and Livestock Ukil Abdus Sattar, State Minister for Agriculture Mirza Fakrul Islam Alamgir, General Manager of SEDF Anil Sinha and Executive Chairman of the BoI Mahmudur Rahman also spoke in the function.

The "Agri-invest 2003 Bangladesh" has created much enthusiasm among the people who are directly and indirectly involved in agriculture that contributes 25 per cent to country's GDP and 62 per cent of national employment.

A huge number of people, especially agricultural experts,

entrepreneurs, growers and businessmen, thronged to the fair venue to witness different agricultural produces and share ideas with the experts on agriculture.

Agricultural machinery and produces are also being exhibited in the exposition.

During the agri-exposition a number of seminars on agriculture, fisheries and livestock, herbal medicine, agri-economy, prospect of agro-business, agro-processing, bio-

technology and other related topics will be held. Experts from home and abroad will attend the seminar as discussants.

Commerce Minister Amir Khosru Mahmud Chowdhury will attend the concluding session on December 5.

## Gold glitters to a new high

STAR BUSINESS REPORT

Gold prices hit a new record in the local market, pushing guinea to Tk 9,100 and 22-carat to Tk 8,400 per bhoiri (11.66 gram) effective from today.

Guinea or 21-carat gold had been selling at Tk 8,800 and 22-carat at Tk 9,100 per bhoiri in the domestic market since the last price hike in September.

Gold merchants in Bangladesh have decided to increase the prices again in the wake of global price spiral of the precious metal.

"This is for the fourth time gold prices increased this year. Prices

rose several times last year and after a short break in early this year gold is now becoming dearer again" said a leader of Bangladesh Jewellers Samity (BJS).

In January 2002, guinea price was Tk 6,700 and 22-carat Tk 7,000 per bhoiri in the local market. Prices shot up several times to reach Tk 7,900 for guinea and Tk 8,200 for 22-carat in December last year, the BJS leader said.

As international gold price continued to climb, local merchants made price adjustments in line with the global trend.

Guinea price was Tk 8,200 and 22-carat Tk 8,500 per bhoiri early

this year. Then the prices came down to Tk 7,950 and Tk 8,250 respectively for a brief period. On May 21, gold price again increased by Tk 350 per bhoiri and in June it rose by Tk 200.

Price of guinea went up to Tk 8,800 and 22-carat to Tk 9,100 per bhoiri on September 4 and the rates remain valid until yesterday.

"As gold prices are soaring globally, we have to make adjustments with the international market," Anwar Hossain, president of Bangladesh Jewellery Manufacturers and Exporters Association (BJMEA), told The Daily Star yesterday.

Big investors are continuously reserving gold instead of dollars and stocks, pushing the prices up in the international market, he added.

According to the BJMEA president, average gold price in the international market was US\$355 per ounce (28.35 gram) in January this year. Now the price is around \$400 per ounce, he mentioned.

Hossain said annual demand of gold in Bangladesh is about 2 tonnes and the demand is met by recycling. If the price is not adjusted the precious metal could be smuggled out. Neighbouring India has a huge demand of gold.

## Licences of 15 moneychangers cancelled

BSS, Dhaka

Bangladesh Bank (BB) yesterday cancelled licences of 15 moneychangers for breaking rules under the Foreign Exchange Regulation Act of 1947, BB press release said here.

The moneychangers are Dowel Money Exchange, Sujani Money Exchange Ltd, Iqbal Money Exchange, Bangladesh Money Exchange Corporation, Alam Money Exchange, J A Money Exchange, Sujan Money Changer, Kurana Exchanger, Saiful Islam Moneychanger, Omar Farooq Moneychanger, Zia Money Exchange Co, Brosis Moneychanger Corporation, Farhad Money-changing Corporation, Anwar Money Changing Center and Touch Money Exchange Co Ltd, the release added.

## Cricket board corporate client of GP

Bangladesh Cricket Board (BCB) has become a corporate client of GrameenPhone Ltd (GP).

To this effect, an agreement was signed between GP and BCB recently, says a press release.

Maqbul Durdia, chief executive officer of BCB, and Mehboob Chowdhury, director, Sales and Marketing Division of GP, signed the agreement on behalf of their organisations.

Among others, Aziz Al Kaiser, adviser of BCB, Kafil HS Mueyed, general manager, Sales and Marketing of GrameenPhone, Intekhab Mahmood, additional general manager of Marketing, and Hassan Md Zahid, head of Corporate Sales Department of the company, were present.

## HSBC to acquire India's UTI Bank

AFP, Mumbai

British banking giant HSBC said Wednesday it is set to acquire leading Indian bank UTI Bank Ltd., a subsidiary of the country's largest mutual fund, Unit Trust of India.

Following the acquisition, HSBC is set to emerge as the largest foreign bank operating in India.

HSBC said its subsidiary HSBC Asia Pacific Holdings of Britain has entered into an agreement to acquire a 14.71 percent stake in UTI Bank currently held by CDC Financial Services of Mauritius and South Asia Regional Fund for 66.42 million dollars.

HSBC also has an option to acquire another 5.37 percent stake held by CDC Financial in UTI Bank for 24.26 million dollars, it said.

"HSBC is also making an open offer for an additional 20 percent stake to the public shareholders of UTI Bank at a price of 90 rupees per share (1.95 dollars)," the British bank said in a letter to the Bombay Stock Exchange.

"The agreement and open offer are subject to regulatory and other approvals and are expected to be completed by April 2004."



PHOTO: STAR

M Anis Ud Dowla, president of Bangladesh Employers' Federation, and Retournard Jean Francois of International Labour Organisation, among others, are seen at a press conference organised at the Metropolitan Chamber of Commerce and Industry in Dhaka yesterday. The briefing was organised on the occasion of the 6th Asia-Pacific High-Level Employers' Conference that concluded yesterday.

## Maintain global standard to retain shrimp market

### Commerce minister asks producers at Global Aquaculture Discussion Forum meet

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury yesterday asked the shrimp industry stakeholders to maintain international standards and comply with codes of conduct to increase the export volume of shrimp.

"In order to win the global market competition, we need to ensure that our shrimps produced in compliance with the international codes of conduct for food safety, human rights, labour rights and environment," he said.

Speaking at the inaugural ceremony of the first meeting of Global Aquaculture Discussion Forum (GADF) that began in Dhaka yesterday, Khosru said integrated efforts of the shrimp industry stakeholders are the needs of the hour to ensure market for the second largest export item of Bangladesh.

Bangladesh Shrimp Foundation (BSF) and Network of Aquaculture

Centres in Asia-Pacific (NACA) jointly organised the meeting at a local hotel in cooperation with Hongkong and Shanghai Banking Corporation (HSBC).

BSF Chairman Syed Mahmudul Huq, Acting Chief of Party of Agro-based Industries and Technology Development Project (ATDP) Ron Gillespie, NACA representative Michael J Phillips, Acting Mission Director of USAID Beth Paige, and Global Aquaculture Alliance (GAA) President George Chamberlain spoke at the meeting.

Representatives from buyers, international organisations, NGOs, donors and trade associations, and farmers from the USA, Europe and Asia are attending the two-day international meeting that focuses on certification systems, codes of conduct, traceability and its implications on the shrimp industry.

The inaugural function was marked by signing of a memorandum of understanding (MoU) between hatchery owners, grow-

ers and feed manufacturers of the country. The agreement aims at ensuring traceability and quality of the exported shrimps by complying with international regulations.

According to the BSF chairman, shrimp sector that employs around 600,000 people provides more than \$270 million annually to the country's economy and produces 2.5 per cent of the global production of shrimp.

Bangladesh exports shrimp mainly to the US, EU countries and Japan by competing with Thailand, Ecuador, Indonesia, India, Mexico and Vietnam. At present, there are 124 shrimp processing factories, mostly located in Khulna, Chittagong and Cox's Bazar regions.

GAA President Chamberlain informed the meeting that international trade in seafood has expanded from around \$7 billion in 1976 to \$55.3 billion in 2000.

## Two new members of NBR

STAR BUSINESS REPORT

Alauddin Chowdhury and Helal Uddin have been made members of the National Board of Revenue (NBR).

Prior to joining new duties Chowdhury acted as the Director General of customs excise and intelligence while Helal held the post of commissioner of Bond Commissionerate.

The NBR yesterday also promoted three assistant commissioners to the posts of commissioners. They are Nur Mohammad Mia, Md Nasir Uddin and Md Enayet Hossain.

## 10pc cash incentive for tobacco exporters

STAR BUSINESS REPORT

In a bid to increase tobacco export, the government has decided to provide 10 per cent cash incentive to the tobacco exporters.

The central bank has already sent necessary guidelines to all the commercial banks asking them to extend the special facility.

The cash incentive will be given by the bank branch, which negotiated the export documents concerned, against the net export value.

Tobacco exporters who made their shipments after the Bangladesh Bank circular issued on November 22 can enjoy the facility submitting necessary documents including bill of lading, commercial invoice, packing list and bill of exports.

The banks will examine all the documents deposited by the exporters and audit them through the central bank appointed audit firms.

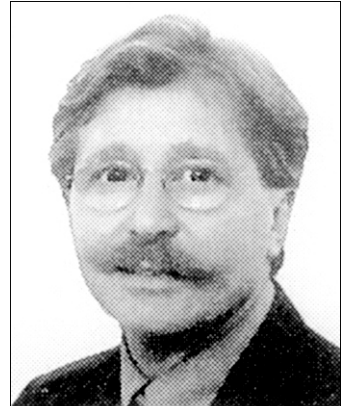
The exporters can apply for cash incentive within 180 days of repatriation of the foreign exchange against the export consignment.

## Commerce Bank holds branch managers' meet

Bangladesh Commerce Bank Limited (BCBL) held a branch managers' meeting in Dhaka on Monday.

BCBL Managing Director Md Nurul Islam Khan presided over the meeting. Two Executive Vice-Presidents Ar Gaz and Md Enayet Ullah, and two Senior Vice-Presidents SM Rahman and MA Matin also attended the meeting, says a press release.

## Gulf Oil VP in Dhaka



Alain Vincent Dujean, vice-president of Gulf Oil International, UK, arrived in Dhaka yesterday on a two-day visit.

During his stay in Bangladesh, Dujean will meet senior government officials, key customers and staff of Gulf Oil, says a press release.

He will also review marketing and forthcoming manufacturing initiatives of Gulf Oil Bangladesh.

## Slash lending rate for house-building to 10pc

### BB governor urges banks

STAR BUSINESS REPORT

The Bangladesh Bank governor yesterday urged all banks to lower lending rate for house-building to 10 per cent to encourage higher investment in housing sector.

The central bank governor, Fakhruddin Ahmed, was speaking at a meeting of Bankers' Committee at Bangladesh Bank yesterday where CEOs of banks were present.

At present, house-building loan interest rates stand at 15 per cent on average. The governor urged the bankers to lower the rates to 10 per cent.

After the meeting, BB Deputy Governor Nazrul Huda said if the house-building sector picks up employment opportunities will increase.

The sector holds huge employment opportunities for people involved in the brick, rod, and cement industries, he added.

The central bank governor also announced the BB is preparing a policy to increase investments in the house-building sector.

The BB has already examined the house-building related regulations in neighbouring India, Pakistan, and Sri Lanka.

The policy will focus on setting

up a separate fund for housing loan and lowering interest rate for the loan.

BB officials also presented the findings at the meeting that despite recent steps taken by both the government and central bank only six banks have so far lowered the interest rates by a half to one percentage point.

The governor once again urged the bankers to lower their interest rates at the meeting.

Meanwhile, BB has also decided to update foreign exchange related guidelines. The central bank asked the bankers' opinions on the matter in the meeting. The guideline was last updated in 1996.

## Plan to set up road fund board criticised

STAFF CORRESPONDENT, Rajshahi

Speakers at a discussion here yesterday protested a government move to set up a separate board that will raise funds for proper maintenance of roads by imposing extra taxes on road users.

Apart from getting foreign aids and receiving government grant, the body will introduce a fuel levy, increase road taxes for heavy vehicles and bridge tolls and collect international transit charges to maintain the country's road network, said a foreign consultant on the road fund plan, Dr Sion Hawarth.

Imposition of fresh taxes on fuel oil will directly affect fuel users, the speakers said, adding that the government should check corruption in construction of roads and ensure proper use of roads.

Sadrul Islam, general secretary of Truck Owners Association, said introduction of oil levy will not help the authority. Rather the government should stop plying of over

loaded vehicles on the roads, he added.

The Ministry of Communications and Rajshahi Chamber of Commerce and Industry (RCCI) jointly organised the meeting at the RCCI auditorium to seek opinions of stakeholders of road network on the government decision to establish the board to address road maintenance needs.

Presided over by Dr Rahmaullah, a programme director of the Centre for Policy Dialogue, the meeting was attended by RCCI President Lutfar Rahman as the chief guest.

Among others, Road Fund Steering Committee Chairman Khwaza Golam Ahmed, also a joint secretary of the communications ministry, and RCCI Member Khondoker Mainul Islam spoke.

Elaborating the plan, Dr Sion Hawarth said Tk 1483 crore is needed annually for maintaining a total of 2, 30,165 km of roads while the shortfall in 2003-04 was Tk 806 crore, he said.

## Tokyo wants deeper relation with Asean

ANN/TOKYO

Tokyo wants to deepen its relationship with Asean and concrete measures for this will emerge at the forthcoming Japan-Asean summit next week.

In an interview with representatives from the Asia News Network Prime Minister Junichiro Koizumi said separate bilateral FTA negotiations with

Thailand, Malaysia and the Philippines will be launched during the Asean leaders meet on December 11-12 in Tokyo.

Japan will also sign the Treaty of Amity and Cooperation, agreeing to the Asean request though, he felt Tokyo's ties with its neighbours in Southeast Asia already exceeds that specified in the treaty.

"Japan and Asean are partners who can act together and advance together and we shall strive to further strengthen these ties," he said.

A statement released by Tokyo's Foreign Affairs ministry said the summit will also see an agreement on broad guidelines for the Asean-Japan cooperation, with a list of specific measures to be implemented in the near future being compiled.

The Tokyo summit will be the first ever to be attended by the 10

Asean leaders, outside the region, Koizumi noted.

Japan will also seek to negotiate an FTA with South Korea he said and expressed hope that his government will be able to convince the Japanese people of the benefits of opening up the market. Rice farmers in Japan continue to enjoy subsidies and high tariff walls have prevented cheaper imports.

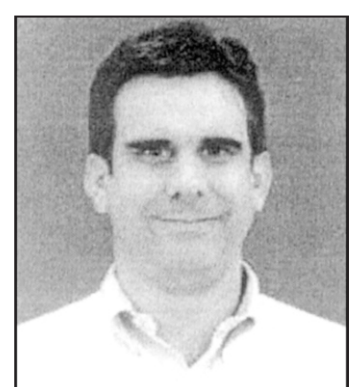
On the North Korean issue, Koizumi said despite the "provocative bluster" from Pyongyang, he believes the country's leader Kim Jong Il wants to normalise relations with Japan.

"I believe Kim Jong-Il invited me to Pyongyang last year because basically he did want to normalise relations with Japan," he said and hoped the North Korean leader would live up to the spirit of the Pyongyang declaration that the two leaders signed last year.

With efforts underway to hold the six-nation talks, Koizumi felt the rhetoric from North Korea was to be expected but he said though this makes things "difficult" it was important to discern and "figure what North Korea's intent was very calmly."

If Pyongyang will settle the nuclear issue and the abduction issue, "it is North Korea that will benefit the most," he said.

## American Express Bank high official in Dhaka



Nicholas John Evans, senior director and regional treasurer (South Asia) of American Express Bank Limited, arrived in the city yesterday.

During his visit, Evans will meet Bangladesh Bank officials and some key clients of American Express Bank, says a press release.

He has been with the American Express Bank since 1996.

## ADB training on resettlement management begins Sunday

The Asian Development Bank will organise a two-day training programme on Involuntary Resettlement Management in Development Projects from December 7 to December 8.

The objective of the training programme is to examine specific resettlement experience with a view to develop an improved guidelines toward a resettlement policy and a framework to strengthen capacity in resettlement management for infrastructure agencies in Bangladesh, says a press release.

Communication Secretary Syed Rezaul Hayat will attend the inauguration session to be held at Sonargaon Hotel in Dhaka.

## Emirates starts freighter service from Shanghai to Mumbai

Emirates SkyCargo has launched freighter services from Shanghai to Mumbai.

The Boeing 747-200 cargo flight leaves Dubai every Tuesday for Shanghai and makes a stopover in Mumbai on its way back to Dubai Wednesday, says a press release.

Mumbai is the third destination of Emirates SkyCargo in India after Bangalore and Chennai. The service will help ferry over 100 tonnes of cargo each week to Mumbai.

Emirates' network now covers 71 destinations in 50 countries.