

Govt won't allow unrest in knitwear sector

High-level meeting vows

STAR BUSINESS REPORT

In a bid to protect the Narayanganj-based knitwear industries ensuring uninterrupted production, the government has warned of stern action against any move to create unrest in the leading export earning sector.

The deteriorating law and order situation in and around the BSCIC industrial estate where most knitwear factories are located is a major concern for the government, a high-level meeting in Dhaka observed yesterday.

Considering the importance of

knitwear sector in the overall export earning and its employment generation capacity, the meeting also decided to solve the workers' problems that triggered violence last month.

"We cannot simply allow any destructive activities in knitwear factory areas," Commerce Minister Amir Khosru Mahmud Chowdhury told reporters after presiding over the meeting held at his ministry.

He also said the owners should settle minimum wages for their workers as per existing labour law.

Home Minister Altaf Hossain Chowdhury, Water Resources

Minister Hafizuddin Ahmed, who is in charge of Narayanganj district, and State Minister for Liberation War Affairs Prof Rezaul Karim, high officials of police and leaders of garment and knitwear manufacturers and exporters' associations attended the meeting.

The workers should be paid as per law and if there is any problem, the owners and workers will have to solve it bilaterally and without any direct or indirect influence from outside the industry, the meeting said.

The meeting was organised against the backdrop of prevailing situation in the knitwear industry

areas in Narayanganj following last month's violence that severely disrupted production in knitwear factories for several days.

A garment factory worker was killed and 200 others were injured in a clash between police and workers in Narayanganj BSCIC area on November 3. More than a hundred factories were also attacked during the incidents.

The trouble erupted when police arrested a labour leader after a tripartite meeting, between the local district administration, striking workers and the owner of a knitwear factory, failed to solve workers' problems.



PHOTO: STAR

Finance Minister M Saifur Rahman speaks at a World Bank-sponsored workshop on 'Promotion of Rural Non-farm Sector' at Dhaka Sheraton Hotel yesterday as Bangladesh Bank Governor Fakhruddin Ahmed and World Bank Country Director Christine I Wallich look on.

US envoy happy with EPZs

UNB, Dhaka

American Ambassador Harry K Thomas expressed his profound satisfaction at the activities in the Export Processing Zones of Bangladesh.

During his maiden visit to Chittagong Export Processing Zone (CEPZ) yesterday, incidentally in the wake of trade-union issue raised by labour lobbies of his country, the US envoy said he was happy to see the peaceful and production-oriented congenial atmosphere prevailing in the CEPZ.

He also said that he would work for strengthening the existing excellent bilateral relations further and bringing the two friendly nations yet closer.

Harry K Thomas lauded the role played by the Bangladesh Export Processing Zones Authority (BEPZA) in the economic development of Bangladesh, saying that he would like to work close with the Bangladesh EPZ authority in its effort to bring more foreign investment and thereby strengthen the economic base of Bangladesh.

Harry assured the BEPZA of all possible cooperation and assistance of USA in the development pursuit, a BEPZA news release here said.

The Executive Chairman of BEPZA, Brig Gen (Rtd) M Mofizur Rahman, informed the US Ambassador about the Workers Welfare Committee (WWC) which is playing a pivotal role in mitigating workers' problems.

DCCI polls held

STAR BUSINESS REPORT

Amid enthusiasm the election of the Dhaka Chamber of Commerce and Industry (DCCI) was held yesterday.

Unofficial sources said 65.41 percent votes were cast. The voting began at 9:30 in the morning and ended at 5 in the afternoon with an hour break from 1pm to 2pm.

The chamber building and its adjacent areas were festive look as candidates erected canopies with sitting facilities for the voters.

The results could not be known, as election board was busy counting votes till filing of this report at 8:30pm yesterday.

This year's election was held through direct balloting as the candidates failed to reach understanding on selection.

In the first phase of the election, six new directors will be elected. In the second phase, 24 directors including newly elected directors will elect one president and two vice-presidents among themselves for one year term, which is slated for today.

However, two directors -- Hossain Khaled, former vice-president, and Absar Karim Chowdhury, incumbent vice-president of DCCI -- have already been elected unopposed from Trade and Town Group respectively.

Seventeen candidates -- 10 from General Group and 7 from Association Group were vying for the six posts -- four from General and two from Association groups.

In this election, two panels -- Somomona Panel and Gonotantric Panel -- were formed to fight for the posts.

Management deal renewal for Dhaka Sheraton signed

Starwood Hotels and Resorts Worldwide Inc and Bangladesh Services Limited, owner of Dhaka Sheraton Hotel, on Wednesday renewed the management contract to operate the hotel under Sheraton brand for the next five years.

The signing ceremony was held at the Sheraton Imperial, Malaysia, says a press release.

Md Shafiqul Islam, secretary of Ministry of Civil Aviation and Tourism and also the chairman of Bangladesh Services Limited, and G William Snipes, Vice-president (general counsel) of Starwood Asia Pacific, signed the deal on behalf of their respective sides.

Erhard Hotter, Vice-president and area managing director of Starwood Hotels and Resorts Worldwide, and Trevor MacDonald, general manager of Dhaka Sheraton Hotel, were present.

Islami Bank chairman re-elected

Shah Abdul Hannan has been re-elected chairman of Islami Bank Bangladesh Limited.

The election was held in the 1st meeting of the newly constituted Board of Directors of the bank, says a press release.

ATDP awards three women agribusiness planners

STAR BUSINESS REPORT

USAID-funded Agro-based Industries and Technology Development Project (ATDP) has awarded three women entrepreneurs for their outstanding agribusiness plans.

ATDP selected them through a competition organised jointly with Agribusiness MBA Programme of American International University of Bangladesh (AIUB) and in partnership with Banoful and Co, MM Agha Ltd and Total Lubricants.

A total of 40 women entrepreneurs from across the country took part in the agribusiness plan competition first of its kind in Bangladesh. Prior to the competition, ATDP trained over 200 women in preparing business plan.

The prizes were formally handed over to the recipients at a function in Dhaka on Saturday

evening.

The first prize went to Zeba Rasheed Chowdhury for her business plan for orchid planting, Rokia A Rahman, president of Women Entrepreneurs Association, Bangladesh (WEA) handed her over the prize worth Tk two lakh and a crest.

"I'm delighted receiving the prize," said Zeba who is now working on producing pickles and chutney from different kinds of fruits and vegetables such as shakora, beetroot and eggplant, aiming to export to the UK market.

Shahjadi Begum, a high official of Thengamara Mohila Sabuj Sangha (TMSS), an NGO, won the second prize for her plan for mushroom cultivation.

She received Tk 1.5 lakh and a crest from Laila Rahman Kabir, former president of the Metropolitan Chamber of

Commerce and Industry (MCCI).

The third prize went to Daly Halder, an MBA student, for her business plan for spice paste. She received Tk one lakh and a crest from Beth Paige, deputy director of the United States Agency for International Development (USAID)-Bangladesh.

Besides, Selina Quader got a special prize worth Tk 5,000 for her potato export plan. Ron Gillespie, chief of party of ATDP, a project working to promote the growth of privately owned agribusiness in Bangladesh, and Geetara Safiya Chowdhury, managing director of Adcomm Ltd were also present at the function held at Spectra Convention Centre at Gulshan.

Speaking at the function, WEA President Rokia A Rahman said it is very encouraging that women entrepreneurs of Bangladesh are

now coming up with agriculture based ventures apart from doing food and clothing business.

"Agriculture and women entrepreneurs are future of Bangladesh," she said.

Former MCCI president Laila Rahman Kabir requested the ATDP to constantly follow up the implementation process of the plans. "It's very important, because without successful implementation, the objective of the competition will go in vain," she added.

The semifinalists of the competition were Aparna Paul (poultry), Monica Mustari Arju (fast food), Bilkis Mortuja Pervin (aromatic rice), Jahanara Begum (bone and fertilizer industry), Saleha Akhtar (fresh produce superstore chain), Selina Quader (potato export) and Shahida Khanam Joly (solar dried food).

UNB, Dhaka

Finance Minister M Saifur Rahman has identified little or no access to finance as the principal hindrance to growth of both farm and non-farm activities, as banks neglect their task in the rural areas.

"The biggest constraint is rural finance...Thousands of rural bank branches are there, but they care little about small rural entrepreneurs," he told a World Bank-sponsored workshop on the promotion of rural non-farm sector here yesterday.

Saifur said there is no shortage of funds--what is lacking is an effective delivery mechanism.

Though scantily, the banks are lending to rural small ventures, and NGOs are also there, but rural financing needs to get an institutional shape, he felt.

Responding to the minister's concern, Bangladesh Bank governor Fakhruddin Ahmed said the central bank created refinancing facility to support the banks in expanding credit operations in rural agro-based sectors.

World Bank Country Director Christine I Wallich also spoke in the inaugural session of the work-

shop on "Promoting the Rural Non-farm Development in Bangladesh" at Hotel Sheraton.

The daylong workshop aimed at identifying the potential and constraints of rural non-farm activities and prescribing measures for further developing the sector. Interim Poverty Reduction Strategy Paper, the official guidebook for future development focuses, identified the rural non-farm sector as one of the leading sectors of Bangladesh's rural economy.

Findings of a recent World Bank study on the sector were also given in the workshop for discussion.

The finance minister recognised that the rural non-farm sector has substantial contribution to GDP and employment. He referred to increased activities of both non-agricultural and agriculture-based sectors in villages, giving impetus to rural economy.

But farm productivity must be enhanced to create more scope for processing and packaging activities, which are agriculture-related non-farm activities, he said.

Saifur felt the need for introducing more farm machinery and modern know-how to reduce cost

of agricultural production.

"Our onions can't compete with Indian ones," he said, giving instances how 'very high' cost of labour raises the cost of farm production here and makes Bangladesh's farm produce less competitive with those from other countries.

The central bank governor sought specific and practical suggestions from the World Bank and others concerned on what steps are required to promote rural non-farm sector.

Limitations are known to all for long and there is no need to repeat those, taking up one study after another, Fakhruddin Ahmed said, recalling a 1996 study on the same issue, also taken up by the World Bank.

"You, the development partners, often talk about macro issues. Please go down to micro level," the governor said.

Christine Wallich said the increase in agricultural productivity had also driven the development of rural non-farm economy as a leading source of employment and income in rural areas.

Oxfam sees uncertainty in re-launching WTO talks

BSS, Dhaka

The Geneva trade talks may almost certainly remain on hold due to continuing disagreement of big players to deal with key issues of substance, said Oxfam in a statement.

"Yet another chance to reform global trade rules may be missed, sentencing millions to enduring poverty", the international aid agency, Oxfam warned yesterday ahead of the WTO meeting in Geneva today.

The negotiations, which broke down in September in Cancun, Mexico, were meant to restart by December 15 at the latest and that is going to take place now.

But the WTO's announcement earlier this week that due to continuing disagreement talks would almost certainly remain on hold, puts out signals for further stalemate in negotiations.

It said, "rich countries are refusing to move on key issues such as agriculture and cotton and this what has caused this stalemate."

"It is time for them to stop wasting time and get back to the negotiating table," Oxfam cautioned ahead of the Geneva meeting.

It said developing countries are asking for no more than what they were promised at Doha. They cannot and must not be blamed for the current impasse, it added.

Referring to meeting of the G-20 on Friday, it said they are expected to confirm their desire to restart negotiations. It is unacceptable that rich countries would be blocking progress and thereby sabotaging the chance of properly re-launching talks this year, it observed.

Saifur asks railway to properly utilise funds

STAR BUSINESS REPORT

Finance Minister M Saifur Rahman has said if allocated money is spent properly there will be no dearth of fund for the development of railways.

The dilapidated condition of Bangladesh Railway is not because of lack of fund, it is for lack of initiatives, he told railway officials speaking at the inauguration of works for constructing new passenger sheds at Kamalapur railway station in Dhaka.

He said the government can easily provide Tk 8-10 crore for the public transport services as it annually spends more than Tk 20,000 crore in development projects.

Saifur Rahman also asked the railway officials to find out mecha-

nisms to avoid the rail crossings in Dhaka City, which are responsible for slow movement of traffic.

Speaking at the function Communications Minister Nazmul Huda warned that stern action would be taken against those who have been threatening to block movement of trains and uproot railway tracks.

Minister for Housing and Public Works Mirza Abbas, Communications Secretary Syed Rezaul Hayat and Director General of Bangladesh railway AKM Rezaul Karim also spoke in the function.

Tama Construction Ltd., a local private construction firm is implementing the Tk 21.98 crore project to construct five new passenger sheds and repair some existing sheds at the station. The project will complete by June 2005.



PHOTO: ATDP

Rokia A Rahman, president of Women Entrepreneurs Association, Bangladesh (WEA), and Geetara Safiya Choudhury, managing director of Adcomm Ltd, along with winners of the agribusiness plan competition are seen at the prize giving ceremony held in Dhaka on Saturday. ATDP and Agribusiness MBA Programme of American International University of Bangladesh (AIUB) jointly organised the competition.

Shares continue to dip on DSE, CSE

UNB, Dhaka

Trading volume and share prices continued to fall yesterday in both Dhaka and Chittagong stock exchanges.

Trading at Dhaka Stock Exchange closed lower yesterday with the losers strongly dominating the gainers.

DSE general index shed 22.28 points or 2.36 percent to close at 918.73 points yesterday.

The DSE-20 index also declined by 34.51 points or 2.02 percent to close at 1185.15 points.

Trading at Chittagong Stock Exchange closed lower yesterday with no gainer.

All Share Price Index shed 30.27 points or 1.86 percent to close at 1614.27 points from Thursday's 1644.88 points.

CSE Selective Index also dropped by 30.29 points or 1.99 percent to close at 1494.51 point from 1524.80 points on Thursday.

Formulate rules for speedy punishment to errant cos

DSE urges SEC

STAR BUSINESS REPORT

Dhaka Stock Exchange (DSE) yesterday urged the Securities and Exchange Commission (SEC) to formulate rules for speedy punishment to errant companies.

DSE said SEC should increase its coordination with Bangladesh Bank for punishing the companies, which become inactive after raising fund from capital market and fail to pay dividends and hold regular annual general meetings.

DSE officials at a meeting with the SEC recommended law similar to Money Loan Court Act 2003 to bring the errant companies in capital market to book.

In view of a SEC intention to delist the 16 suspended compa-

nies from bourses, DSE officials said the move will not be final solution to the problem. Rather it will be rewarding for the companies, which have deprived the investors of their return, the officials added.

DSE officials also demanded SEC immediately talk company management, auditors, issue managers of those suspended companies to find out irregularities.

As errant companies are escaping punishment because of legal loopholes, DSE proposed SEC should ask public companies to maintain separate accounts for dividend so that they cannot come up with fund shortage excuse.

SEC chairman assured them of taking the new regulation issue to finance minister and considering demands of the bourse. SEC also assured of considering withdrawal of the present circuit breaker system.

"We have also requested the SEC for abolishing the pre-IPO placement system for insurance and other companies, which goes against interest of general investors," Anwar Hossain, a councillor of DSE, said.

DSE CEO Salahuddin Ahmed Khan said if the SEC takes help from the central bank the rate of malpractice in the capital market will reduce. There should be provision barring corrupt people in the capital market from taking part in elections, he said.