

## Pubali Bank, United Leasing sign agreement

Pubali Bank Limited and United Leasing Co Ltd recently signed an agreement on Tk 150 million for credit line.

Mohammed Ali Chowdhury, general manager (credit division) of Pubali Bank, and MM Alam, managing director of United Leasing, signed the agreement on behalf of their organisations, says a press release.

Pubali Bank Managing Director Khondkar Ibrahim Khaled, Deputy Managing Directors M Rafiqul Islam and Helal Ahmed Chowdhury, General Manager Mirza Ali Insaif, Deputy General Managers M Mustafizur Rahman and Abdul Aziz and United Leasing General Manager MA Hoque were present at the signing ceremony.

## CNG filling station owners to form assoc

Owners of compressed natural gas (CNG) filling and conversion workshops have decided to form an association titling Bangladesh CNG Filling and Conversion Owners Association.

The decision was made at a meeting organised by the CNG filling and conversion workshop owners held in Dhaka recently, says a press release.

The meeting also resolved to form an ad hoc committee with Shafiqul Islam Kamal as convener, Lt Col (Retd) Syed Shahabuddin Ahmed (member-secretary) and AR Chowdhury, Md Fazlul Haque, Muhammad Lutful Rahman, Md Nizam Uddin Ahmed and Monoranjan Bhakta (members).

## Qatar Airways to lease three Airbus

Qatar Airways will lease three Airbus A330-200 aircraft from GE Capital Aviation Services (GECAS), says a press release.

The first two aircraft will join service at Qatar Airways in January and February, 2004, while the third is scheduled for delivery in June 2005.

GECAS, a unit of GE Commercial Finance, is a leading provider of fleet, financing and productivity solutions to the global aviation industry.

## DHL Taiwan facilities get certification from TAPA

DHL has received 'A' certification from the Technology Asset Protection Association (TAPA) Asia for five of its key facilities in Taiwan, following the recent award of 'A' certification to its Kaohsiung Service Centre.

The Kaohsiung Service Centre joined the other four facilities in Taiwan-Taipei Gateway, Taipei West Service Centre, Taipei East Service Centre and Taipei North Service Centre, bringing the total number of DHL's TAPA 'A' certified facilities in the region to 32, says a press release.

DHL Express has received 'A' certified status for its major hubs and gateways in the region, including its three main hubs in Hong Kong, Singapore and Bangkok.



## Pride motorcycle

Pride Japan-Bangladesh Limited, a joint venture company, has introduced "Pride" brand motorcycle in local market recently.

The motorcycle is manufactured by Pride International Company in Japan, says a press release.

The four stroke, twine engine, double cylinder 125cc CDI motorcycle is solely distributed by Pride Japan-Bangladesh Limited with two years of warranty.

Spare parts of the vehicle will be available all over Bangladesh, the press release added.

# Findings of CPD survey on corporate houses Corruption rated top barrier to business

### STAR BUSINESS REPORT

Corruption, inefficient bureaucracy, inadequate infrastructure, crime, policy instability and access to financing are the top barriers to business in Bangladesh, a survey on business firms reveals.

The companies were asked to identify and rank five most problematic factors from a list of 14 issues and 45.7 per cent of the respondents identified corruption as the most inhibiting factor of doing business in the country.

The Centre for Policy Dialogue (CPD), an independent think tank, conducted the survey on 'Competitiveness Environment in Bangladesh 2003' covering 81 companies, each having total assets worth over Tk 10 crore.

The companies ranked inefficient bureaucracy (28.4 per cent) second, inadequate supply of infrastructure (18.5 per cent) third, crimes and theft (14.8 per cent) fourth, and policy instability and access to financing (12.9 per cent) fifth most dominant factor.

An overwhelming majority of companies (85.2 per cent) stated that government officials usually favour well-connected firms and individuals while deciding upon policies and contracts.

The survey report says most of

the respondents mentioned about burdensome administrative regulations, favouritism in policy decision and contracts. "Low trust in politicians had dropped to new depth."

Three out of every four companies stated that unfair or corrupt activities of other firms impose large costs on their own firms. Most of companies are making extra-payments or bribes in connection with procuring government permits, accessing public utilities, filing tax returns and loan applications, it said.

"About 88 per cent respondents reported that they had to bribe for tax payment, 83 per cent respondents made extra payments in connection with loan application, while 77.7 per cent for getting import and export permits."

About 89 per cent companies underscored unreliability of the police services in the context of protection to business while 75.3 per cent firms thought that organised crimes impose significant costs on their businesses.

Besides, 59.3 per cent companies said scientific research institutions are non-existent in the country. On the other hand, 82.7 per cent pointed out that companies in Bangladesh do not spend much on research and develop-

ment. Eighty five per cent of the respondents mentioned few business groups are dominating the corporate activities in the country. This share has gone up from 77.4 per cent in 2002 indicating further concentration of market power.

A substantial majority of the respondents indicated a depressed outlook on the expected performance of the Bangladesh economy next year. Two third of the respondents think the economy may experience recessionary trends in 2004.

The survey dealt with issues relating to macroeconomic stability, quality of services provided by public institutions, corruption, infrastructure, technology, environmental situation and role of international financial institutions.

The survey was done as a part of CPD's contribution to the Global Competitiveness Report (GCR) 2003-04 prepared for the World Economic Forum (WEF).

For the year 2003, Growth Competitiveness Index (GCI) ranking put Bangladesh at 98th position among 102 countries while Business Competitiveness Index (BCI) ranking of Bangladesh is 86 among 95 countries.

# Khosru urges developers to go beyond cities

### STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury has urged developers to expand their activities outside metropolitan areas.

He said the developers now concentrate on running housing projects in urban areas only, especially in Dhaka and Chittagong metropolitan areas.

"This may create problems in future," Khosru said speaking at the closing ceremony of the Rehab Housing Fair 2003 at Dhaka Sheraton Hotel on Sunday.

Commerce Secretary Suhel Ahmed, Rehab President Foufiq M Seraj and General Secretary Mahmudul Hasan also spoke at the function.

The minister said Rehab can undertake housing schemes in a planned way in rural areas.

"In future, it would be difficult

to find lands for cultivation and industrialisation as the rural people are constructing their homes in an unplanned way.

Expressing his dissatisfaction over the high rate of interest on housing loans, Khosru said the interest rates should be slashed.

Suhel Ahmed in his speech called upon the real estate firms to take housing projects for lower-middle class people.

The four-day housing fair organised by Real Estate and Housing Association of Bangladesh (Rehab) attracted a large number of visitors.

The participating companies received booking for some 2,500 plots and 281 apartments during the fair, organisers said.

More than 150,000 people visited the fair and the amount of total financial transactions at the event was nearly Tk two crore, they

added. "This is almost double the amount of last year," said a Rehab official. "This year's fair also pulled higher number of visitors," he added.

A total of 58 developers, 10 building material suppliers and three financial institutions took part in the third Rehab fair that began on Wednesday.

The Structural Engineers Ltd achieved the 'best stall' prize while Bashati Consortium Ltd and Eastern Housing Ltd secured second and third place respectively.

The co-sponsors of the fair -- Amin Mohammad Group, Concord Real Estate and Building Products Ltd, East West Property Development (Pvt) Ltd and Jamuna Builders Ltd -- were awarded crest at the concluding ceremony.

# FBCCI starts trade visit to Pakistan Thursday

### STAR BUSINESS REPORT

A business team of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) starts a weeklong visit to Pakistan on Thursday to explore trade and investment possibilities there.

The trade mission will coincide with the 12th summit of South Asian Association of Regional Cooperation (Saarc) scheduled to begin on January 4 in Islamabad.

The 24-member FBCCI team will hold meetings with several chambers and business leaders of Pakistan aiming at further promoting bilateral trade and business.

Besides, the team will attend the first meeting of the Joint Business Council (JBC) formed between FBCCI and Federation of Pakistan Chambers of Commerce and Industry (FPCCI) in July, 2002 during Pakistan President General Pervez Musharraf's visit to Bangladesh.

"We'll seek joint venture investment in backward linkage industry in textiles, gas-based industry,

agro-processing, pharmaceuticals, jute, leather and chemical fertiliser," Abul Kashem Haider, vice-president of FBCCI told The Daily Star on Monday.

"As trade position is now tilted against Bangladesh, we'll try to increase our export volume through interactions with the Pakistani businessmen. The JBC meeting and series of meetings with chamber leaders would yield good results," he said.

Resumption of Saarc talks after a break of two years will provide a good ground for refreshing trade relations, he said adding that Bangladesh has prospective market in Pakistan due to cultural and religious homogeneity.

Led by FBCCI President Abdul Awal Mintoo the team will start Pakistan tour with a symposium on 'Regional Co-operation in Saarc' jointly organised by Saarc Chamber of Commerce and Industry and South Asian Centre for Policy Studies in Islamabad.

The team will also hold meetings with chambers of Karachi,

Lahore and Punjab. The first meeting of Pakistan-Bangladesh JBC will be held on January 6 in Karachi. The business communities in Karachi and Lahore will host separate lunch for the FBCCI team.

The team is expected to return Dhaka on January 7.

Exports from Bangladesh to Pakistan was \$32.08 million in 2000-2001 and \$28.60 in 2001-2002. Bangladesh's imports from Pakistan was \$95.22 million in 2000-2001 and \$67.32 million in 2001-2002.

Businessmen attributed the decline in trade to suspension of flights by Pakistan International Airlines (PIA) in January, 2002 following withdrawal of overflying rights by India.

Recently, PIA announced that it will resume its flights to Dhaka from January 3. The January 4-6 summit and resumption of PIA flights create good chance for Bangladesh to enhance trade with Pakistan, the FBCCI leader said.

# Dollar hits new high against taka

### BSS, Dhaka

The US dollar hit its another record low against the taka but shot up to its record high against Bangladesh taka in inter-bank yesterday due to strong dollar-buying sentiment after a series of holidays.

Dealers said the dollar shot up further to its another record high at Tk 58.95 from its earlier high at Tk 58.90 on Sunday as importers became mad to buy dollars after resume trading in international

markets.

In most deals, the dollar traded between Tk 58.75 and Tk 58.90 on Monday compared to its earlier range between Tk 58.60 and Tk 58.6550 taka on Sunday, dealers of leading commercial banks said.

"We experienced robust demand for the US currency even though the dollar hit another record low against major currencies amid a fear of intervention by Japan", a dealer said.

Most international foreign exchange markets resumed their operations after enjoying Christmas and weekend holidays. This prompted dollar-buying among importers who are under pressure for import payments.

"Some banks had short-fall in dollar when their importers were under serious pressure to pay their bills immediately. This pushed up dollar-buying sentiment" dealer of a leading commercial bank said.

## MCCI holds AGM today

The 99th annual general meeting (AGM) of Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) will be held today.

Kutubuddin Ahmed will take over as new president of the chamber for the year 2004 in the meeting, says a press release.

Other members of the committee will also take over.

MCCI, one of the oldest trade organisations in the sub-continent, is due to celebrate its centenary next year.

Former US president Bill Clinton, former Singapore prime minister Lee Quan Yew, former chief minister of West Bengal, India Jyoti Basu and former president of South Africa Nelson Mandela will be invited to attend the centenary programme.

## Singer refrigerator buyer wins a car

Singer Bangladesh Limited has handed over key of a 1300 cc car as prize of its two and a half month long campaign at a simple ceremony in Dhaka.

Mahbub Jamil, chairman, managing director and chief executive officer of Singer Bangladesh Limited, recently handed over the key to winner Md Ashraf Islam, a Singer refrigerator buyer from village Mirpur in Gaibandha bearing coupon no: 17925.

Renowned TV personality Professor Abdullah Abu Sayeed picked up the coupon of the winner at the draw programme.

The winner was selected through a coupon draw programme that was telecast live on satellite television Channel i on November 12, 2003.

A car was the only prize of the two and a half month long campaign that concluded on September 30, 2003.

During the campaign any one buying Singer product worth at least Tk 3,000 got a coupon that entitled the customer to win a car.



## New MD of BASIC Bank

AH Ekbal Hossain joined BASIC Bank Limited as managing director (current charge) on Wednesday.

Prior to his joining the bank, he was the deputy managing director of Rupali Bank Limited, says a press release.

Ekbal Hossain also served as managing director (current charge) for six months in Rupali Bank.

## Janata Bank holds meeting

Murshid Kuli Khan, managing director of Janata Bank, held a meeting with the regional heads and branch managers of Dhaka city and Narayanganj in Dhaka on Sunday.

He discussed collection and deposit of utility bills within stipulated time with the officials, says a press release.

Deputy Managing Director of Janata Bank Dewan Mujibur Rahman, general managers, regional heads and other executives were present in the meeting.

## Emirates, Sankhya sign deal

Emirates has signed a multi-million dollar deal with Sankhya, an Indian IT company, to supply a comprehensive training management system for its flight crew.

Emirates' President Group Support Services Dermot Mannion and Managing Director of Sankhya Sridhar Nadupalli signed the deal in Dubai recently, says a press release.

Under the deal, Sankhya engineers will develop the software for flight training management system, curriculum development, scheduling, grading and records maintenance.

The Flight Training Management Information System will be initiated in early January, 2004 and will be entirely implemented within three months.



US Ambassador to Bangladesh Harry K Thomas speaks at a view exchange meeting with the members of the Bangladesh Frozen Foods Exporters Association (BFFEA) in Dhaka on Sunday.

# Bangladesh can earn \$1.5b from shrimp export: US envoy

### BSS, Dhaka

US ambassador to Bangladesh Harry K Thomas Sunday underscored the need for quality maintenance of shrimps and assured frozen foods exporters of extending cooperation in developing the shrimp industry of the country.

The US ambassador was addressing as the chief guest at an opinion exchange meeting with members of Bangladesh Frozen Foods Exporters Association (BFFEA) at BFFEA conference hall here.

"The shrimp industry is the

future of Bangladesh," the US ambassador said. He said the country could earn 1.5 billion US dollars by exporting shrimps if concerted efforts are taken to develop the industry.

Stressing the need for resolving the problems relating to customs, immigration, anti-dumping, the US ambassador called upon the exporters to hold a joint meeting with organisations concerned.

Welcoming the US ambassador, Quazi Monirul Haq said Bangladesh has earned about 80 million US dollars by exporting shrimps to the US during the last fiscal.

The BFFEA president sought assistance from the US ambassador to remove the various hurdles including the anti-dumping measures.

He pointed out that refusal of Bangladesh shrimps by the US was very negligible comparing to other shrimp exporting countries.

The meeting was also addressed, among others, by Secretary General Mahmudul Hasan, Joint Secretary General S Humayun Kabir, ex-president Md Golam Mostafa, ex-secretary general Major (retd) Manzoor Ahmed BP, Economic Officer of the US Embassy Joseph B Mollett and Akhtar Ahmed.

# Factories not ready for ISO 14001 certification Workshop told

### STAR BUSINESS REPORT

The majority of Bangladeshi industrial units are not preparing for the ISO 14001 certification, an international environmental standard, which could drive them out of the global market after 2004, a workshop was told in Dhaka yesterday.

The speakers at the Media Workshop on ISO 14001 held at the Jatiya Press Club called for urgent measures to ensure compliance of environmental standards in industrial units to retain the export market of local products.

Waste Concern, a non-government organisation working on environment, and Development Options Opinion Reviewer (DOOR), a development

watchdog, jointly arranged the workshop in co-operation with the British High Commission in Dhaka.

When nine industrial units of war-torn Afghanistan have already achieved ISO 14001 certification, only five enterprises in Bangladesh so far secured the voluntary but crucial certification, the workshop was told.

In Sri Lanka, the number of units having the certification is 1,880 while it is 1,441 in India and 41 in Pakistan. Japan leads in Asia in terms of environmental compliance as a total of 29,569 units have environmental management system (EMS).

The speakers warned that Bangladeshi products, particularly

shrimp, textiles and food, would face a stiff competition in the world market from 2005 when the WTO multi-fibre arrangement expires removing quota facilities.

Referring to a recent survey conducted in Britain, Programme Officer of the British High Commission Robin Budd said more than 80 per cent British importers said they would not prefer products from companies not having ISO 14001 certification.

Executive Director of Waste Concern AHM Maqsood Sinha, environmental engineer Mohammad Hasanuzzaman and Waste Concern Director Iftekhar Enayetullah presented separate papers at the workshop.

# Rise of euro may force ECB to revise inflation forecast

### AFP, Frankfurt

The rise of the euro against the dollar means that the European Central Bank will have to review its growth and inflation forecasts, the Financial Times Deutschland reported on Monday.

The newspaper quoted an unnamed senior ECB official as saying that the surge of the euro "introduces an element of uncertainty into our economic forecasts" for the euro zone.

The ECB, which has based its assumptions on eurozone growth of 1.6 percent and infla-

tion of 1.8 percent in 2004, would have to "review the entire picture" depending on how the euro performed "in the next four to eight weeks", the ECB official said.

But he added that although the exchange rate was "an important element in the equation... it is not the only one" affecting interest rate policy.

On Monday the euro was being traded at a record high point 1.2479 dollars.

The rise of the currency, by tending to raise the price of European exports on foreign

markets, and notably in the key US market, is widely seen as a potential dampener for growth but also for inflation.

The ECB has set a medium-term target for inflation in the euro zone of 2.0 percent.

The ECB official, in indirect comments to the newspaper, said that the world economy had recovered more quickly than had been expected and that this reduced the negative effects of the rise of the euro. The strength of the euro was boosting buying power in the euro zone by weighing down on the prices of imported goods.