

## \$1B ANNUAL EXPORT TARGET BY 2008

# Dearth of equipped labs blurs shrimp prospect

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Shrimp exporters are facing inadequate testing facilities in laboratories when they eye US\$ 1 billion annual export by 2008.

Although shrimp producers are trying to increase the overall production of shrimp to 250,000 tonnes from the existing 125,000 tonnes a year, lack of adequate testing tools is holding back their efforts.

As the European buyers have threatened to reject any consignment of Bangladeshi shrimp without adequate testing, exporters are seeking installation of a bacteria identification machine on an urgent basis.

A European fact finding team during a recent visit to Bangladesh asked the exporters to equip the testing labs with adequate machinery or conduct testing from Singapore or Thailand to qualify

export, sources said.

The exporters at a meeting held at the commerce ministry recently urged the government to install an LCMS/MS machine, locally known as Nitrophan machine, which can identify presence of all kinds of bacteria in shrimp and other frozen foods.

They also expressed willingness to provide fund on conditions to help the government procure the costly machine for Bangladesh Council of Scientific and Industrial Research (BCSIR) where the Department of Fisheries (DoF) conducts testing of shrimp.

They proposed that the government refund the amount by deducting certification charges on each consignment.

They also urged the government to open marketing and information centres in Tokyo, New York, Brussels, Sydney and Toronto to collect market information and create new markets for

Bangladeshi frozen foods.

The meeting was organised to pave the way for establishing a Seal of Quality (SOQ) organisation for ensuring shrimp quality. The government in early 2003 decided to establish an SOQ organisation mainly to control and monitor quality of frozen foods, especially shrimp.

But due to bureaucratic tangle and lack of coordination among the stakeholders, the commerce ministry could only form an SOQ committee and held three meetings in this connection.

Export of frozen foods and shrimp to Europe faced major setback last year due to rejection of some consignments at the entry points by a number of European countries. Reputation of Bay of Bengal shrimp and the country as a whole was hampered seriously due to identification of bacteria-infected shrimp.

## Bourses start New Year on a low

STAR BUSINESS REPORT

The capital market started 2006 with a downtrend in indices.

The DSE General Index declined by 7.55 or 0.45 percent to close at 1669.79 points yesterday from 1677.34579 points on Thursday.

DSE All Share Price Index marked 2.37 points or 0.18 percent decline to close at 1272.67 points from 1275.04 points on previous trading day.

DSE-20 Index also marked 10.76 points or 0.66 percent decline closing at 1597.86 points from 1608.62 points on Thursday.

A total of 139 issues were traded yesterday. Of them, 40 gained, 70 declined and 29 remained unchanged. Some 10,29,040 shares and debentures worth Tk 15.13 crore changed hands against 16,75,311 shares valued at Tk 29.37 crore on Thursday.

On the other hand, trading on Chittagong Stock Exchange (CSE) closed lower yesterday with the losers dominating the gainers. The CSE All Shares Price Index shed 1.03 points or 0.03 percent to close at 3377.64 points from 3378.67 points on Thursday.

The CSE-30 Index also decreased by 19.96 points or 0.63 percent to close at 3139.58 points from previous day's 3159.54 points.

A total of 72 issues were traded. Of them, 17 gained, 45 declined and 10 remained unchanged. Some 6,33,337 shares and debentures worth Tk 3.90 crore changed hands against 929,193 shares valued at Tk 6.86 crore on the previous trading day.

## DITF draws huge crowd on New Year's Day

STAR BUSINESS REPORT

Dhaka International Trade Fair (DITF) witnessed a huge turnout of visitors yesterday, the first day of the New Year, after some dull days following a recent bomb blast incident on Rokeya Shoroni, away from the venue of the exhibition.

"We have received tremendous response from the visitors as some one lakh people visited the fair today," said Ruhul Amin Bhuiyan, chief executive officer of Apan Communications, which sells entry ticket at the fair.

Organisers said only 30 thousand people visited the fair on Saturday.

## New DMDs of Bank Asia



Aminul Islam and Erfanuddin Ahmed have been appointed deputy managing directors of Bank Asia Ltd with effect from January 1, 2006.

Both of the officials have been associated with the bank since its inception, says a press release.

Cosmetics, imitation products, jewellery, gift items, artificial flower, garments got huge response from the visitors yesterday.

"Today's sales volume is quite impressive," said a salesman of Perfume Chemical Industries Ltd.

"As we offer 30 to 50 percent discount on fashionable shirt, pant and T-shirt at the fair, we have received good response," said a

salesperson of Artisti Collection Ltd, a local fashion house.

Besides, stalls of Iran and Pakistan also received good response from young people.

"Iranian and Pakistani imitation jewellery are really attractive," said Zannat Ara Begum, a visitor in the Iranian stall.

Some 421 local and foreign companies are displaying machinery, agriculture equipment, chemicals, allied products, cosmetics, dairy products, electrical and electronic items, food, tableware, melamine, plastic goods, handicrafts, furniture, home appliances, leather and leather goods, footwear, sports goods, building materials, textile and garment products at the fair.

Along with the Bangladeshi companies, 22 foreign companies from the US, Singapore, Italy, South Korea, Pakistan, China, India, Iran, Thailand, Austria and Myanmar are showcasing their products.

Export Promotion Bureau (EPB) and commerce ministry are organising the eleventh version of DITF to help local enterprises expand their business globally.

The month-long exposition, which began on December 10, at Sher-e-Bangla Nagar will remain open to visitors from 10am to 9pm everyday. The entry ticket has been fixed at Tk 10 for adults and Tk 5 for children.

## Office bearers of BJMA



Chairman



Vice chairman

Kamran T Rahman and Md Talha have been elected chairman and vice chairman of Bangladesh Jute Mills Association (BJMA) for 2006-07.

Rahman is an industrialist and deputy managing director of Pubali Jute Mills Ltd while Talha is a director of Alhaj Jute Mills Ltd, says a press release.

The members of the Executive Committee elected for the term are Mirza Ali Behrouze Ispahani, Nurul Islam Patwari, M Nasir, Chowdhury AK Sadru Ula, Giridhari Lal Modi, Syed Saqeb Ahmed, AK Azad and Mohammad Zaki.

## OUTCOMES OF HK WTO MINISTERIAL

# CPD's reflections from Bangladesh perspective

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CONTINUED FROM JAN 1

### Strengthening of MoC's Consultative Process on WTO

There is a mechanism of consultative process in place in the Ministry of Commerce (MoC) for seeking advice from the stakeholders on WTO related issues. An apex Advisory Committee and five Working Groups on WTO have been set up under the initiative of the MoC. This consultative process needs to be further strengthened to ensure more effective contribution to safeguarding Bangladesh's interests in the WTO. The consultations should be held more regularly, presence of major stakeholders should be ensured and the preparations for the meetings should be made in a manner that encourages concrete proposals to emerge from these meetings.

### Further Strengthening of the WTO Cell

The setting up of the WTO-cell within the Ministry of Commerce was a decision in the right direction. This has evidently strengthened the Ministry's capacity to deal with WTO related issues. The WTO-cell will need to be further strengthened with human and logistics support to enable the cell to work more effectively. Adequate attention should be given to skill upgradation, training and appropriate incentive package to attract

and retain cadres. This is also essential to support the Geneva process with substantive inputs.

### Strengthening of the Geneva Mission

Bangladesh's Mission in Geneva has been doing a commendable job under very difficult conditions. However, in view of the tasks ahead and the demands of negotiations under the Doha Work agenda, the Mission needs to be further strengthened and there is a need to allocate more resources to the Mission. This would allow Bangladesh to participate more effectively in the various important meetings being held in Geneva in the context of the ongoing negotiations. Besides, Bangladesh is also looked upon by the other LDCs as a group. Strengthening of the Geneva Mission is important from this perspective as well.

### Dedicated Commerce Secretary to deal with WTO issues

In order to deal with and address WTO related issues in a more informed manner and on an ongoing basis many developing countries have restructured their administrative and bureaucratic set up. In many countries there is a dedicated Commerce Secretary supported by Joint Secretaries and other officers down the line to provide the necessary support. At

present the Commerce Secretary of Bangladesh has to deal with both domestic and international trade related issues which puts a lot of pressure on his time. The demands originating from the WTO work plan in the coming days call for an appropriate restructuring of responsibilities within the Commerce Ministry to enable it deal adequately with the tasks at hand.

### BFTI and Trade Related Capacity Building in Bangladesh

The decision to establish the Bangladesh Foreign Trade Institute (BFTI) as part of developing national capacities in trade related research, training and education was a commendable initiative. The BFTI was to be established on private-public partnership basis and was envisaged to provide support both to the GoB and the private sectors in trade related matters including negotiations. Regrettably, the BFTI has been facing a lot of problems and is yet to live up to its initial promise. In view of the emerging needs, the GoB and the Ministry of Commerce should take all necessary initiatives to make BFTI up and running on an urgent basis.

### Private Sector Representative in Geneva

It goes without saying that Bangladesh's private sector has interests in the ongoing negotiations in Geneva and their possible outcomes. The decisions made

through the WTO negotiations are going to have important implications for Bangladesh's external sector performance and interests of the business. As such, there is a need for the private sector to be better informed about the negotiations in Geneva and to strategise accordingly. The private sector should seriously consider the idea of having a representative in Geneva who could monitor the negotiations and study the possible implications for business, and provide feedbacks to the trade bodies and Chambers the Ministry of Commerce and the Geneva Mission. A number of countries have such representatives in Geneva whose work complement the work of their respective national Missions.

### Setting up a National Committee to Review the Hong Kong Declaration

The Ministerial Declaration coming out of Hong Kong needs careful scrutiny by all stakeholders in Bangladesh. This is required for three reasons. Firstly, the declaration provides important guidelines for future negotiations in a number of key areas of interests to Bangladesh including NAMA, Agriculture and Services. Bangladesh will need to articulate its negotiating strategies in view of these guidelines. Bangladesh will also need to identify products which it would like to ensure for inclusion in the 97 per cent list of market access in a manner that

best suits her export interests. Secondly, the Ministerial Declaration provides for a number of opportunities to Bangladesh. These include such areas as market access (DF-QF market access for all products in many developed countries and up to 97 per cent of tariff lines in some countries), waivers in TRIMS, extension in TRIPS and LDC modalities in GATS. In view of this Bangladesh will need to design appropriate strategies to take advantage of the emerging opportunities. Thirdly, Bangladesh will need to get on with task of designing a medium to long-term strategy to make the aid for trade package work for the purpose of trade-related capacity building in Bangladesh. Bangladesh will need to make best use of the available windows of opportunity and try to make the most out of the flexibilities provided under the various S&D provisions, particularly in terms of TRIPS and TRIMS. Thus an in-depth analysis of attendant opportunities and risks will need to be carried out by the government, through wide and in-depth consultations with the trade bodies, experts, and other stakeholder groups. In implementing these tasks the Ministry of Commerce will have to device means and methods to effectively draw on other trade analysis capacities available in the country.

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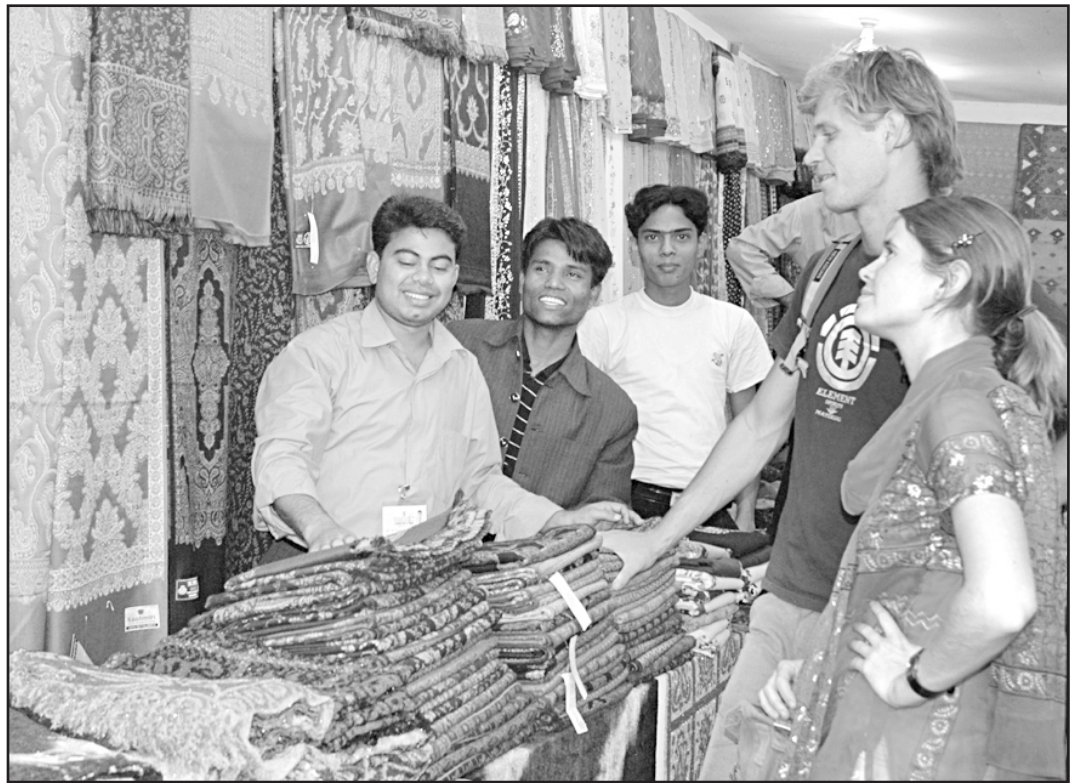


PHOTO: STAR

Two foreigners visit a stall at the Dhaka International Trade Fair (DITF) at Sher-e-Bangla Nagar in the capital yesterday.