

Wal-Mart talks compliance issue with BGMEA

BDNEWS, Dhaka

Senior officials of retailer giant Wal-Mart yesterday discussed compliance issues, especially prohibition of child labour in garment units, with Bangladesh Garment Manufacturers and Exporters Association (BGMEA) leaders in Dhaka.

Mario Pilozzi, president and CEO of Wal-Mart Canada, led the seven-member team while Tipu Munshi, president of BGMEA, represented the Bangladesh RMG makers at the meeting.

Chiqui Cui, vice president (operations), Wal-Mart global procurement, and its Divisional Manager Jas Pooni were among the delegation members.

Pilozzi said if garments factories of Bangladesh improve their condition to satisfy international standard, they will get more orders from the world apparel market.

Wal-Mart has intensified its monitoring on labour and environment standards in garment factories following a press report on child labour in Bangladesh's garment factories.

The Wal-Mart has already stopped doing business with two local factories in Narayanganj after watching the videotapes of use of child labour in the factories by the SRC, the French language service of the CBC News.

RMG makers renew move for TRADE bill passage

BGMEA meets foreign minister today

MD HASAN

Bangladesh's RMG makers have renewed their efforts to get TRADE bill passed in US Congress to gain duty-free access to US market following the frustrating outcomes of WTO Hong Kong ministerial.

As part of the efforts, BGMEA leaders meet Foreign Minister M Morshed Khan today to discuss the strategies.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) sources said as Bangladesh's chance is slim to get free access to the US garment market following the WTO Hong Kong ministerial results, it is now

very important to get TRADE (Tariff Relief Assistance for Developing Economies) Bill 2005 passed. The TRADE act will give Bangladesh's garments duty-free access to the US market.

TRADE bill seeks duty-free access of all products from Bangladesh and 13 other least developed countries (LDCs) of the Asia Pacific region. The bill was tabled in the US Congress on January 26 last year. The bill is currently under discussion at the Trade Committee of the House of Representatives and Finance Committee of the Senate.

BGMEA leaders will also meet charge d'affaires of US embassy in

Dhaka on January 24 to discuss the issue.

BGMEA sources said they will discuss with the foreign minister the role of Bangladesh embassy in US to get the bill passed.

"More concerted efforts from the government are required for the passage of the bill," said Tipu Munshi, president of BGMEA.

Munshi also said a team of BGMEA will visit US next month to discuss strategies with lobbyists.

He said, "BGMEA is spending more than \$20,000 a month on the lobbyist firm."

Earlier, BGMEA appointed lobbyist company Sandler Travis & Rosenberg, PA to get the bill passed.



Top StanChart executive arrives today

Kai Nargolwala, chairman of Wholesale Bank of Standard Chartered PLC and Group executive director in charge of governance in Asia, arrives today in Dhaka to see the completion of 100 years of Standard Chartered operation in Bangladesh and the successful acquisition of commercial banking business of American Express in Bangladesh.

During his stay he is expected to meet government officials, the governor of Bangladesh Bank, and a cross-section of staff and clients of the bank, says a press release.

Jaspal Singh Bindra, general manager of South East and South Asia of Standard Chartered, is accompanying him.

Born in India in 1950, Nargolwala joined Standard Chartered in 1998 and was appointed to the Board of Standard Chartered PLC in May 07, 1999.

As chairman of Wholesale Bank, Nargolwala focuses on driving business strategy and performance and developing the bank's relationship with key corporate and institutional clients globally.

He works with the country managers to develop strategy, drive stronger regulatory and government relations to address governance issues and monitor performance at a country level.

SOUTH ASIAN FREE TRADE AREA

India favours pruning negative list of items

OUR CORRESPONDENT, New Delhi

India yesterday said it favoured pruning the negative list of items to boost trade among Saarc countries under the ambit of South Asian Free Trade Area (Safta).

Indian Commerce and Industry Minister Kamal Nath said although Safta had been signed recently, the negative list of items would have to be reduced to boost trade flows in the trading bloc.

"As time passes, we should attempt to improve it", he told reporters in Kolkata on the sidelines of a business summit.

He also urged the industry to hold business-to-business discussions with their counterparts in Saarc (South Asian Association for

Regional Cooperation) countries in this regard.

On cooperation with Asean, Nath said India would have to strengthen its role for improving the conditions of developing countries. He also urged greater cooperation in the field of pharmaceutical sector with Asean (Association of Southeast Asian Nations) members.

The commerce minister said India's main export destinations had been the European Union and the United States. Trade with China has been phenomenal with the figure crossing the US\$ one billion per month, he pointed out.

He also laid stress on the emergence of outsourcing industry as an important foreign exchange

earner for the country as it was emerging as a major growth area. The manufacturing industry had also registered 12 percent growth.

Asked whether the exchange rate fluctuations would have any adverse impact on India's export prospects in the current fiscal, the minister said Indian exporters have the resilience to adjust to such changes. This would also be possible because the Indian rupee is not artificially pegged.

In the first three quarters of 2004-05, India's exports had been 17 percent higher over the same period of previous fiscal, which was US\$ 66 billion.

The minister said Indian export during the ongoing fiscal is all set to exceed the target of US\$93 billion.

Oil prices rise near \$67

AP, Singapore

Crude oil prices gained Wednesday as traders fretted over threats to supply if sanctions were to be made against Iran, Opec's second-largest producer, over its nuclear ambitions.

The Nymex contract on Tuesday leaped US\$2.39 to settle at

supplies amid rising civil unrest also fueled gains. Light, sweet crude on the New York Mercantile Exchange for February delivery rose as much as 60 cents to US\$66.91 a barrel before receding to US\$66.78 a barrel, up 47 cents.

The Nymex contract on Tuesday leaped US\$2.39 to settle at

US\$66.31 a barrel, a three-and-a-half-month high.

Analysts say oil prices could rise above US\$70 a barrel if the nuclear dispute between the West and Iran does not reach a quick resolution.

Pressure on Iran intensified Tuesday with key European countries and the United States moving ahead with plans to refer the dispute over Tehran's nuclear enrichment to the UN Security Council, according to a draft text by Britain proposing referral when the International Atomic Energy Agency's holds a Feb. 2 board meeting.

Although the draft text stopped short of calling for punitive measures such as sanctions, some analysts said they were concerned Iran would be defiant if referred to the council, leading to heightened tensions.



PHOTO: STAR

Commerce Minister Altaf Hossain Choudhury visits a stall after inaugurating the four-day international apparel and knitting machinery show at Bangladesh-China Friendship Conference Centre in Dhaka yesterday. Mir Nasir Hossain, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), among others, is seen.

Int'l RMG machinery show kicks off

STAR BUSINESS REPORT

In a bid to introduce the latest versions of apparel machinery to local and foreign garment entrepreneurs, a four-day international apparel and knitting machinery show started yesterday at Bangladesh-China Friendship Conference Centre in Dhaka.

Commerce Minister Altaf Hossain Choudhury formally inaugurated the fifth version of the show, while Mir Nasir Hossain, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), and Dewan Sultan Ahmed, FBCCI vice president, were present.

A total of 200 companies from 20 countries are showcasing around one thousand latest machinery brands relating to sewing, knitting, embroidery, laundry, dyeing and cutting at over 185 stalls at the show titled 'Zak Garmentech Bangladesh-2006'.

Companies from Japan, China, Korea, Taiwan, Hong Kong, the Netherlands, Singapore, Germany, Italy, UK, US, India and Thailand are showcasing their latest apparel technologies at the exposition, organised by Zak Trade Fairs and Exhibitions Private Ltd, an India-based exhibition management company, in association with Zakaria Enterprise Ltd, Dhaka.

The commerce minister said in the changed global economic scenario, local RMG (readymade garments) exporters should concentrate not only on quantity but also on high quality of goods to

meet the prerequisites of the international market.

The minister said, "Our garment exporters should upgrade their technology and set up backward linkage industries to diversify exports".

In this regard, such exhibition as 'Garmentech-2006' can play an important role in updating information about latest garment and textile machinery for the manufacturers and exporters, he added.

FBCCI president said, "Time has come for us to shift to high-end garments to face the preference of erosion and have more market access to the developed countries."

So, the country has to develop the apparel industry by using latest machinery that other competitors use, he felt.

Garment entrepreneurs from Bangladesh and its neighboring countries will get a chance to keep abreast of the newest technologies of apparel industry from the fair, said Syed Zakir Ahmed, managing director of Zak Trade Fairs and Exhibitions.

He said the show is expected to see a Tk 100 crore business this time, whereas participants sold products worth Tk 48 crore at the last show.

The fair will remain open for visitors from 10am to 7pm everyday.

Among others, Md Zakaria Bhuiya, chairman and managing director of Zakaria Enterprise, and Tipu Sultan, general manager, were present at the function.