

## Exports grow 15pc in six months

MD HASAN

The country's overall exports grew US\$ 642.79 million, or 15 percent, in the first six months of the current financial year, thanks to major contribution of knitwear and woven products.

During July-December period of the 2005-06 fiscal year, exports fetched \$4944.83 million, which was \$4302.04 million during the same period of the last financial year, according to Export Promotion Bureau (EPB) statistics.

Knitwear products continued to maintain robust position, posting 27.62 percent growth. Knitwear items during the period earned \$1,789.63 million against \$1,402.34 million during the same

period of the last fiscal year.

Woven products had also been able to manage a minimum growth during July-December period of FY06, fetching \$1907.80 million, up only 4.62 percent over the corresponding period of the last fiscal year.

According to Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), knitwear exports saw a rise in some major markets after quota-phase out from January this year.

The exporters hoped the trend will continue in the coming months as it has a strong backward linkage support. Besides, the BKMEA has embarked on an aggressive campaign in some major markets including the US to increase

income from this sector.

"Bangladesh exports continue to see a positive growth in the quota-free regime due to substantial income rise from the knitwear sector. Readymade garments still contribute around 75 percent to the total export earning and export diversification is yet to take place," said an EPB official.

Knitwear apart, export earning from jute goods, raw jute, leather, chemical products, ceramic tableware, agricultural products, petroleum by products, computer services, bi-cycle, textile fabrics and handicrafts recorded growth during July-December period of the current financial year.

Earnings from some major areas including frozen food, tea,

and home textile recorded negative growth during the same period of this fiscal.

Frozen food exports amounted to \$235.67 million during July-December period of FY06, 4.61 percent down.

Jute goods export fetched \$177.42 million in the first six months of the current fiscal, recording a 16.66 percent growth.

Leather products export earning fetched \$120.04 million during the six months period, marking 15.67 percent growth over the same period of the last fiscal.

Chemical products worth \$106.51 million were exported during July-December period of this fiscal year, marking a 24.33 per cent rise.

## Regulators' role vital to ensure corporate governance

Roundtable told STAR BUSINESS REPORT

Speakers at a roundtable yesterday put emphasis on collaboration among the regulators of the financial sector to establish corporate governance in corporate houses.

They were speaking at a roundtable titled 'SEC Guidelines on Corporate Governance for Listed Companies' organised by Bangladesh Enterprise Institute (BEI) in Dhaka.

On January 9 this year, the Securities and Exchange Commission (SEC) issued a guideline on corporate governance on a 'comply or explain' basis for the companies listed on both Dhaka Stock Exchange and Chittagong Stock Exchange. Earlier, in April 2004, the BEI launched a Code of Corporate Governance.

Speaking at the function, Dr Fakhruddin Ahmed, managing director of Palli Karma Shahayak Foundation, said a collaboration is needed among the financial sector's regulators so that the corporate governance guidelines can be implemented.

Echoing him, SEC Chairman Dr Mirza Azizul Islam said all the regulators should be active to make the corporate governance guidelines a success.

Chairing the function, BEI President Farooq Sobhan said presently a special attention is being given to corporate governance worldwide including the Asian region.

## Warid plans rapid launch of better cellphone services

CEO talks to The Daily Star

ABU SAEED KHAN, from Barcelona

Warid Telecom is ready to face competition and will offer high quality cellphone services at affordable cost across Bangladesh within one year.

"Rapid deployment of our network will soon commence, which will be based on state-of-the-art technology," said Bashir A. Tahir, Warid's CEO, in an exclusive interview with The Daily Star Wednesday on the sidelines of the five-day 3GSM World Congress in Barcelona, which began Monday.

He said Warid is fully aware of the stiff competition it will be facing as a new entrant. It will redefine customer service in Bangladesh and also offer a wide range of differentiating services that will add value to the customers, he added.

"We have built a best-in-class network in Pakistan with Ericsson, and we have the same ambition in Bangladesh and that's why it has chosen Ericsson as a strategic partner," Tahir said.

He also revealed Ericsson has been additionally contracted to manage Warid's entire network. It means the Swedish vendor will design, install and operate Warid's cellular mobile network, which will be also composed of the base stations made by Finnish Nokia and American Motorola. It makes Ericsson the very first managed service provider in the GSM mobile industry of Bangladesh. Therefore, Warid will not have to keep any technical staff under its payroll.

Tahir has, however, declined to reveal the value of this managed service contract with Ericsson, which is also supplying the complete switching, transmission and radio access network equipment to Warid. The Swedish telecoms giant also delivers Mobile Softswitch Solution and Media Gateway, which significantly reduces Warid's capital and operating expenses.

Tahir said the implementation of Ericsson's Mobile Softswitch is a significant first step for an efficient evolution towards totally Internet Protocol or IP-based service. By

complementing the mobile softswitch and IP infrastructure with a standardized service environment, Warid Telecom will be able to offer a wide range of new and differentiating multimedia services to its customers in Bangladesh.

The CEO firmly believes that there is enough room of growth in the cellular mobile market of Bangladesh. "Increased outlets of products and services never kill any industry rather it boosts businesses, injects competition and benefits the customers end of the day."

GrameenPhone's CEO Erik Aas is, however, skeptic on this issue and recently told media, "I have no idea, how six mobile phone operators will sustain in the same market. I personally guess, after three or four years two or three companies will go for merger."

Commenting on Aas' remark, Tahir said, "I respect his opinion and I eagerly look forward to meeting him to learn about the mobile market of Bangladesh."

## BGMEA urges govt to introduce licensing system for freight forwarders

BDNEWS, Dhaka

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday urged the government to introduce licensing system for freight forwarding agents allowing them to carry out documentation works.

AM Mahboob Chowdhury, director of BGMEA, in a letter to the National Board of Revenue (NBR) chairman said the importers and exporters have to pay phenomenally high price for getting the documentation works done by the shipping agents.

It said allowing the freight forwarding agents to do the job will reduce the cost significantly.

BGMEA said different chambers and trade bodies, including the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), had long been demanding introduction of licensing system for the freight forwarders.

The Prime Minister's Office and the finance minister also instructed the NBR to introduce the system to support export-import trade, it said, adding the freight forwarders across the world are doing the same thing.

The NBR also issued an SRO four years ago on licensing requirement for the freight forwarding agents, which was not implemented.



PHOTO: STAR

Visitors crowd a stall at the four-day international exhibition of corrugated carton and accessory products titled 'Pacexpo-Dime 2006' that began in Dhaka yesterday. Bangladesh Corrugated Carton & Accessories Manufacturers & Exporters Association and Dhaka Chamber of Commerce and Industry are jointly organising the fair.

## Corrugated carton, accessory products show kicks off

STAR BUSINESS REPORT

A four-day international exhibition of corrugated carton and accessory products began yesterday in Dhaka with an aim to introduce businessmen

to the latest technologies and products of the sector.

Bangladesh Corrugated Carton & Accessories Manufacturers & Exporters Association (BCCAMEA) and Dhaka Chamber of Commerce

and Industry (DCCI) jointly organised the fair titled 'Pacexpo-Dime 2006'.

Packaging and printing products, accessories, plastic, raw materials, allied services and machinery are being displayed at the exhibition at Bangladesh China Friendship Conference Centre.

A total of 120 exhibitors from home and abroad are participating in the fair with their products, services and technologies. The exhibition will remain open to all every day from 12pm-8pm without any entry fee.

Participants from India, Germany, Pakistan, Taiwan, China, South Korea, USA, Saudi Arabia and Malaysia have joined the show.

Malaysia-based event management company Es-Event Management Sdn. Bhd is organising the event.

Commerce Minister Altaf Hossain Chowdhury inaugurated the fair as chief guest while Commerce Ministry Advisor Barkat Ullah Bulu, FBCCI President Mir Nasir Hossain, BGMEA President Tipu Munshi, BCCAMEA President Shafiullah Chowdhury, DCCI President M A Momen and Exhibition Convener Rafez Alam Chowdhury spoke.

The exhibitors are showcasing carton, garments accessories, including poly bag, backboard, neck board, collar insert, butterfly, collarbone, sewing thread, tape, elastic, printed and woven label, zipper, sticker, hanger, button, embroidery, barcode, interlining, tissue paper and padding.

Speaking at the inaugural function, Altaf urged foreign investors to invest in the sector, saying carton and accessories have emerged as important export items.

He said as an important backward linkage component of readymade garments, the sector is contributing very significantly to the country's export earning.

The global packaging industry is now worth US \$ 440 billion which is expected to grow to US \$ 597 by 2014 recording an average growth rate of 3.5 per cent a year.

## MBA Club's 4th interactive business meet Sunday

MBA Club Ltd in Bangladesh as part of its new project - sharing of knowledge by current business and community leaders with young professionals - will hold its fourth session at 6:30pm on Sunday on club premises at Banani in Dhaka.

In the fourth session of interaction with business and community leaders, MBA Club has invited Emil Moskofian, managing director of British American Tobacco, Bangladesh, to present his thoughts on management leadership, says a press release.

MBA Club President Mahmudur Rahman, who is also adviser to Energy and Mineral Resources Ministry and executive chairman of Board of Investment, will preside over the session.

Interested individuals are requested to register with M Jahangir Kabir, director, Breaking Barriers, at phones: 885 9229-30, and 0192000210 or office manager of MBA Club at phone 988 6411.

## Lankan govt officials receive training at FIMA

Fifteen officials of the Auditor General's Department of Sri Lanka attended a 20-day training programme, which concluded yesterday, at the Financial Management Academy (FIMA), says a press release.

Comptroller and Auditor General Asif Ali inaugurated the training programme on January 28.

The training course contained issues such as introduction to CAG's office, overview of audit process, audit planning and execution, and environmental audit.

At the closing ceremony, AK Azizul Huq, former GAG, distributed certificates among the participants. Comptroller and Auditor General Asif Ali was also present.

Earlier, 24 officials of the Treasury Department of Timor Leste received training at FIMA.

## Oil prices stage modest bounce

AFP, Singapore

Oil prices staged a modest bounce in Asian trade Thursday after healthy US inventories led to a heavy sell-off in New York, dealers said.

At 11:30 am (0330 GMT), New York's main contract, light sweet crude for delivery in March, was up 37 cents to 58.02 dollars a barrel from its close of 57.65 dollars in the United States Wednesday, a two-month low.

"It's a rest stop. The market sold off considerably and can't keep going straight down. Traders are taking a breather," said Tony Nunan, of Mitsubishi Corp in Tokyo.

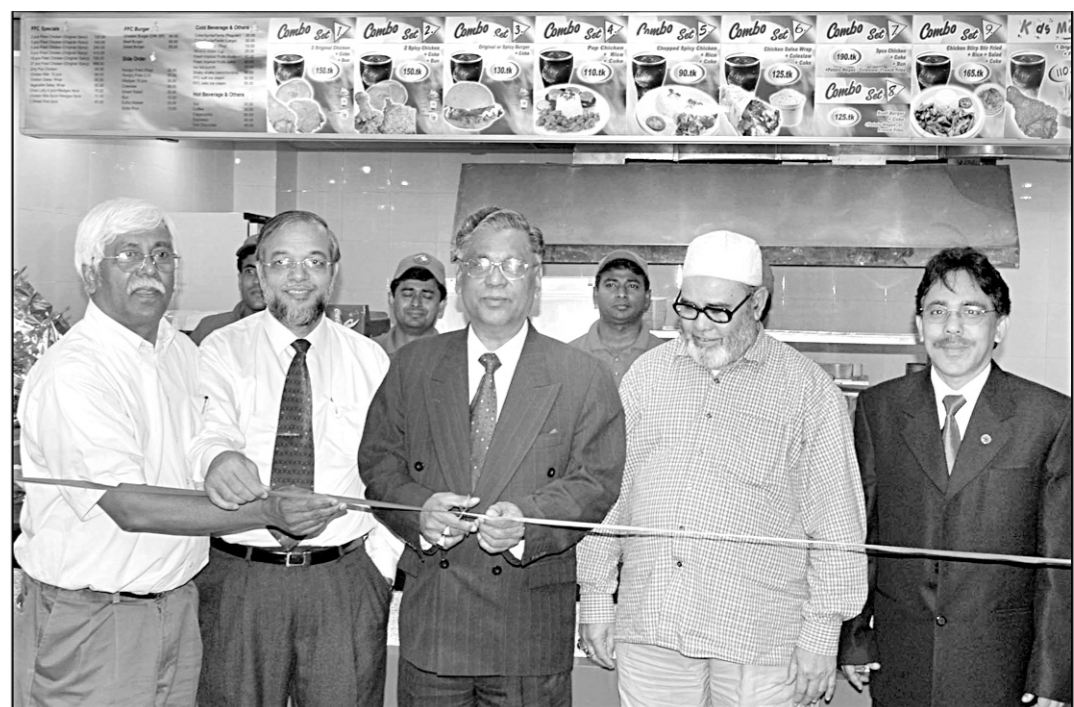


PHOTO: STAR

Professor Dr Abdul Matin Patwari, vice-chancellor of University of Asia Pacific, formally inaugurates a fast food outlet, FFC, at Orchard Point in Dhanmondi, Dhaka yesterday. M Abu Tahir, chairman of Fortuna Group, is also seen.