

## BKMEA polls today

STAR BUSINESS REPORT

The election of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) will be held today.

The vote casting will continue from 10am to 4pm at BKMEA's Dhaka and Narayanganj offices.

BKMEA sources said a total of 54 members from two panels, Knit Oikya Parishad and Sammitia Knit Forum, are contesting for 27 director posts.

The elected directors will elect a president and three vice presidents.

Incumbent President of the association Fazlul Haque is leading Knit Oikya Parishad panel while Mohammed Hatem is leading Sammitia Knit forum panel.

There are 1,005 members of the BKMEA and of them 613 are voters. The new committee will be elected for two years.

## Asian medical tourism to generate \$4.4b a year by 2012

AFP, Singapore

Asia's medical tourism industry is expected to generate over 4.4 billion dollars a year by 2012, with India, Thailand, Singapore, Malaysia and South Korea the top destinations, a leading travel firm said Friday.

Low-cost, high-quality healthcare in Asia is already attracting more than 1.6 million tourists each year, mostly from within the region, according to a report issued by Singapore-based air ticketing firm Abacus International.

"Asia is a preferred healthcare destination and is set to grow further, fuelled by the relatively low-priced healthcare services available," Abacus president Don Birch said.

According to the report, medical tourism -- which refers to trips combining treatment and check-ups with leisure -- is growing by 20 to 30 percent each year with the industry now worth around half a billion dollars a year in Malaysia, Thailand, Singapore and India.

"Asia is an ideal growth environment ... with competitively-priced quality healthcare service in major tourist cities," Birch said.

Thailand welcomes more than one million medical tourists each year because of the variety of procedures available, Abacus said.

Bumrungrad International Hospital for example offers a full spectrum of surgical services performed by certified doctors all under one roof.

Singapore, on the other hand, is known for delivering cutting-edge medical treatment and attracts medical tourists with its competitively priced services.

For example, hip-replacement surgery costs two-thirds less in Singapore than in the United States, the report said.

The city-state attracts 370,000 medical tourists each year and is targeting one million medical visitors and 1.6 billion dollars in revenue by 2012.

India, whose medical tourism business is growing at 30 percent per year, currently draws about 150,000 visitors each year. It is forecast to generate at least 2.2 billion dollars by 2012.

## Japan-Mexico trade up 20pc after FTA

AFP, Tokyo

Trade between Japan and Mexico increased by over 20 percent after a bilateral free trade agreement took effect in April 2005, a study said Friday.

Between April and December 2005, overall trade between Japan and Mexico was up 21.9 percent from a year earlier, well ahead of average annual growth of 7.9 percent over the past decade, the Japan External Trade Organization said.

Mexico's imports from Japan jumped 22.3 percent to 10.4 billion dollars, led by shipments of automobiles, while Japan's imports from Mexico rose 19.2 percent to 1.9 billion dollars.

The major driving force behind the upswing was the introduction of new tariff-free quotas on finished cars from Japan, the report from the government-funded organization said.

Imports of Mexican beef saw a three-fold rise after Japan banned US beef imports over mad cow disease fears.

# Dhaka Travel Mart to boost tourism

## Hope fair participants

STAR BUSINESS REPORT

With the on-going three-day international tourism fair receiving good response from visitors participants hope the show will boost Bangladesh's tourism.

On the second day of the fair styled 'Standard Chartered Dhaka Travel Mart (DTM) 2006' thousands of visitors yesterday flocked to the Winter Garden of Dhaka Sheraton Hotel, the fair venue, where some 49 organisations from 11 countries including host Bangladesh are taking part.

A large number of people were visiting stalls to gather information on popular tourist spots. They were also inquiring about packages and discounts offered by different tour operators.

The Bangladesh Monitor, a leading travel magazine in Dhaka, is organising the tourism fair.

As Bangladesh is blessed with natural beauty and many archaeological sites, the country holds huge potential in tourism, said Kazi Wahidul Alam, editor of the Bangladesh Monitor and chairman of the organising committee of DTM-2006.

"The fair creates an opportunity for the tourists, both from home and abroad, to know about our facilities," he said.

Besides, the show also creates an opportunity for a direct interac-

tion between the tour operators and tourists, he added.

After getting huge response from the visitors, a number of private tour operators said the tourism sector of Bangladesh will grow fast in coming days.

They also said government patronisation is needed for the growth of the sector.

ASM Humayan Kabir Chowdhury, assistant manager (marketing) of Jamuna Resort Ltd, a tour operator, said his company is getting good response from the fair. He also said the fair will ultimately contribute to the growth of the country's tourism.

Shahdat Parvez, a businessman, said he came to the fair as he plans to visit St Martin's island or the Sundarbans with his family this winter. "I hope I will enough information on tours from this show," he said.

Shahnaz Parveen, a college teacher, said the tour operators should concentrate more on the development of domestic tourism.

The industry should encourage local people to visit the country's tourists spots, she added.

Tourism organisations from India, Nepal, Thailand, Singapore, United Arab Emirates, Qatar, Kuwait, Hong Kong, Yemen, Malaysia and host Bangladesh are displaying their products and packages in the third version of the fair.

Bangladesh Parjatan

Corporation, Nepal Tourism Board, Tourism Malaysia, Singapore Tourism Board, Biman Bangladesh Airlines, GMG Airlines, Emirates Airlines, Qatar Airways, Air India, Malaysia Airlines, Dragonair of Hong Kong, Singapore Airlines, Kuwait Airways, Yemen Airways, Thai Airways, Cosmic Air and Etihad Airways are also presenting their attractive packages and services at the fair.

Pan Pacific Sonargaon, Dhaka Sheraton Hotel, Washington Hotel, Hotel Ormate, Hotel Peninsula of Chittagong, Sea Crown of Cox's Bazar, Rainbow Guest House of Sylhet are taking part in the fair.

The Daily Star and Channel 1 are the media partners of the Dhaka Travel Mart. Standard Chartered Bank is the title sponsor of the fair, which ends today.

Tour Operators Association of Bangladesh (TOAB) and Association of Travel Agents of Bangladesh (ATAB) are the co-organisers, while Biman Bangladesh Airlines is the official carrier and co-sponsor. Bangladesh Hotel and Guest House Owners Association and GMG Airlines are also the co-sponsors of the fair.

The fair will remain open to visitors from 10am to 8pm today. The entry fee has been fixed at Tk20 per person.

## 'IPEday-2006' concludes

STAR BUSINESS REPORT

A three-day programme styled 'IPEday-2006', which began on Wednesday to highlight the importance of industrial and production engineering in the country, ended yesterday amid huge participation of students and experts.

A total of three seminars on supply chain management, productivity in RMG, and manufacturing excellence were also held on the sidelines of the function held on the sidelines of the Bangladesh University of Engineering and Technology (BUET) campus.

In the concluding seminar titled 'Business Process Re-engineering' held yesterday, participants said Bangladesh should re-engineer its business process for accelerating its economic advancement.

AKM Rafiqul Islam, managing director of Pragati Insurance Limited, said the future of the country's economic progress depends on how affectively it could modernise its business set up through re-engineering.

Minister for Fisheries and Livestock Minister Abdullah Al Noman inaugurated the 'IPEday-2006'.

## S'pore expects rise in number of tourists from Bangladesh in 2006

STAR BUSINESS REPORT

Singapore is expecting a significant rise in the number of tourists from Bangladesh in 2006.

The aggressive campaigns by the Singapore Tourism Board (STB) will help increase the Bangladeshi tourist inflow to Singapore, said Siew Kheng Kang, regional director, South Asia, Middle East and Africa of STB, at a press briefing on the sideline of 'Standard Chartered Dhaka Travel Mart-2006' on Thursday.

She said Singapore received a record of 54,000 Bangladeshi visitors in 2005, posting healthy growth of 30 percent over 2004.

Bangladeshi travelers also stay on average seven days in Singapore during their visit, which is comparatively high among other countries in South Asia.

Singapore Airlines is offering special packages for travelling Singapore. Meanwhile, STB targets 17million visitors and \$30billion tourism receipts by 2015.

## Citibank tops in global BrandZ survey

Citibank, the banking arm of Citigroup, was named the most powerful and valuable financial services industry brand globally in a survey by BrandZ, the world's largest in-depth brand equity database, says a press release.

For this survey, BrandZ interviewed 650,000 consumers around the world on 30,000 brands. Citibank ranked 9 of all global brands, and was the only financial services industry brand ranked in the top ten.

Other brands in the top ten include Microsoft, General Electric and Coca-Cola.

## Gold hits fresh 25-year highs

AFP, London

Gold prices were trading at the highest levels for more than 25 years on Friday, as the precious metal benefited from its status as a store of value in troubled times.

Gold prices reached 603.10 dollars per ounce in New York electronic trading. That was the highest point since January 1981. Prices had breached 600.0 dollars on Thursday for the first time in a quarter of a century.

On the London Bullion Market Friday, prices struck 598.27 dollars per ounce, also the highest peak since January 1981.

"The bullish mood seems set to continue as oil, tensions in the Middle East, the spread of avian flu and CB (central bank) dollar diversification all provide upwards momentum," said James Moore, analyst with specialist website TheBullionDesk.com.

Unrest in the Middle East, particularly Iran and Iraq, is helping crude futures to trade at about 68.0 dollars per barrel, close to historic high points in London. This gives rise to higher inflation, leaving gold as an attractive investment for funds.



Two visitors take a close look at furniture at the five-day 3rd national fair at the Bangladesh-China Friendship Conference Centre in Dhaka yesterday. The fair concludes today.

# 3RD NAT'L FURNITURE FAIR Participants unhappy with sales

STAR BUSINESS REPORT

Participants at the five-day 3rd national furniture fair at Bangladesh-China Friendship Conference Centre are unhappy with sales.

They said although the fair, which ends today, is experiencing a good number of visitors, sales are not up to their expectation.

Visitors said products at the fair are excellent but prices are too high. Shimu Ahmed, a housewife, said she visited the fair to buy a sofa set but the prices are not reasonable.

An executive of a stall said the soaring dollar price is one of the

reasons for high prices. As most of the raw materials are imported, the production costs are getting higher, he explained.

Bad weather in the last few days has also cast an adverse impact on the fair, said an official of a participating company.

However, Tanjim Hossain of Akhter Furnishers said the participants expect handsome sales in the last day of the fair.

Around 40 companies including Navana, Otobi, Akhter Furnishers Ltd, Athena's Furniture and Home Decor, Furniture Depot, Powerhouse Furniture, Legacy Furniture (Pvt) Ltd, and Brothers

Furniture are taking part in the show.

The companies are showcasing furniture including individual chair, sofa set, dining table, kitchen cabinet, and cupboards.

Bangladesh Furniture Industries Owners' Association (BFIOA) and Design and Technology Centre are jointly organising fair to promote locally produced furniture.

The Daily Star and Channel 1 are the media partners of the fair.



Visitors crowd a stall on the second day of the three-day international tourism fair styled 'Standard Chartered Dhaka Travel Mart 2006' at Winter Garden of Dhaka Sheraton Hotel yesterday. The fair ends today.

# India's annual exports cross \$100b mark

PALLAB BHATTACHARYA, New Delhi

India yesterday unveiled a series of sops to give a major push to its burgeoning exports with the thrust on handloom, leather products, gems and jewellery, value added fish, stationery goods, handicrafts and sports goods to generate employment and help achieve the target of \$150 billion worth of exports by the next three years.

Announcing the annual supplement to the country's five-year Foreign Trade Policy at a press conference here, Commerce and Industry Minister Kamal Nath said India's exports in 2005-6 fiscal year crossed the "magic figure" of 100 billion dollars, rising from 63 billion dollars in 2004 and representing an annual growth rate of 25 percent.

India's exports to the United Kingdom rose by 30 percent, to Singapore by 54 percent, China by 35 percent and South Africa by 48 percent in 2005-6, Nath pointed out adding the centre of gravity of trade is shifting from the Atlantic Ocean to the Indian Ocean and India needs to respond to this major change.

Asserting that the chief objective of the Foreign Trade Policy was providing a thrust to employment generation, particularly in semi-urban and rural areas, he said a "Focus Product Scheme" would be introduced allowing duty credit facility at 2.5 percent of FOB value of exports on fifty percent of export turnover of products like value added fish and leather products, stationery items, fireworks, sports goods, and handloom and handicraft items.

Secondly, a "Focus Market Scheme" is being launched to penetrate markets in Latin America, Africa and other destinations where India's exports have been comparatively low. Under the scheme, duty

credit facility will be permitted at 2.5 percent of the FOB value of exports of all products to the notified countries. The scrip and the items imported against it for both these schemes would be freely transferable, the Commerce Minister said.

To give a boost to the fast growing services sector, which accounts for 52 percent of India's GDP, a scheme has been introduced which allow transfer of both the scrip and the imported input to the Group Service Company whereas earlier transfer of imported material only was allowed.

Nath said the government has decided to allow import of precious metal scrap for refining and used jewellery to tap large unutilised reserves, refining and jewellery-making production capacity. However, such import will not be allowed through hand baggage.

Gems and jewellery exporters will now be allowed to re-import rejected precious metal jewellery subject to refund of duty exemption benefits on the inputs only and not the duty on jewellery as was being done earlier.

Many times, exporters faced the dilemma of unsold jewellery in the foreign markets because of changing designs and other such factors and to overcome this problem, gems and Jewellery exporters will now be allowed to export jewellery on consignment basis.

The government will also allow gems and jewellery exporters to export cut and polished items for treatment and subsequent re-import within a period of 120 days because these products have higher value in international markets, he said.

Nath said since increase in gold and silver prices in international market over the past few years has made the present value addition norms on export of gold and silver

jewellery unrealistic, the value addition norm for such items is being reduced from 7 percent to 4.5 percent.

He said the government would allow import of new vehicles by auto component manufacturers to give their research and development efforts access to the latest technologies in auto component industry. India, he said, not only has the fastest growing automobile market in the world but is rapidly emerging as an important centre for sourcing auto components.

Seeking to give India a competitive edge in civil aviation sector, Nath said the government has decided to treat refuelling in India of long distance flights as exports in India and suppliers would now be able to obtain various export promotion schemes available to other export products.

This will hopefully enable India to offer competitive fuel prices and will attract mid route stops of the international flights, he said pointing out that such facility is currently being offered in Singapore, Thailand and Malaysia.

The Commerce Minister had good news for the marine sector as he announced expansion of the list to include additional items of chemicals and other additives within the present duty free entitlement of one percent.

To help export oriented units in textile sector, they have been allowed to dispose of left over material on the basis of previous year's imports against the existing practice of disposal of left over fabrics up to two percent in CIF value of imports on consignment basis since settling accounts for every consignment is complex and time consuming.

## High energy prices pose risk to global economy: IMF

AFP, Madrid

The International Monetary Fund is to warn that high energy prices are exacerbating global economic imbalances, increasing the risks of a crisis, the newspaper Expansion reported here Friday.

"Global current account imbalances are likely to remain at elevated levels for longer than would otherwise have been the case, heightening the risk of sudden disorderly adjustment," the newspaper quoted the fund as saying in a leaked draft of its World Economic Outlook report, to be released later this month.

High oil prices are increasing the US trade deficit and the recycling of petrodollars is driving down interest

rates, providing an unsustainable boost to US private consumption, the draft said.

The IMF also estimated that oil prices explained half of the two percentage point deterioration in the US current account deficit between 2002 and 2005.

IMF Managing Director Rodrigo Rato this week warned that the US current account deficit was forecast to increase again in 2006, partly because of high energy prices.

The WEO draft predicts that "with limited excess capacity, it is expected that the medium-term supply-demand balance will remain very tight, and oil prices will persist near current levels," the Spanish financial daily added.

## Asian free-trade zone 'Herculean task'

Says ADB economist

AFP, Tokyo

An Asian economic free-trade zone would be less beneficial than a global pact and a "Herculean task" to achieve given diplomatic frictions, the Asian Development Bank's chief economist said Friday.

Japan's Trade Minister Toshihiro Nikai this week said he intended to propose the formation of a vast Asian economic free-trade zone that would cover about half the global population and rival the EU and NAFTA markets.

The 16-nation proposal would include China and India, the world's two fastest growing major economies, along with the 10-member Association of Southeast Nations (ASEAN) and Australia, Japan, New Zealand and South Korea.

An Asian free-trade area where all tariff and non-tariff barriers within the region were removed could bring significant economic benefits, said Ifzal Ali, chief economist of the Manila-based development bank.

"But (the benefits) are much less than (those from) a multilateral agreement," he told reporters in Tokyo a day after the ADB released its annual outlook report.

An Asian free-trade area would also be difficult to establish given regional political strains, Ali suggested.

"We have different countries at different stages of development, with different aspirations, different political systems and political agendas."

"For all of them to get together, bury their differences and put this thing together is going to be a Herculean task," he said.

The ADB is concerned that overlapping free trade agreements risk making life harder for companies.

ADB president Haruhiko Kuroda has warned of an "Asian noodle" effect of overlapping initiatives.

Japan has been pushing for more free-trade agreements around the world. It has already signed deals with Malaysia, Mexico and Singapore.

It has also struck basic accords with Thailand and the Philippines and launched negotiations with South Korea, Indonesia, Chile and the Association of Southeast Asian Nations as a whole.

Japan is also set to resume stalled talks with ASEAN next week. At the same time it is involved in World Trade Organization talks which aim to craft the framework of a global liberalisation accord by April 30, and by the year-end clinch a sweeping multilateral deal that removes trade barriers.

Japan's relations with China, its biggest trading partner, have slumped, mainly over wartime

## 2nd Asia-Pacific Business Forum opens in Jakarta today

The second Asia-Pacific Business Forum (APBF) will be held in Jakarta, Indonesia today.

President of Indonesia Susilo Bambang Yudhoyono will deliver the key-note paper on "Managing Development of Diminished Poverty" chaired by Dr Mahathir Mohamad, former prime minister of Malaysia.

Secretary General of UNCTAD Dr Supachai Panitchpakdi, Presidents of Kiribati and Marshall Islands, ministers from Sri Lanka, Malaysia, Fiji and Indonesia, business leaders, academics, officials and development practitioners from Asia-Pacific will attend the event, says a press release.

During deliberations at the business forum, UNESCAP will take the opportunity to initiate a constructive dialogue with various stakeholders, policymakers and members of the business community and to sensitise and promote creative initiatives on how to develop "market driven" approaches.

Asia-Pacific Business Forum (APBF) will seek to promote spontaneous exchange of views on regional trade and investment opportunities, and to deliberate on the current global and regional economic policy issues and their implications on the business sector as well as to promote business integration, partnership, closer ties and networking of the business community throughout the Asia-Pacific region.

Meanwhile, Mahbubur Rahman, president of International Chamber of Commerce (ICC)-Bangladesh, who is also a permanent member of BAC, has already left Dhaka for Jakarta to attend both the BAC and APBF meeting.

## Oil weakens

AFP, London

World oil prices eased on Friday as profit-taking emerged after recent gains, but they remained within sight of 68.0 dollars per barrel amid ongoing supply concerns, dealers said.

New York's main contract, light sweet crude for delivery in May, dipped 69 cents to 67.25 dollars per barrel in electronic deals before the market's official opening.

In London, the price of Brent North Sea crude for May delivery slid 58 cents to 67.26 dollars per barrel in electronic trade.

Crude futures had flirted with 68 dollars a barrel on Thursday on fears of a supply crunch linked to falling US gasoline supplies and tensions in Nigeria and Iran, dealers said.