

DHAKA-ISLAMABAD FTA

Businesses seek special facilities for Bangladesh

STAR BUSINESS REPORT

Local businesspeople yesterday demanded special facilities for Bangladesh, as it is a least developed country in the proposed Dhaka-Islamabad free trade agreement (FTA), which is likely to be signed by September this year.

They said the FTA should ensure special and differential measures such as flexibility and longer transition period, technical cooperation, capacity building and technology transfer for Bangladesh.

They were speaking at a seminar titled 'Pakistan-Bangladesh FTA-Reaping Mutual Benefits' in Dhaka. Pakistan High Commission in Dhaka organised the seminar to identify both positive and negative aspects of the FTA.

The local businesspeople said unless Bangladesh gets special facilities, it will not be able to derive ultimate benefits from the FTA.

However, they said bilateral agreements are needed to sustain in the global market.

Ayaz M Khan, acting Pak high commissioner in Dhaka, presided over the seminar. Abdul Awal Mintoo, former president of Federation of Bangladesh Chambers of Commerce and Industry, and Roubina Taufiq Shah, commercial secretary of Pakistan high commission in Dhaka, separately presented keynote papers at the seminar.

The speakers at the seminar also identified that absence of cargo flights and lack of direct shipping links between Bangladesh and Pakistan will be major barriers to the implementation of the FTA.

Addressing the function, former commerce secretary Suhel Ahmed Chowdhury said both the parties should find win-win solutions.

He said, "In the present global trade scenario, we need FTA, which can help us open new trading oppor-

tunities. But in the FTA between Bangladesh and Pakistan, Bangladesh needs special benefits from Pakistan."

In 2004-05 Bangladesh exported goods worth \$63.12 million to Pakistan, while it imported goods valued at \$202.04 million from Pakistan.

Another former commerce secretary, Alamgir Faruk Chowdhury, stressed the need for identifying non-tariff barriers before signing FTA. Even if there is no non-tariff barriers, both the countries should provide information about export-import procedure for the businesspeople.

Roubina Taufiq Shah highlighted the benefits of FTA between Bangladesh and Pakistan. She said as Bangladesh has been granted duty- and quota-free market access by EU, Norway, Canada, Japan, Australia and New Zealand, Pakistani entrepreneurs can easily

exploit this opportunity by availing of the facility.

She said Bangladesh has huge domestic and overseas apparel markets, while Pakistan has good raw material supply sources, technology and strong backward linkage in textile fabrics, which can be good combination of joint venture investments.

Abdul Awal Mintoo said the FTA should cover all the regulations and procedures related to trade in goods, services and investments.

Bangladesh-Pakistan FTA talks were initiated in June 2003, when Pakistan proposed technical level deliberations to preliminary negotiations on an FTA.

The first meeting on FTA was held on 16-17 November 2003 in Dhaka. After that Bangladeshi prime minister agreed in principle to sign an FTA with Pakistan during her visit to Islamabad in February.

AKTEL launches package for self-employed professionals

AKTEL, a leading cellular phone service provider, has launched a new package for self-employed professionals under the brand 'AKTEL Infinity'.

This package is designed especially for the individual professionals, with a set of unique features, says a press release.

Under the package, customers will get facilities such as extended FNF service with up to five phone numbers that will enable customers to talk at preferential rates to 4 AKTEL numbers as well as to 1 number from any operator.

Under the 'AKTEL Infinity', there will be no SIM connection price and no monthly line rent, enabling the customers to pay only for what they use in voice and data services.

The package with simplified flat tariff also offers seven-minute BTTB incoming free.

The customers will enjoy 1 second pulse from the 1st minute.

'AKTEL Infinity' customers will also enjoy other existing features of AKTEL post-paid service such as GPRS, AKTEL International Roaming Services and easy bill payment facility through pre-paid refill scratch cards or e-fills.

Existing post-paid customers of AKTEL can also migrate to Infinity by a simple migration process, said the release.



Sheikh Nahyan bin Mubarak Al Nahyan, minister for Higher Education and Scientific Research of United Arab Emirates and chairman of Dhabi Group, calls on Prime Minister Khaleda Zia on Tuesday in Abu Dhabi.

Widening rich-poor gap key challenge

Speakers tell CPD roundtable

STAR BUSINESS REPORT

Speakers at a roundtable yesterday said growing inequalities between the haves and have-nots, poor governance and human capacity as well as lack of overall quality in institutions are some of the challenges facing Bangladesh.

Although Bangladesh achieved tremendous progress in the areas of agricultural productivity, poverty reduction, healthcare, women's fertility decline and girls' education, these challenges need to be addressed to take the country forward, they observed.

The Centre for Policy Dialogue (CPD), an independent think tank, organised the roundtable on 'The Future Challenges of Development' at Brac Centre Inn in Dhaka in collaboration with Institute of Development Studies (IDS), Sussex and Danish Institute for International Studies (DIIS), Copenhagen.

The roundtable, coinciding with the 40th anniversary of the IDS, was intended to look forward to key issues and challenges for development and development research over the next 15 to 20 years.

Speaking at the roundtable, Chairperson of Brac Fazle Hasan Abed termed the country's governance the weakest area, noting improvement of governance needs proper interventions.

Bangladesh has achieved remarkable progress in the areas of healthcare, poverty reduction, women fertility decline and girls' education, he mentioned.

"We have also gained substan-

tial progress in agricultural productivity but many things are yet to be done," he said citing example of agricultural research that suffered heavily.

Dr Debapriya Bhattacharya, executive director of the CPD, chaired session one and summed up the discussion.

"We are growing but inequality is also rising at the same time. Addressing poor governance apart, improving institutional quality and developing human capacity are some of the challenges we are facing," Debapriya said.

Earlier, Prof Syed Moinul Ahsan of Concordia University, Montreal, said today Bangladesh is a peculiar mix of the best and the worst institutions.

"Our NGOs are world class; our democratic practices smack of control and corruption," he said. "In spite of nominal democracy and generally fair elections held in the past, democratic practices appear to be utterly compromised by heavy-handed control of authority at the top so much that even sitting ministers have lost executive powers."

The main factor of poor governance in Bangladesh has been the lack of its political institutions, starting with the nature of parliamentary democracy that it practises, he argued.

Dr Rushidan Islam Rahman, research director of BIDS, said unless jobs are created for educated people, economic growth will not be accelerated in future.

"Our research has failed to look more into inequality. Research in general is interested in aggregate,

not in inequality," she added.

Prof Amirul Islam Chowdhury of North South University said the first fellow of the country needs is how to get out or reduce dependency on donors.

Dr Quazi Mesbahuddin Ahmed, member of the Planning Commission, said around eight million children in Bangladesh are malnourished and the proportion here is highest if compared to that in India or Pakistan.

Speaking at the second session, Dr Mirza Azizul Islam, chairman of Sonali Bank, identified seven factors of potential shocks likely to have significant implications for the future course of socio-economic development in the coming years.

The seven factors are inequality, energy nationalism, nuclear proliferation, environmental degradation, spread of HIV (human immunodeficiency virus), AIDS (acquired immune deficiency syndrome) and avian influenza, rise of religious extremism and re-emergence of East-West tension.

Dr Akbar Ali Khan, director of Centre for Governance Studies of Brac University, said malnutrition is one of the most important issues in Bangladesh as 65 percent of the children under five are malnourished here.

Dr Martine Greeley, research fellow of the IDS, summed up the discussion.

German trade team for projecting positive image of Bangladesh

STAFF CORRESPONDENT, Ctg

Visiting German trade and investment delegation leader Peter Clasen yesterday underscored the need for projecting positive image of Bangladesh to woo foreign investment in the country.

With the existing infrastructure, particularly in small and medium industries, Bangladesh has huge prospect for increasing trade and investment, he said while exchanging views with the leaders of Chittagong Chamber of Commerce and Industry (CCCI) here.

About Tata investment proposal, Clasen hoped Bangladesh will reach an acceptable decision through proper negotiations.

CCCI President Saifuzzaman Chowdhury called upon the German delegates to set up industrial units in Bangladesh. CCCI Senior Vice President SM Nurul Huda called for relocating sunset factories of Germany to Bangladesh.

German envoy to Bangladesh Frank Meyke underlined the necessity of good infrastructure as pre-condition for investment.

Indian Assistant High Commissioner to Bangladesh Ashoke Das, and Honorary Consul for Japan in Bangladesh Nurul Islam were also present at the meeting.

UAE entrepreneurs keen to invest in Bangladesh

UNB, Dubai

A business delegation of UAE Chamber of Commerce and Industry, led by its President Salah Salem bin Omeir al Shamsi, met Prime Minister Khaleda Zia at her hotel suite here yesterday and expressed keen interest to invest in Bangladesh's potential sectors.

Foreign Secretary Hemayetuddin told reporters the UAE business delegation felt

encouraged about the investment-friendly environment and expressed willingness to invest in Bangladesh's construction, infrastructure development, banking, telecommunications and insurance sectors.

He said a UAE business delegation, headed by chamber president Shamsi, who is also the president of Gulf Chamber, will visit Bangladesh in June or early July to explore their investment prospects.

The UAE delegation also invited Bangladesh businessmen to come to UAE and explore the prospects of setting up joint venture projects.

Earlier, Prime Minister Khaleda Zia apprised the UAE businesses of congenial atmosphere in Bangladesh for foreign investment, saying that a good number of leading overseas companies made investment in a big way and put forward investment proposals.

Sonargaon hotel goes for massive renovation

Pan Pacific Sonargaon is undergoing massive renovations aimed at making the five-star hotel one of the iconic luxury properties in South Asia.

Currently, the renovation has begun with the rear of the hotel area being fully remodelled to include a new poolside restaurant, landscaped lush tropical gardens and fountains and freestanding outdoor pavilions with day beds, says a press release.

"The leisure areas of the hotel will be on par with world renowned five-star resorts and spas," said Pan Pacific Sonargaon General Manager Grant J Gaskin.

Simultaneously, accommodation rooms are currently being totally renovated. Rooms and suites will provide all that is expected at a five-star luxury hotel including LCD and Plasma screen on the wall in every room, Herman Miller desk chairs and granite bench tops.

The guests will also enjoy high-speed broadband internet access and glass mosaic tiled rain showers in the bathrooms.



Commerce Minister Hafiz Uddin Ahmed (2-L) speaks at the launching ceremony of Canada Bangladesh Chamber of Commerce & Industry (CBCCI) in the capital yesterday. Canadian High Commissioner in Dhaka Barbara Richardson (2-R), CBCCI President Masud Rahman and Director of the chamber Tanwir Nawaz are also seen.