

New export policy in a month: Hafiz

Exploration of new markets, compliance issues get priority

MD HASAN

Government may announce the new export policy for 2006-09 in a month, said Commerce Minister Hafizuddin Ahmed yesterday.

"We already finalised major aspects of the policy to provide sufficient support for the country's exporters," said the minister after an inter-ministerial meeting.

High officials from the ministries of industry, agriculture and finance and stockholders from different export-oriented sectors were present at the meeting.

"Export diversification, exploring new export markets and compliance issues have been given priority in the new policy", said the commerce minister.

"So far we have achieved a 21 percent export growth in the 2005-06 fiscal," Hafizuddin said, adding that the government would take adequate measures for rating the growth.

Meeting sources said all the private stockholders extended

support to the government decision of issuing SRO (Statutory Regulatory Ordinance) for implementing the export policy guidelines.

Readymade garments, textile, leather and leather goods, frozen foods, agricultural products, pharmaceuticals and ceramic have been prioritised as 'thrust sector' in the new export policy, according to the sources.

Jute and jute goods, shrimp, light engineering, tobacco, vegetables and plastic sectors have also been emphasised as 'emerging sectors' in the policy.

A total of six goals have been set for the policy, which include encouraging local export-oriented industry, settling compliance issue, ensuring product quality, enhancing competitiveness in the global market, developing banking system and providing export incentives for the emerging sectors.

As per the new policy, a high official of commerce ministry said, export incentives will be given

through finance ministry in packaging, product handling and transportation of export-oriented products.

Earlier, the government asked some 103 stakeholders to place their proposals and suggestions for the upcoming export policy. Out of them, 52 organisations gave their proposals to the Export Promotion Bureau (EPB).

They placed a total of 357 recommendations to the EPB for formulating the policy. The commerce ministry has considered 36 of their recommendations in the export policy for the next three years.

The main feature of the new policy is the issuance of an SRO so that exporters follow guidelines in their job, a high official of the commerce ministry told The Daily Star.

Meanwhile, private sector stockholders also extended their support to the decision of issuing SRO for implementing the export policy.

Talking to The Daily Star, Fazlul Haq, president of Bangladesh Knitwear Manufacturers and Exporters Association

(BKMEA), said, "The decision of implementation of new export policy through issuing SRO will benefit the export-oriented sector. Because, all export-oriented industries will be abided by a unique guideline for exports of goods".

He also expressed hope that exporters would enjoy a hassle-free environment in processing exports to other countries.

The private entrepreneurs also urged the government to establish two institutes on product development and product quality control besides a waste management plant for the garments sector.

Commerce ministry sources said a separate guideline for shippers and freight forwarding agents will also envisaged in the new export policy with a view to removing hassles the exporters face.



Vikram Sakhija

GroupM India CEO due today

Vikram Sakhija, chief executive officer for India and chief operating officer for South Asia of GroupM, arrives in Dhaka today, says a press release.

Vikram has been leading MindShare Fulcrum for India, Bangladesh, Pakistan and Sri Lanka since 2001. In this job he is responsible for managing media investments for Unilever in Central Asia.

He was the managing director of MindShare Fulcrum until 2004, after which he took additional charge of MindShare India. Prior to joining MindShare, Vikram practised market research, media and brand management at Procter & Gamble India, Coca-Cola India and Star India.

Bangladesh, UAE for joint business council

UNB, Dhaka

Bangladesh and United Arab Emirates (UAE) will consider setting up a joint commission and a joint business council to promote bilateral trade and investment.

"A Joint Commission with UAE will be something in the right direction," Commerce Minister Hafizuddin Ahmed told a visiting delegation from the UAE who met the minister at his office yesterday.

"The business council will be mutually beneficial for sourcing goods as global corporate bodies are stationed in Dubai," said UAE delegation leader Khalifa Mohammed Abdul Aziz Rubaya Al Muhairi, also a Board member of Abu Dhabi Chamber of Commerce and Industry (ADCCI).

The commerce minister, however, requested the delegation to submit a formal proposal on the business council or joint chamber body so that Bangladesh could consider it officially.

He stressed the need for frequent exchanges of trade delegations between the two countries to establish wider contact among the businessmen.

The minister invited UAE businessmen to invest in the prospective sectors of Bangladesh taking advantage of the EPZ facilities. He

also assured them that Bangladesh would consider UAE's request to facilitate them with special area exclusively for UAE investment.

The UAE delegation apprised the minister of their investment interest in aviation and tourism sectors. They also sought clear parameters for their investments.

The UAE business delegation also expressed interest in pharmaceutical products of Bangladesh as they visited a Beximco plant in Gazipur yesterday.

The delegation showed special interest in the company's high-tech specialised products like inhalers, nasal sprays, suppositories, injectables and IV fluids (Saline), said a corporate release.

Visiting different production lines and installations of Beximco Pharma plant, the UAE business team appreciated the quality, absolutely sterile environment and minimum human contact in producing drugs at the plant.

They also visited the state-of-the-art IV Fluid plant, Metered Dose Inhaler (MDI) plant and new USFDA standard Oral Solid Dosage (OSD) plant.

Beximco Pharma, a leading drug manufacturer and the largest pharmaceutical exporter of Bangladesh, provides technical

know-how to its importers and also offers contract-manufacturing facilities to the multinational companies.

Calling on also Foreign Minister M Morshed Khan at his office, the UAE delegation discussed issues relating to economic cooperation between Bangladesh and the UAE.

The minister apprised them of the country's attractive investment climate, cheap labour and efficient private sector.

"There are enormous scopes to cooperate with each other in economic fields as well as joint venture initiatives in Bangladesh for mutual benefit of the two peoples," he told the delegation, which showed investment interest in Bangladesh.

They were interested in increasing air frequencies between Bangladesh and Abu Dhabi, especially for Etihad, an airline of their country.

They requested the minister for his support for establishment of air connectivity to Chittagong.

The UAE business delegation also visited the Dhaka Export Processing Zone (DEPZ) and appreciated its security, production-friendly atmosphere and incentive package, said a press release.

DSE fines nine firms for failure to submit financial reports

STAR BUSINESS REPORT

The Dhaka Stock Exchange has fined nine listed companies for their failure to submit half-yearly financial reports.

The companies have to pay Tk 500 for each day until they submit their reports.

During the timeframe that ended July 31, the listed companies were supposed to submit their reports.

The non-compliant companies include RB Textile, Bangladesh Hotels Limited, Bangladesh Dyeing and Finishing Industries Limited, CMC Kamal Textile Mills Limited, Legacy Footwear Limited, Oriental Bank, Popular Life Insurance Company Limited, Saleh Carpet Mills Limited and Wata Chemicals.

Sources said the rate of submission of half-yearly reports within deadline has increased due to continuous monitoring by the DSE and the Securities and Exchange Commission.

SEDF launches banking survey report on SME market in Bangladesh

With a view to offering insights into the characteristics and behaviours of small and medium enterprises (SMEs) in Bangladesh, SouthAsia Enterprise Development Facility (SEDF) launched a publication on 'SME Market Reports' on Saturday in Dhaka, says a press release.

SEDF is a multi-donor funded initiative managed by International Finance Corporation of World Bank Group, established to promote growth of private SMEs in Bangladesh, Bhutan, Nepal and Northeast India.

Lack of credible information on SMEs is a major obstacle for financial institutions (FIs) to funding the SMEs. To bridge this existing information gap, SEDF initiated a comprehensive project to improve the understanding of the issues of SME financing from the bankers' perspective, the release added.

The report compiled a large volume of data about key features, financing needs and financing sources of 14 SME segments (including women-led enterprises).

The report is expected to assist FIs in formulating a SME strategy as well as facilitate SME banking. FIs may use this manual as a tool to improve management and operational capability at three main levels - creation of specialised SME banking departments and related SME strategy, development of SME training programmes, and development of an overall transaction management approach to SME banking.

Energy watchdog an ineffective body

Cab discussion told

STAR BUSINESS REPORT

Bangladesh Energy Regulatory Commission (Berc), formed more than three years ago, has become an ineffective watchdog like other regulatory bodies in the country, speakers told a discussion yesterday.

The Berc has even failed to get a complete organisational shape over the period, as two members of the commission have not been appointed, the speakers said. The commission also lacks financial and other logistical supports, they added.

Consumers Association of Bangladesh (Cab) organised the discussion with media and civil society on energy regulation and consumers' rights and responsibility at Dhaka Reporters Unity auditorium in Dhaka.

Abdullah H Mostafa, chief of party of an USAID project for Regulatory Capacity Building in

Bangladesh, made a presentation on the functions of the energy commission. USAID project has given technical assistance to the government for forming and strengthening the Berc.

Berc was established on March 13, 2003 through a legislative act and the chairman was appointed on June 4, 2005. Mostafa said adding that the two posts of commissioners are still vacant. However, he said a new member is supposed to join the commission today.

Political interference in the regulatory affairs not only exists in Bangladesh but also in other countries but the degree of interference varies, Mostafa mentioned.

Speaking at the discussion, Quazi Faruque, general secretary of Cab, said suffering of common people has intensified due to the mess in the power sector.

"Energy and power sector saw several changes at the ministerial

level but things did not improve," he said, adding that it is very frustrating that Berc did not get a complete shape in spite of its formation in 2003.

Berc has become another ineffective commission in Bangladesh, he said. Consumers will be benefited a lot if Berc can exercise its power properly, the Cab secretary felt.

Chairing the meeting, Borhanuddin Ahmed, president of Cab and executive editor of the Janakantha, urged the government to take measures to make Berc effective.

Speaking at the discussion, Jason Czysz, deputy director of National Association of Regulatory Utility Commissioners (NARUC) of USAID, said politicians around the world are ill-equipped to handle energy-related issues and that's why 80 percent of the nations across the globe formed regulatory commissions.

Trade complacency in China a growing concern: US official

AFP, Beijing

China risks moving backwards on trade liberalization as growing complacency could slow down reform in key sectors, a top US commerce official warned Monday.

US Undersecretary of Commerce Franklin Lavin said danger signs included a growing debate on the need for investment caps and suggestions China might be better off with its own standards in areas such as telecommunications.

"There is potentially a shift in the climate which is just not propitious," Lavin told US businesspeople on the final day of a five-day visit to the Chinese capital.

"(There is a risk of) an atmosphere where not only is the sense of reform fading a bit, but there's even potential for retrogression."

Overconfidence brought about by high economic growth has contributed to the looming shift in Chinese attitudes, Lavin said.

"The sustained economic performance of China... I think it starts to inure policy leaders from the need to reform," he said.

Lavin said China may now also lack the impetus for further reform as a sweeping series of liberalization measures promised in order to gain access to the World Trade Organization in late 2001 have almost been implemented.

"We're at the end of a formal set

of undertakings that helped China move through a reform process," Lavin said.

What has come instead is a debate about curbing foreign investment in some sectors, along with arguments that China is better off developing its own proprietary technology.

Lavin warned that "substantially mistaken but very seductive philosophical paths" threaten to cut China off from necessary interaction with the outside world.

"China has got one of the strongest economic cards in the world to play, and that's the attractiveness of its market," he said.

Singer launches promotional campaign today

Singer Bangladesh Ltd launches a month-long promotional campaign titled 'Barshai Singer Bumper Offer' from today, says a press release.

During this campaign, buyers of air conditioners, refrigerators, freezers, DVD players and sewing machines will get special benefits.

With the purchase of any model of Singer or Haier air conditioner, customers will get 'free installation' along with zero interest facility for a period of 120 days.

Besides, Singer is offering special discount against selected models of refrigerator and DVD player while buyers of sewing machines will get a scissor for free.

S'pore healthcare providers to take part in Ctg fair

Leading healthcare providers from Singapore -- Singapore Health Services including KK Women's and Children's Hospital, National Healthcare Group, Parkway Group Healthcare and the Raffles Medical Group -- will be showcasing their specialised services at ChiMexpo 2006 from August 3 to 5 at Hotel Agrabad in Chittagong, says a press release.

Singapore's high-quality healthcare, medical facilities and cost effective services are the main attractions for patients from South Asia, the release added.

"The medical community in Bangladesh has also shown interest in learning about our country's medical system and we are open to having such exchanges and collaborations," said Dr Jason Yap, Singapore Tourism Board's director of Health Services.

In 2005, 374,000 patients from around the world travelled to Singapore for medical services ranging from health screening to specialised services such as eye, heart, brain and cancer treatment.

Singapore has made great strides in establishing itself as the regional medical hub. Parkway Group Healthcare, National Healthcare Group and the Raffles Medical Group have either set up offices or appointed representatives in Bangladesh.

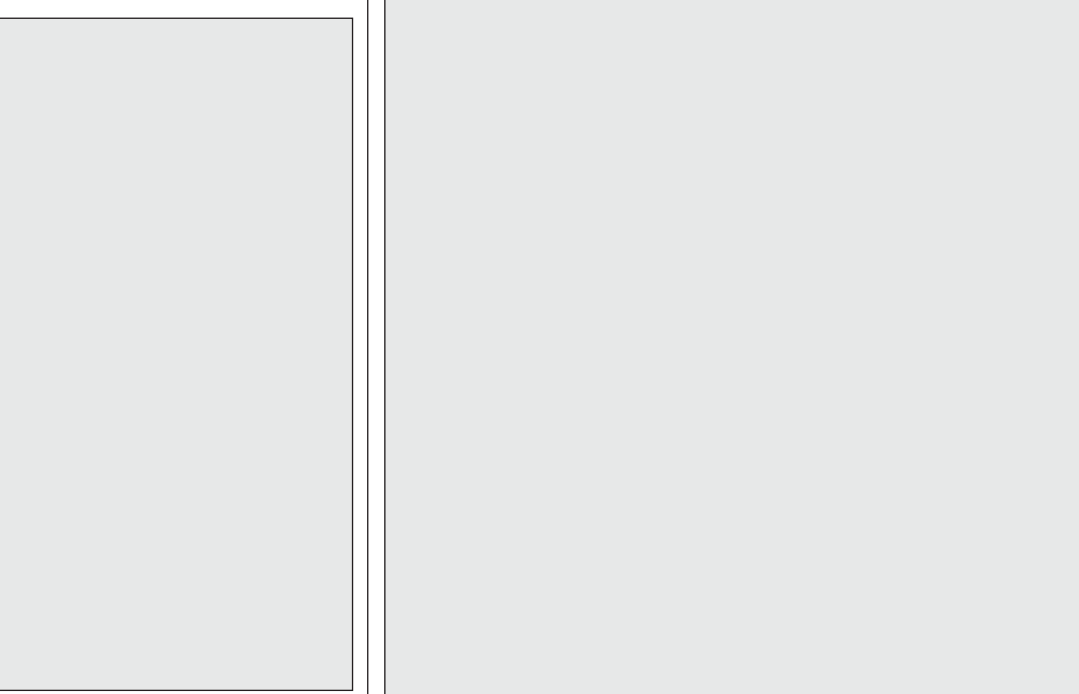


PHOTO: BEPZA

The UAE delegation visits a RMG unit in Dhaka Export Processing Zone yesterday. Ashraf Abdullah Yussuf, executive chairman of Bangladesh Export Processing Zones Authority (Bepza), among others, was present.

Oil prices fall below \$73

REUTERS, Singapore

Oil prices slipped below \$73 a barrel on Monday as hopes grew for a ceasefire in the Middle East and Nigerian output looked set to improve after attackers vacated a flow station.

U.S. crude for September delivery fell 32 cents to \$72.91 a barrel by 0814 GMT, dipping as low as \$72.88 after a \$1.30 fall on Friday, partly due to data showing that U.S. economic growth had slowed to 2.5 percent in the second quarter.

London ICE Brent crude lost 28 cents to \$73.11.

Dealers took profits on Friday amid apparently brighter prospects for a truce in the Middle East that would end a 20-day war traders fear might draw in neighboring oil producers like Syria or Iran, both supporters of the Hizbollah guerrillas.

Prospects for a recovery in Nigerian production grew on Monday after the police commissioner of Bayelsa state said attackers have vacated an Agip oil flow station and released all hostages they were holding there.

Aspokesman for Agip declined to comment and there was no word on when operations at the Ogbainbiri flow station might resume. Agip's parent company, Italy's Eni, said the attack last Tuesday had caused a "significant decrease" in output.

Output in the world's eighth-biggest exporter has been cut by more than one-quarter due to militants attacks.

Royal Dutch Shell (RDSa.L), the country's biggest foreign producer and most heavily affected, said it did not expect a significant recovery in output before the end of the year.

Supplies also appeared set to improve from Iraq after repairs to its oil pipeline to Turkey, Oil Minister Hussain al-Shahristani said at the weekend. A senior ministry source said the flow, shut off since a new bout of sabotage on July 9, should start in a few days.



PHOTO: SEDF

Muhammed A Rumeed Ali, deputy governor of Bangladesh Bank, speaks at the launching ceremony of a publication on 'SME Market Reports' on Saturday in Dhaka. SouthAsia Enterprise Development Facility (SEDF) launched the publication. Andrew McRobber, program manager of the SEDF, and Deepak Adhikary, deputy general manager, are also seen.