DHAKA WEDNESDAY AUGUST 2, 2006 E-mail: business@thedailystar.net

# \$11.50b export target fixed for FY07

On the back of a huge success in export earning in the last fiscal year, the Export Promotion Bureau (EPB) has fixed \$11.50 billion export target for the fiscal year 2006-07.

The EPB has also fixed \$13.11 billion and \$15.21 billion targets for the fiscal years 2007-08 and 2008-

The export target for the current fiscal year is around \$1.34 billion more than that in the last fiscal year.

According to EPB data, the country's export saw the highestever surge in terms of volume in FY06, fetching around \$1.8 billion more over the previous year. The \$10.5 billion export earning also exceeded the target of \$10.16 billion in FY06. In fiscal 2004-05, the country bagged \$8.65 billion

SEC warns 8

listed firms for

defying rules

STAR BUSINESS REPORT

violation of rules.

Securities and Exchange

Commission (SEC) has warned eight listed companies, their directors and company secretaries for

Of the eight companies, three

companies, their directors and

company secretaries have been

cautioned for not submitting audited

accounts statement for the year that

ended December 31, 2005 on time

to the commission, an SEC press

Textiles Limited, German Bangla JV

Food Limited and Lexco Limited.

These three companies are: RB

Besides, the SEC warned four

companies for not submitting half-

yearly revised financial statements

to the commission on time. These

companies are BD Com Online

Limited. Imam Button Industries

Limited, Niloy Cement Industries

The capital market watchdog

Limited and Miracle Industries

also warned two companies for not

annual general meetings held in the

Miracle Industries Limited and Mac

Japan's overseas

Overseas production by Japanese

motor companies topped their

domestic output for the first time in

the year to March 2006, an industry

vehicles abroad, up 10.6 percent

from the preceding year and com-

pared with domestic production of

10,893,529 units, up 2.6 percent,

the Japan Automobile

all regions except the Middle East,"

it said in a statement, although

overseas production for the

January-March quarter was higher

Japanese carmakers have

steadily expanded their offshore

production including in the United

States whose own automakers are

quicker than their US counterparts

to focus on environmentally friendly

cars, which have proved a hit amid

soaring oil costs. The yen's advance

against the dollar has also per-

suaded Japanese firms to build

Japanese companies were

than a year earlier in all regions.

"Local production expanded in

Manufacturers Association said.

The firms produced 10,929,918

These two companies are

year 2005 to the commission.

vehicle output

Enterprise Limited.

surges

group said Monday.

**AFP**, Tokyo

"The achievement in the last fiscal year gives us the confidence. Outstanding performances by some major exporting sectors such as RMG and leather and leather goods also inspire us to set the target." said Mir Shahabuddin Mohammad, vice chairman of EPB.

He said. "The target is not ambitious. The target is based on economic growth and international market trends.

Besides, safeguard measures imposed by the US against Chinese products until 2008 will also help increase Bangladesh's exports, he

To achieve the target, the EPB vice-chairman said, the government should give more priority to ceramic. pharmaceuticals, melamine, light engineering, plastic, agro-based

Roundtable told

A strong syndicate of drug manufac-

turers has been active to make

windfall profits by pushing up the

prices of medicines in absence of

effective mechanisms in the

national drug policy to monitor the

market, experts told a roundtable

They said the syndicate, loyal to

Pharmacy Graduates

the ruling quarter, knocks up the

prices of pharmaceutical items at

their whim affecting the pockets of

Association Bangladesh (PGAB)

and Doctors for Health and

Environment (DHE) jointly organ-

ised the roundtable titled "National

Drug Policy: Present Situation" at

the National Press Club. DHE

President Prof Dr Rashid E Mahbub

purchase one antibiotic pill

(ciprofloxacin group) at Tk 2.5,

retailers charge Tk 8-14 for the

same making a huge difference

between the wholesale and the

retail prices, the speakers

According to them, the market is

swamped with substandard medi-

cines due to relax rules in the coun-

try's drug policy with regard to

permission of manufacturing drug

items that poses a serious hazard to

voiced their grave concern over the

failure of the drug policy to comply

with the objectives set by WHO

The experts at the roundtable

When government hospitals

**UNB**, Dhaka

here yesterday.

the common people.

chaired the roundtable.

observed.

As per the target, export performance in the next three years has to grow 13.20 per cent, 14 per cent and 15.9 per cent

He said, "Bangladeshi exporters have become more aware about the trend of international market. So, it is not impossible to reach the tar-

Besides, investment in the RMG sector increased substantially. which may result in higher export growth in the current fiscal, he added.

"We have the confidence to achieve more in the coming year if the government support to the RMG sector continues," said Fazlul Hag. president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA). According to EPB data, the US

Ineffective mechanism

(World Health Organisation).

National Professor and noted

physician Dr Nurul Islam was the

main speaker at the roundtable.

Former Vice Chancellor of Dhaka

University Prof AK Azad

Chowdhury, Associate Professor of

Pharmacology of Bangabandhu

Sheikh Mujib Medical University

(BSMMU) Dr Saidur Rahman.

Organising Secretary of DHE Fazle

Elahi Milad and ABM Faruk of PGAB

Nurul Islam said the present govern-

ment formulated a new drug policy

in 2005 giving up the provisions of

the 1982 drug policy, prompting the

drug producers to produce low-

market although all of them are the

combination of a few drugs. Due to

availability of various medicines,

doctors often get confused and feel

encouraged to prescribe some

Referring to the 1982 drug policy,

the eminent physician said the drug

policy adopted in 2005 largely

allows the foreign companies to

domestic manufacturers. The local

manufacturers will realise after a

year how much they have to suffer

from the clause of grossly welcom-

ing the foreign companies," he said.

Ministry, Dr Islam said the previous

policies had constituted the drug

control committee with experts

while the new policy formed the

Strongly criticising the Health

"There is no protection for the

unnecessary ones," he said.

"There are huge medicines in the

Speaking on the occasion, Dr

took part in the discussion.

grade medicines.

leads to increase in

medicine prices

remained the single largest destination for Bangladeshi goods fetching around \$3 billion in FY 2005-06. Around 52 per cent of the total earning came from the EU coun-

The EBP vice-chairman said, "We have to diversify our export market to increase earning."

Citing an example, he said Malaysia has 42 trade facilitation offices around the world, which helps the country post tremendous export growth. He said, "Along with our foreign missions we have to launch this type of trade promotional offices to promote Bangladeshi

committee with the manufacturers

"Now the role of the drug control

committee is to protect the interests

mon people's," he said, adding, "the

Health Minister permitted around

350 companies to produce pharma-

ceutical items. I don't know how

much the minister has earned from

the 1982 drug policy makers,

demanded a fresh drug policy with

effective monitoring system to ensure

the quality of medicines along with

provisions for punishment and inclusion

Former DU VC AK Azad

"Drug policy is a tool for prescrib-

Chowdhury underscored the need

for ensuring the purchase and

affordability of medicine items foi

ing appropriate medicines to the

people and the 2005 policy has

completely failed to ensure that," he

Bangladesh produces over 14,000

substances or brands of medicines

every year while its three testing

laboratories have the capacity to

at the market without any test for

lack of infrastructure posing a

serious threat to public health," he

"Over 11,000 brands are arriving

examine only 3,000 brands.

Dr Saidur Rahman said

Dr Islam, who was the chairman of

of the manufacturers, not the com-

excluding the experts.

the permissions."

of experts at all stages

the common people

### New GM of Sonargaon hotel in town

Hidetaka Ishiyama, new general manager (GM) of Pan Pacific Sonargaon hotel, arrived in Dhaka vesterday.

Ishiyama will assume the position of outgoing GM Grant J Gaskin, says a press release.

"Bangladesh has a huge potential in the hospitality sector and as I am acquainted with the current trends and demands of this market. will be able to further enhance the superior brand image of Pan Pacific Sonargaon Dhaka," the release quoted Ishiyama as saying.

The new GM previously held the position of Director of Sales and Marketing of Pan Pacific Sonargaon Dhaka from August 1996 to May 2000. Prior to his new assignment in Dhaka this time, he was the GM of Sari Pan Pacific Jakarta.

### ADB lends \$200m to China for road project

AFP, Manila

China is to get a 200 million-dollar loan from the Asian Development Bank to upgrade a key highway in the northeastern province of Heilongjiang, the Philippines-based lender said Tuesday.

A total of 428 kilometers (265 miles) of the Jixi-Nehe provincial highway would be upgraded, along with 170 kilometers (105 miles) of rural roads feeding the artery of the industrial region, a bank statement

Parts of the highway are mere gravel roads, all in poor condition, it said. Some sections lack drainage and are impassable during winter or wet seasons. Traffic congestion from the poor conditions raises transport costs.

"The project will improve transport efficiency and safety, expand the transport network in Heilongjiang, and improve access to income-generating opportunities and social services," said ADB transport specialist Kwon Eun

The project is ADBs first loan for local roads and non-expressways in China and covers about 38 percent of the project cost. It carries market rates and matures in 25 years, with payments starting on the sixth year.

As of end-2005, ADB had approved 6.37 billion dollars in loans to develop road infrastructure

### ROK trade surplus dips

AFP, Seoul

South Korea's trade surplus plunged 61 percent in July from a year earlier, with exports hit by strikes in the auto industry, official data showed Tuesday.

The 670 million dollar trade came as exports rose 12.4 percent yearon-year to 26.13 billion dollars but imports jumped 18.4 percent to 25.46 billion dollars, the commerce industry said.

"The drop is mainly due to the strike at Hyundai Motor that cost 500 million dollars worth of lost production for the month," said Jung Joon-Suk, the deputy minister for trade and investment policy.

**Development Corporation and New** Kolkata International Development Pvt Ltd Monday and will be implemented in stages over the next 15 vears, he said.

New Kolkata International Development is a company floated

These include the Jakarta-based

Congestions at Ctg Port

# Feeder operators may lift extra surcharge soon

RAFIQ HASAN

Singapore-based feeder operators are likely to withdraw additional surcharge on Chittagong bound container carrying vessels very

"We are considering withdrawal of surcharge if situation improves," said Jamal Uddin Quader Chowdhury, managing director of QC Shipping, one of the major feeder operators.

A delegation of Singapore-based feeder operators is now visiting Bangladesh and they have had fruitful meetings with the Chittagong Port Authority (CPA), government and other stakeholders, according to sources.

The delegation mainly comprised of principal level officials of Mainline Operators (MLOs) and feeder operating companies.

"Our meeting with the CPA was very fruitful and we hope a positive declaration would come out within this month," a member of the delegation told The Daily Star yesterday. The team also called on State Minister for Shipping Mohammad Quamrul Islam who assured them of taking measures for easing congestions at the port.

Jamal Uddin said the feeder operators are ready to withdraw the surcharge but it hinges on the Chittagong Port situation.

"We have placed some conditions before withdrawal of the surcharge and will review the situation after two weeks", he said, pointing it out that the situation was yet to improve enough as long queue of However, the ships no longer

have to wait at the outer anchorage for over six days, whereas such a waiting lingered from 8 to 9 days earlier. The feeder operators have been imposing \$130 per TEUs additional surcharge on all Chittagong bound vessels since June 5 this year as they are claimed to have incurred huge business loss due to long congestions at the port.

Some feeder operators, however, did not impose such surcharge and got priority berthing facilities from the port authority. The delegation also demanded withdrawal of priority berthing facilities.

The CPA assured the feeder operators that the priority berthing facility would be withdrawn and the huge pile-up of imported cargos that caused congestions would be

The imported containers would be sent to the inland container depot (ICD) at Kamlapur in Dhaka for clearing container congestion at the

As many as 48 feeder vessels are now operating between Chittagong and Singapore and other connecting ports. These ships are being operated by five major shipping companies, including QC Shipping, HRC Shipping, Seacon Consortium and OEL.



Energy Adviser and Executive Chairman of Board of Investment Mahmudur Rahman and Chairman, President and CEO of Singer Corporation Stephen H. Goodman jointly inaugurate Singer Cable Plant at Savar in Dhaka yesterday.

# Singer opens cable manufacturing plant

STAR BUSINESS REPORT

Singer Bangladesh yesterday opened a cable manufacturing plant at Savar with a view to substantiating the company's growth and diversifying its product range.

Mahmudur Rahman, energy adviser and Board of Investment (Bol) executive chairman, and Stephen H. Goodman, chairman, president and CEO of Singer Corporation, jointly inaugurated the plant on 2.8 acres of land.

Having modern machinery and sophisticated quality control laboratory, the Tk 20 crore plant, which employs around 200 people, will produce annually 4.8 lakh coils of cable for domestic use. The length of a coil is 91.94 metres.

The Singer Bangladesh has considered the cable plant as a potential investment as the Rural Electrification Board is going to extend its coverage

Singer Bangladesh accounts that the housing sector is growing and over 10 percent overhead cost of the sector would be spent on cables Mahmudur Rahman lauded the

move of Singer saying that the multinational company is considering the country's investment atmosphere safe and conducive and they went for expansion He said the country saw a tre-

mendous growth in the foreign direct investment in the last fiscal and hoped that this growth would continue in the coming years.

Among others, Gavin J. Walker Singer Asia president & CEO Mahbub Jamil, Singer Bangladesh chairman and managing director. also attended the inaugural cere-

### deals before the official opening of the US market. In London, Brent North Sea crude for September delivery won 25 cents to 75.40 dollars per barrel

Oil prices

gain slightly

troubles in the Middle East.

end of this year.

in electronic tradina

World oil prices rose slightly on

Tuesday as the market focused on

Traders meanwhile digested

news out of Nigeria, which showed

that Africa's major oil producer

expects output to be close to three

million barrels per day (bpd) by the

sweet crude for delivery in

September, climbed 26 cents to

74.66 dollars per barrel in electronic

New York's main contract, light

Crude futures had closed up more than a dollar in New York and almost two dollars in London on Monday owing to Israel's war on the Hezbollah militia in Lebanon, in addition to news of increased UN pressure on Iran over its nuclear

programme Traders had weighed up also the mpact of a pipeline leak in Russia, which had threatened a major oil supply route from Russia to Europe.

The leak has since been repaired. "Oil looks vulnerable to sharp upside moves as the Middle Eastern arena slips into further uncertainty,

Bank of Ireland analyst Paul Harris said on Tuesday. "A test of 76 dollars a barrel is on

the cards" before Wednesday, he Concerns that the high level of

tension in the area might harden attitudes in big crude-producing nations in the Middle East caused oi prices to soar to all-time high points above 78 dollars earlier this month.

They have since fallen on profittaking and news last week of slowing economic growth in the United

On Tuesday, Hezbollah guerrillas battled advancing Israeli forces in southern Lebanon, hours after Israel's cabinet gave the army the

green light to widen its three-weekold offensive. In Jerusalem, where Israeli Prime

Minister Ehud Olmert rejected mounting international pressure for a ceasefire Monday, a government official said troops had the authority to push up to 30 kilometres (19 miles) into Lebanon

Syed Manzur Elahi, president of Bangladesh Employers' Federation, presides over the annual general meeting of the federation on Monday.

# Myanmar liberalises border trade procedure with China

slashing jobs.

Myanmar has liberalised some trade procedures dealing with border trade being carried out in Muse trade point with China to facilitate exporters and boost bilateral trade between the two countries, said a commerce official

The newly-introduced trade procedures allow merchants to freely and directly transport some of the items of the exporting goods from across the country to the

of Muse first and export licenses will be issued on the spot after a sale contract is formally established with buvers from the Chinese side. According to the official, such

Myanmar-China border trade point

export licenses-on-arrival of exporting goods are applicable only to beans and pulses, sesame, maize, onion, rubber, marine products and forest products except teak as well.

Previously, traders had to seek export licenses first in Yangon and later in Nay Pyi Taw, the newly-

all items of the exporting goods to be carried to the Muse trade point for The liberalization was made in

relocated administrative capital, for

line with the norms prescribed by the World Trade Organization so as to reduce the hindrance of red tape and smooth the regional flow of commodities, according to the Directorate of Trade under the Commerce Ministry

According to government statis-

tics, daily trade volume in Muse

and 1 million dollars, with 347 million dollars being registered in the fiscal year of 2004-05, 505 million dollars in 2005-06 and 207 million dollars in the first quarter of 2006-07, and it is predicted that the total trade volume in 2006-07 will be higher than the previous year. So far, out of 163 plots reclaimed

ranges between 500,000 US dollars

for the zone, 97 have been sold to merchants in installment, the border trade authorities revealed

According to Chinese official

statistics, China-Myanmar bilateral trade hit 1.209 billion dollars in 2005, up 5.6 percent from 2004. Of the total, China's exports to Myanmar took 935 million dollars, while its imports from Myanmar stood at 274 million dollars

## West Bengal signs \$8.5b deal with Indonesia firm AFP, kolkata

The Marxist government in India's West Bengal state has inked a multibillion dollar deal with a private conglomerate including the Indonesia-based Salim group to develop huge industrial parks, an official said Tuesday. The deal, valued at an estimated

400 billion rupees (8.5 billion dollars), includes a mega chemical industrial estate, expressways, townships, bridges and small and medium scale industries, said Sarit Banerjee, an official from the West Bengal chief minister's office. It was signed between represen-

tatives of the West Bengal Industrial

by Indonesia's 30 billion dollar Salim Group and two collaborators.

Universal Success headed by nonresident Indian Prasoon Mukherjee

The project is expected to start soon with an initial investment of 34

billion rupees (723 million dollars), Banerjee said. Talking to reporters after clinching the deal, West Bengal's reformist chief minister Buddhadeb

Bhattacharjee said private investment was crucial for development. "The people of Bengal are waiting for us to perform. Our government is trying to strike a balance between industry and agriculture to take the state forward."

Bhattacharjee said he was "aware of what the (state) opposition (parties) are saying about the

West Bengal's main opposition Trinamool Congress party has been opposed to the entry of private players into infrastructure development as have some members of Bhattacharjee's own Communist Party of India-Marxist (CPI-M) and other Left parties.