

Star BUSINESS

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PM asks banks to lower lending rate for SMEs

Weeklong SME fair kicks off

BSS, Dhaka

Prime Minister Khaleda Zia yesterday reiterated her call to commercial banks and financial institutions to take special credit programmes and lower the rate of interest as much as possible for the small and medium enterprises (SMEs) besides opening separate window at every branch.

"We must give up those policies or social and economic policies, which do not help our development," she said addressing the inaugural function of the SMEs Fair-2006 at Bangladesh-China Conference Centre in Dhaka.

Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) has organised the third weeklong SME fair. The fair has 82 stalls with different products.

The prime minister formally inaugurated the exhibition by cutting a ribbon and went round various stalls.

Entrepreneurs of Bangladesh are hard-working and innovative, she said. For promotion of women entrepreneurs, she said, 10 per cent of Bangladesh Bank's small entrepreneur fund has been reserved for women.

Khaleda said the immediate goal of her government is poverty alleviation while the main target is attaining self-sufficiency in all sectors.

"To this end, we are pursuing the policy of giving importance to identify potential sectors and help their development and flourishing," she added.

President of the FBCCI Mir Nasir Hossain and Vice Presidents Mohammad Ali and Dewan Sultan Ahmed also addressed the function.

Referring to the challenges of local industries in stiff competition in the free market economy, the prime minister said the country's export base would have to be more efficient to be more competitive in the international market.



Prime Minister Khaleda Zia visits a stall at the SME fair after inauguration at Bangladesh-China Conference Centre in Dhaka yesterday.

For this, she suggested application of improved technology, diversification and improvement of quality of goods and exploration of new markets. The role of the private sector is prime in this regard along with the role of the government as a facilitator, she said.

She said the role of the SME sector is very important in industrialisation and economic development of the country. Therefore, the government is giving special importance to this sector, she added.

She hoped that the fair would play a dynamic role in expanding the market and improving quality of local products. It will also help the foreign investors and importers in getting an idea of Bangladesh goods and enhancing foreign investment.

"Such fair can make far-reaching contribution to flourish the industry and the commerce in the

country," she observed. Stressing the need for a time-befitting policy to accelerate the pace of industrialisation, Khaleda said, the government has given priority to the SME sector in the new industrial policy.

Quoting statistics, she said the country has at present 60 lakh small and medium industrial units employing about three crore people. About 90 per cent of the country's total export earning comes from this sector, she added.

The prime minister said, "SME Development Policy-2005" has been formulated on the basis of the recommendations of the taskforce on SME sector development.

"SME Advisory Panel" has also been formed for implementation of the policy and the panel's recommendations are under consideration of the government, she said, adding that the government has

already formed SME Women Entrepreneurs Forum and taken steps to set up SME Foundation for development of the sector.

The prime minister highlighted some of her government's successes in the industry sector, including attaining more than 10 per cent industrial growth and generation of 17 lakh new employment in the industry sector.

Private investment in first four and a half years of the present government is more than double compared to that of the corresponding period of the previous regime, she said.

The industry and investment-friendly policy of the government, social stability, improved law and order and cooperation between public and private sectors are the reasons behind the successes, she observed.

DSE okays merger of 4 Beximco textile units

STAR BUSINESS REPORT

As Dhaka Stock Exchange (DSE) yesterday approved the amalgamation of four textile units of Beximco Group -- Padma Textile, Beximco Textiles, Beximco Denims and Beximco Knitting -- shares of the companies will be traded under a new title, Bextex, from tomorrow.

The approval of the merger came at a board meeting of the premier bourse in Dhaka.

Earlier in June this year, Beximco merged its four textile units as part of its new growth strategy. In August, Beximco appealed to the DSE for approval of the merger of the four units.

The DSE board meeting also approved the information documents of Power Grid Company of Bangladesh (PGCB) for its listing with the DSE.

Now, the PGCB will have to publish its information documents in at least two widely circulated national dailies at least seven days before the commercial trade on stock exchanges.

"We will announce the date of debut of share trading of PGCB when we receive the printed information documents," said Salahuddin Ahmed Khan, chief executive officer of DSE.

The PGCB will offload 91,08,940 shares with a face value of Tk 100 each to raise about Tk 91.09 crore from country's capital market.

Bangladeshis urged to set up RMGs in Trinidad & Tobago

UNB, Dhaka

High commissioner-designate of Trinidad and Tobago to Bangladesh Pundit Maniedeo Persad has urged Bangladeshi garment manufacturers to set up factories in Trinidad and Tobago and utilise the TDA Act-2000.

He made the call during a meeting with the BGMEA at its office yesterday afternoon. BGMEA Second Vice President M Lutfar Rahman Matin presided over the meeting.

Persad, who is resident in New Delhi, said his country has the right to quota-free export of garments to the US market under the TDA Act-2000. Trinidad and Tobago also has Preferential Trading Agreements (PTAs) with the North American and Latin American countries.

Bangladeshi garment owners might utilise these opportunities, he said.

In response, BGMEA's Lutfar Rahman Matin said the garment industry is a labour-intensive sector whereas Trinidad and Tobago has a population of only 1.3 million.

"So, we have to see how viable it will be to set up industries there by taking labourers from Bangladesh," he said.

Unilever Bangladesh wins award

Unilever Bangladesh Ltd (UBL) has recently been awarded Unilever's prestigious Platinum "Sustained Innovation Performer" Award for the company's outstanding growth through innovation, says a press release.

Sustained Innovation Performers are Unilever companies that have demonstrated an innovation rate of more than 10 per cent over the specified number of quarters and meet the laid down criteria for underlying volume growth.

The Platinum Award is given to outstanding companies that have been able to sustain this track record for 6 years and more.

Out of the 150 businesses operated by Unilever in Bangladesh, UBL has been recognised by Unilever as one of the top six businesses globally that has delivered consistent and sustainable innovation and growth over the period 2000-2005.

UBL through innovations relevant to the Bangladeshi consumers has delivered double digit growth for the last eight successive years.

"Getting this prestigious award is a matter of great pride for the company and the nation," said Sanjiv Mehta, chairman and managing director of UBL.

WTO Brazil meet says yes to resuming Doha round of talks

XINHUA, Rio de Janeiro

Developed nations and developing countries on Sunday agreed to resume Doha round of talks after it stalled in July, but they failed to reach a consensus on a definite date for the negotiations.

The accord came after a dialogue was held here between trade ministers from the G-20 group of developing nations and developed countries, represented by the United States, the European Union (EU) and Japan.

What happened in July was "a serious accident," said the WTO director general Pascal Lamy at a press conference at the close of the G-20 meeting.

But "We have been able to move ahead in Rio de Janeiro," and all the parties at the Rio meeting agreed that negotiations should resume, he added.

"By mid-March of next year we have to know if there is a deal in the making or not," Lamy said, though a definite date for formal negotiations had not been decided at the meeting.

The WTO chief said that the talks would be focusing on the issue of cutting farm subsidies that favour rich nations, and on the other hand, enable the rich nations to gain increased market access in developing countries.

EU trade commissioner Peter

Mandelson said that the EU nations could offer improved customs rates to help resume the Doha round of talks.

However, the EU will only do so if the United States takes the same stance, and if developing countries make greater concessions, on their industrial goods and services markets, said Mandelson, who is on an official visit to Brazil.

"This is a very difficult moment for the negotiations," Mandelson said. "But the commitments we have made are predicated on the idea that others will also make an effort in order to reach the end of negotiations."

Mandelson said that the Rio meeting had given "a very clear yes" to resuming trade talks.

He also called for technical studies on the question of farm subsidies and market access.

The top US trade negotiator Susan Schwab said that the United States "is committed to finding a successful outcome for this round if there is one to be found."

But it needed extra efforts on the part of developed and developing countries alike, added Schwab, cautioning that immediate results were not realistic.

At the Rio meeting, the United States was blamed for the collapse of talks in July by a number of representatives, who believed that little progress is possible before the US

congressional elections in November.

Mandelson underlined the need to restart negotiations before the end of this year after the US legislative elections, which could change the political landscape there.

"We do not know if it will be renewed," he said. "And in 2007, that country will begin to discuss a (planned new) agriculture law. Agreements must be reached before then."

For a deal to be reached, the period between November 2006 and March 2007 is crucial, Mandelson said.

The Sept 9-10 meeting of the G-20 developing nations in Rio marks the first time international trade officials have met since the Doha Round of World Trade Organization talks suspended in July, largely because of developing countries' demands for more shares in the agricultural markets of developed countries and also regarding the latter's subsidies in domestic agriculture.

The G-20 was formed in 2003. With Brazil as one of its leading member nations, the group also consists of Argentina, Bolivia, Chile, China, Cuba, Egypt, The Philippines, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, South Africa, Thailand, Tanzania, Uruguay, Venezuela and Zimbabwe.

CEO of Bank Alfalah due today

Mohammad Saleem Akhtar, CEO of Bank Alfalah Ltd, arrives in Dhaka today on a four-day official visit to Bangladesh, says a press release.

During his stay, he will visit bank's branches in Dhaka and Chittagong. He will also attend several meetings with government officials and members of Bangladesh business community.

Akhtar, who has 35 years of experience in all fields of banking, joined Habib Bank in 1960. In 1997, he joined Bank Alfalah as CEO.

In May 16, 2005 Bank Alfalah started its Bangladesh operations by acquiring Shamil Bank of Bahrain EC Bank. Alfalah is running its operations in Bangladesh with a network of three branches, two in Dhaka and one in Chittagong. Within a short period of time Alfalah is going to open two more branches in Bangladesh, one in Dhanmondi, Dhaka and the other one in Sylhet.

Djuice launches WAP portal

STAR BUSINESS REPORT

Djuice, the youth brand of cellphone operator GrameenPhone (GP), yesterday launched a WAP portal in a bid to providing new services to its subscribers.

Rubaba Dawla Matin, head of marketing of GP, formally inaugurated the WAP (wireless application protocol) portal called 'dDuniya' (<http://wap.djuice.com.bd>) in Dhaka at a press conference.

Ghalib Ahmed Ansari, head of market communications of GP, was also present at the press conference.

DHL 'Customers' Evening' held

STAR BUSINESS REPORT

DHL, a leading express and logistic company in the world, organised 'Customers' Evening' at Bashundhara City shopping mall in the capital on Sunday.

Desmond Quiah, country manager of DHL Express Bangladesh, spoke about the latest enhancement in DHL products and services such as time definite delivery for time sensitive shipments.

DHL Bangladesh, established in 1979, operates 17 service and express centres in the country.

DHL's international network links more than 220 countries and territories worldwide and involves 2,85,000 employees.



New technical adviser to CRAB

Anwaruddin Chowdhury has joined the Credit Rating Agency of Bangladesh (CRAB) Ltd as its technical adviser, says a press release.

A former president and currently a council member of the Institute of Chartered Accountants of Bangladesh (ICAB), he also served as a technical adviser to the International Federation of Accountants Board and as executive secretary of the South Asian Federation of Accountants.

Pizza Hut celebrates first yr in Ctg today

STAFF CORRESPONDENT, Ctg

Pizza Hut, the world's largest pizza chain, celebrates its first anniversary in the port city today.

Pizza Hut authorities will organise a reception at the Chittagong outlet today to mark the anniversary.

Transcom Group's Transcom Foods Limited, the franchisee of Pizza Hut, opened Chittagong outlet on CDA Avenue on September 12 last year. This is the second Pizza Hut outlet in the country after Dhaka.

7cr people live under poverty line

NGOs blame WB, IMF prescriptions

STAR BUSINESS REPORT

Speakers at a seminar in Dhaka yesterday observed that the country's poverty ratio increased in the last few years due to adoption of the World Bank and IMF prescriptions.

They said in 1972, about 5 crore people were used to live under poverty line. But the figure rose to 7 crore in the year 2005, which resulted from adopting various suggestions made by these two international lending agencies, though aids from them increased by 63 percent during the same time.

The observation came at a seminar on 'Interest of World Bank and International Monetary Fund: Policy Making, Condition and Sovereignty' organised by the Alliance for Economic Justice (AEJ), a platform of 36 organisations, including Campaign for Good Governance, at National Press Club.

The seminar, chaired by Hoque

Mukta, director research and advocacy of Karmojibi Nari, was held prior to the 50th summit of WB and IMF, due in Singapore on September 14 to 20. Jakir Hossain and Rashed Al Titumir of Unnayan Onneshan were also present at the seminar.

"The government has failed to monitor the domestic market by following WB and IMF prescriptions. As a result, poor people suffer more due to sky rocketing prices of commodities," said Mousumi Biswas of the Campaign for Good Governance.

She said, "By adopting WB and IMF prescriptions, about 2 crore people fall under poverty line during the last few years."

Abdullah Al Mamun of Karmojibi Nari said, "As the national budget and other economic policies are usually formulated by following the WB and IMF suggestions, the ratio of poverty alleviation has come

down".

Although the country's GDP has raised 5 percent in the last 15 years, poverty reduced only to 1 percent, said Monwar Mostafa of Unnayan Onneshan.

He said, "If we continuously follow the donors' prescriptions instead of our own homegrown policy, it would not be possible to remove poverty from the country."

Meanwhile, in protest against the intervention of WB and IMF, the AEJ has adopted some draft proposals, which would be publicised through a number of programmes. These programmes include seminars, submitting memoranda to deputy commissioners of 46 districts, law-makers and finance minister, holding rally and forming human chain on September 16 in 46 districts, participating at Singapore summit and creating awareness through holding meeting there.

INDIA-BRAZIL-SOUTH AFRICA SUMMIT

Trilateral trade potential to be unleashed

XINHUA, Johannesburg

The top leaders of India, Brazil and South Africa will meet in Brazil's capital of Brasilia this week with aims to forge closer ties and coordination between the three major developing countries on global issues.

South African President Thabo Mbeki will lead a senior delegation to the inaugural India-Brazil-South Africa (IBSA) Dialogue Forum's

heads of state and government summit in Brasilia on September 13, the South African Foreign Ministry spokesman Ronnie Mamoepa said in a statement on Sunday.

Mbeki will be joined by Brazilian President Lula da Silva and Indian Prime Minister Manmohan Singh at the summit, Mamoepa said.

This will be the first ever summit of India, Brazil and South Africa with huge potential in trilateral trade

agreements to unleash, commented the South African Broadcasting Corporation.

As emerging economic giants in the developing world, India, Brazil and South Africa account for a combined gross domestic product (GDP) of over one trillion US dollars and "it seems set to push the number in an unexploited trilateral market," said the national broadcaster.



Rubaba Dawla Matin, head of marketing of GrameenPhone, speaks at the inauguration of WAP (wireless application protocol) portal of djuice in Dhaka yesterday.

Karnaphuli EPZ goes into operation today

STAFF CORRESPONDENT, Ctg

The Karnaphuli Export Processing Zone here in Chittagong, the eighth export processing zone in the country, goes into formal operation today.

The EPZ on the site of now closed Chittagong Steel Mills Ltd at North Patenga targets an annual export of \$750 million.

The latest EPZ will create employment opportunities for over 52,000 Bangladeshi nationals after the completion of the zone by 2009.

Prime Minister Khaleda Zia is scheduled to inaugurate the EPZ, where a total of 211 industrial plots will be developed on 222.43 acres of land in two phases at a cost of Tk 84 crore.

The implementation of the project's first phase on 74 acres of land at a cost of Tk 34 crore is going on in full swing.

So far 100 plots have been developed and 24 of them have already been allotted to set up seven industrial units, Brig Gen Ashraf Abdullah Yussuf, executive chairman of Bangladesh Export Processing Zones Authority (Bepza), told a press briefing here yesterday.

The Bepza chief said investors have proposed to invest some \$45.84 million, of them \$38.23 is foreign direct investment (FDI), in the seven units, which will create around 9,000 jobs for Bangladeshi nationals.



Centre for Tax Training & Research (CTTR) conducted an 'Executive Course on VAT' recently in Dhaka. Helaluddin, president of Customs, Excise & VAT Appellate Tribunal, Md Shahjad Hossain, director of the CTTR, and Alauddin Chowdhury, chief executive officer, were present at the concluding session of the training programme.