

Star BUSINESS

E-mail: business@thedailystar.net

ROK set for more tough trade talks with US

AFP, Seoul

South Korean negotiators -- along with thousands of police and protesters -- are readying for another tough round of free trade talks with the United States after the first three sessions made relatively little headway.

The fourth round of five-day talks gets under way Monday on the southern holiday island of Jeju amid tight security.

Officials say a free trade agreement (FTA) will help Asia's fourth largest economy boost exports and upgrade its industrial structure.

But defiant farmers, unions and activists vow to stage daily protests against any market-opening measures that could endanger Korean jobs.

Finance Minister Kwon O-Kyu called Friday for an early agreement to lessen the economic impact of North Korea's nuclear test.

"A free trade agreement can lead to improvements in production, but it has taken on more importance because it could act as an effective counterbalance to uncertainties deriving from the North Korean nuclear issue," he said.

Kwon has warned that the government may have to cut its growth target for next year, partly due to the test which sparked worldwide shock.

New president of Gaibandha Chamber



OUR CORRESPONDENT, Gaibandha

Shahjada Anowerul Kadir has been elected president of Gaibandha Chamber of Commerce and Industry as the 19-member executive committee of the chamber was formed on Saturday.

Three separate panels contested the election, which remained suspended for the last seven years.

Ensure 2pc lending rate for Rabi crop farmers

BB asks NCBs

STAR BUSINESS REPORT

Government has issued a new policy guideline to provide loans for farmers at a low interest rate in order to facilitate more cultivation of Rabi crops--lentil, oil seed, spices and maize--across the country.

The Bangladesh Bank (BB) in a recent circular instructed the nationalised commercial banks (NCBs), including two specialised banks--Bangladesh Krishi Bank and Rajshahi Krishi Unnayan Bank, to disburse farm loans among the farmers at 2 percent rate. There are also explanations in the circular on the ways and means of recovery and repayment of such loans and on how to cope with the financial losses resulted from such low lending rate.

The BB also asked the banks for preparing an annual disbursement target of the loan at the onset of the

year besides ensuring monitoring of the loan after its disbursement.

In case of ceiling of loan for each farmer, the banks should follow the existing agricultural loan policy, the BB circular suggested, adding that the recipient's capability of repayment and tenure of receiving and processing application are some of the determinants for sanctioning loans.

According to the policy guideline, the listed banks will have to write to the finance ministry within a month after expiry of the financial year for adjustment of the losses they may face due to subsidised credit.

The guideline, however, warned against turning any loan fully or partially defaulted, affirming that such defaulted loan would not be entitled to low interest rate facility.

The banks have been given directives to submit detail particu-

lars, including number of loanees and amount of loans and the time of approval, to the central bank for its perusal.

As per the directives, these particulars should name the crops for which the credit sanctioned, addresses of the loanees and the quantity of the lands to be brought under cultivation so that the central bank can assess the merits of the loans before reimbursement of losses.

Besides, the specific branches of the banks should send particulars to the loan monitoring cells at the head offices of the respective banks.

The banks themselves should also initiate necessary monitoring to ensure reaching out the loans sanctioned to the bonafide farmers.

RMG makers sign strategic deal with China counterparts

UNB, Shanghai

BGMEA has signed a strategic cooperation agreement with Shanghai Garment Machinery Zone (SGMZ) as Bangladesh's main export industry is going to graduate to the top class in world apparel business.

Under the deal, SGMZ will train up garment machinery repair and maintenance technicians of Bangladesh to arm them with higher skills of operation.

"Our technicians are not trained up. They have achieved some knowledge in trial-and-error method," BGMEA President SM Fazlul Hoque told the news agency yesterday in this business boomtown of China.

"The agreement will benefit the RMG industry of Bangladesh significantly," said the top leader of Bangladesh Garment Manufacturers and Exporters Association, who is leading a delegation to know the latest Chinese know-how in this sector.

Hoque and his counterpart SGMZ

General Manager Wang Jian inked the agreement on behalf of their respective sides Saturday night.

The agreement was a follow-up to a strategic cooperation proposal mooted during the Asian Apparel Roundtable Conference early this year when the two sides had expressed interest in cooperating with and supporting each other for a shared business success.

"Both parties are willing to, in the long term, act as strategic business partners, carefully observe the development of global clothing industry and garment machinery industry, wholeheartedly share and exchange industry information," reads the agreement.

Under the agreement, the two sides would later undertake detailed and specific programmes, plans and investments to ensure development of both countries' industry.

The authorities of the SGMZ were now developing the special industrial zone with a concept of making it a "Global Clothing Industry Purchasing Embassy".

Sonargaon hotel offers Eid packages

Pan Pacific Sonargaon hotel has offered special packages for Eid-ul-Fitr, says a press release.

The five-star hotel offers overnight accommodation and breakfast for two at a special discounted rate of \$100, which is fully inclusive of service charge and VAT.

The hotel is also offering hand made ice creams, which will be available during the Eid break.

Besides, Chatpoti, the traditional Bangladeshi snack, will be available in Lobby Lounge and Café Bazar.

Thais reap windfall in rice trade

ANN/ THE NATION

The global rice trade was stunned last July when US shipments bound for the European Union were found to contain genetically engineered (GE) rice.

Thailand, as the world's leading rice-exporter, has reaped a windfall as orders for non-GE rice have kept rising in past months.

Sixteen European countries and Japan have effectively banned all imports of GE rice.

The Thai government has adhered to its non-GE rice policy.

Morrakot Tanticharoen, director of the National Centre for Genetic Engineering and Biotechnology (Biotec), told The Nation recently that GE rice was not an option today, though it might be in the distant future.

Science and Technology Minister Yongyuth Yuthavong said rice was a very big and sensitive issue.

"Policywise we ought to move very carefully. Yet, we shouldn't close all doors to scientific development," he said. According to environmental group Greenpeace, Ebro Puleva, Europe's largest food-processing company, has suspended rice imports from the US following the July GE rice scandal.

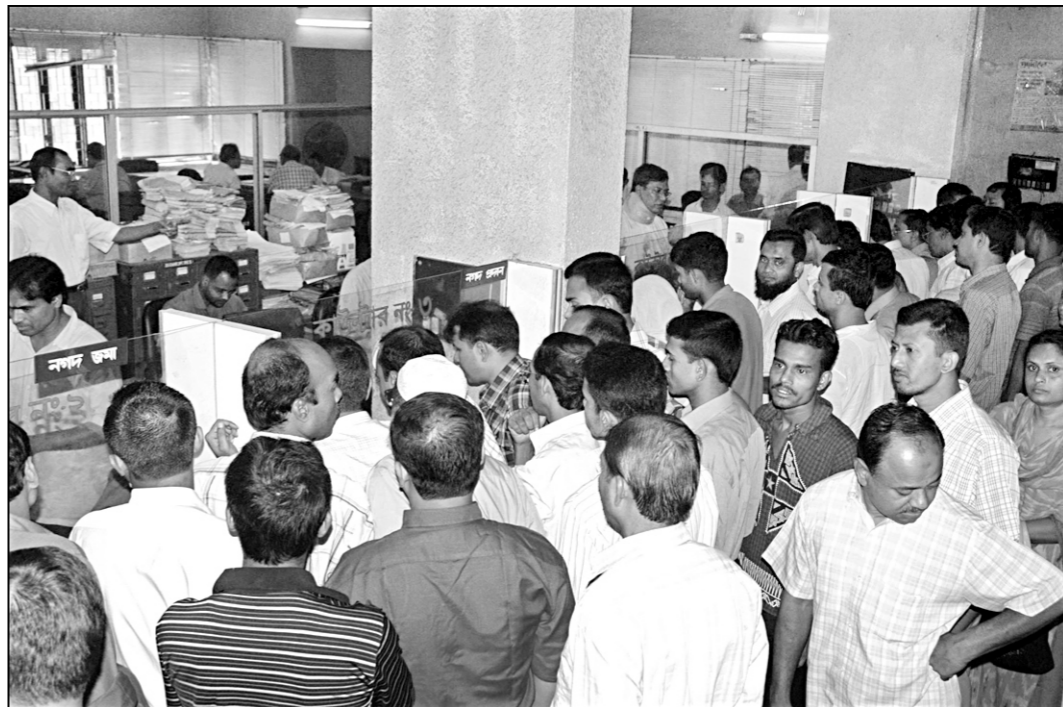
The US Agriculture Department has announced that rice shipments of one exporting company, Riceland Food Inc, were found to have carried a GE rice strain called Liberty Link (LL) 601.

The strain should have been restricted to laboratories and trial fields, according to the department. LL 601 is said to have been developed by Bayer Crop Science, a unit of German chemical giant Bayer. It is designed to resist some agricultural chemicals but has not yet been approved for commercial planting or consumption.

According to Greenpeace International, GE rice traces were originally discovered last January involving several of Riceland's suppliers.

Afterwards, Riceland traced back the sources of the rice to four US states, Arkansas, Missouri, Louisiana and Texas.

At least four US farmers have sued Bayer for the infiltration of GE rice, demanding billions of dollars in damages. The case is pending in court.



Clients crowd cash counters at the Agrani Bank branch at National Press Club in Dhaka yesterday ahead of Eid-ul-Fitr holiday.

OVERCHARGING JOB SEEKERS

Suspend Baira EC, appoint administrator

Commerce ministry urged

STAR BUSINESS REPORT

The Expatriates Welfare and Overseas Employment Ministry yesterday asked the Commerce Ministry to suspend the executive committee of Baira accusing it of overcharging the aspirant migrant workers and renting an office in Kuala Lumpur without government permission.

The ministry also recommended for appointment of an administrator to continue smoothly the overseas employment so long the committee of Bangladesh Association of International Recruiting Agencies (Baira) remains suspended.

The ministry also sent a letter to the prime minister seeking her permission to constitute a high-powered committee to probe how the association rented an office in Kuala Lumpur and overcharged the overseas job seekers.

The government seems to take the stern action against Baira at a time when the first batch of the workers were scheduled to fly for Malaysia at 1:20 last night after the Southeast Asian country withdrew a decade-long ban in late July on hiring workers from Bangladesh.

A letter signed by Ashfaque Hamid, secretary of the expatriates' ministry, also requested the PMO to endorse formation of the committee with Joint Secretary of Home Ministry Mohammad Mohsin as its head and representation by expatriates' ministry, foreign ministry, Bureau of Manpower, Employment and Training (BMET) and Baira.

Both the letters said that the ministry has both the intelligence and media reports that Baira has been overcharging the workers who applied for migration to Malaysia. It

also allegedly rented an office in Kuala Lumpur without the permission of the government.

"This has delayed the migration process of the workers to Malaysia and deteriorated the diplomatic relations between the two nations," the letter to the PM said.

It also expressed its willingness that the probe body would look into how the migration process was delayed, migration cost increased and Baira rented the office in Kuala Lumpur and submit the report in 30 days after formation of the committee.

Earlier on October 18, the ministry served a show cause notice on Baira asking it to explain how it has rented an office in Kuala Lumpur without having any official approval, but the association had not responded to it.

State Minister for Expatriates Welfare and Overseas Employment Lutfur Rahman Khan Azad at a meeting on October 16 had also warned Baira leaders against overcharging the overseas job seekers.

"In such a situation, the government will ultimately be compelled to reach deals exclusively at government levels in order to manage workers' migration to Malaysia," he said.

After withdrawal of the ban, Malaysia entrusted Baira with managing the migration issue and asked it to open an office in Kuala Lumpur.

Baira President MAH Salim then opened an office with 10 per cent share held by Baira and the rest by three Malaysians. The state minister also went to Malaysia last month and inaugurated the computer system in the office.

Meanwhile, there are allegations that Baira is charging at least Ringgit 18,000 or Tk 36,000 more than the fixed rate, raising the migration cost to Tk 1.2 to 2 lakh. Some ministers also allegedly demanded a share of the extra money.

As Malaysia imposed a temporary ban on October 4 on hiring manpower from Bangladesh alleging that none of the 22,000 workers, who were given job approval and whose migration was scheduled to begin in August, entered Malaysia by October 3, Malaysia also warned the outsourcing companies and employers in Malaysia that it would not approve job demand letters if they fail to take the approved workers by October 20.

Baira, however, said the delay was caused by intervention both by the ministry and the country's high commission in Malaysia. It also said though Malaysia blamed it for the delay, Kuala Lumpur did not issue any calling visa until October 4.

When asked about Baira office in Kuala Lumpur, its secretary general Ali Haider Chowdhury earlier said the trade body's rules clearly allow it to open liaison office in any country for promotional activities.

He also wondered why the state minister did not raise this question when he himself inaugurated the computer system in Baira's Kuala Lumpur office a month ago.

Fears mount for war-plagued Lanka's tourism

AFP, Galle, Sri Lanka

Holidaymakers on the beaches around Sri Lanka's southern port of Galle seemed unconcerned about last week's Tamil Tiger suicide attack here, but industry professionals are shaking their heads.

One day after five Tiger rebel boats tried to shoot their way into a key naval base in Galle, carefree foreigners frolicked in resort swimming pools or sunbathed on the area's pristine white sands.

"We've had British, American guests who said this was just a small terror attack compared to the ones their countries have suffered," said one hotel manager, adding he had only 20 cancellations, all by Sri Lankans from Colombo.

While the deadly attack on Galle, the first in Sri Lanka's tourist south in almost a decade, had little immediate impact, the tourism industry fears the cumulative effect of continued violence as the high season kicks into gear.

"It was not much of a military strike, but it did send a ripple through the tour industry," said one hotelier, who said three decades of separatist conflict in Sri Lanka had arrived "on our doorstep".

"All the hotels are greatly concerned. After a year of tsunami and another quiet year because of the situation (in the north), we were all hoping for a good year," said the woman, who asked not to be named.

In the wake of the attack on Galle, which came during a week of deadly suicide bombings and other violence that killed hundreds, Sri Lanka lowered its estimated tourist arrivals this year by 20 percent to just over 500,000.

"Tourism will definitely be affected after these two attacks, as they were outside of the north and east," said Seenivasagam Kalaiselvam, director general of Sri Lanka's tourist board, citing the Galle attack and the country's worst-ever suicide bombing Monday that killed at least 115 people.

New executive director of BB



Muhammad Abdul Matin has been promoted to the post of executive director of Bangladesh Bank, says a press release.

Matin will look after the Human Resources Division and Central Bank Training Project Cell.

Prior to his new assignment, he was the general manager of Bangladesh Bank's Motijheel office.

Three HSBC clients to enjoy golf tournament in China

The Hongkong and Shanghai Banking Corporation (HSBC) Ltd in Bangladesh recently announced the names of three lucky Bangladeshi 'Premier' customers who will enjoy hospitality in Shanghai and watch HSBC Champions Golf Tournament scheduled from November 9-12, 2006.

The three from Bangladesh are among the 100 winners globally, who will receive roundtrip air tickets for couples to China, two nights five-star accommodation in Shanghai and airport transfers to and from Shanghai airport during the tournament in China, says a press release.

As part of its global initiative, HSBC launched a campaign in Bangladesh under which customers who opened Premier accounts with the bank during August 2006 were eligible to participate in a raffle draw.

Mamoon M Shah, head of Personal Financial Services of HSBC Bangladesh, announced the names of the three winners of the raffle draw at a function in Dhaka where Shafquat Hossain, deputy head of Personal Financial Services, and Mustafizur R Khan, head of Marketing and Public Relations of HSBC Bangladesh, were also present.



Mamoon M Shah, head of Personal Financial Services of HSBC Bangladesh, hands over official letter to one of the three 'Premier' customers of the bank who won a raffle draw to enjoy hospitality in Shanghai and watch HSBC Champions Golf Tournament scheduled from November 9-12, 2006 in China. Other senior officials of the bank were also present at the award giving ceremony held recently in Dhaka.