

Star BUSINESS

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TOURISM SECTOR IN 5 YEARS

Infrastructure lying neglected for fund constraints

KAWSAR KHAN

Country's tourism sector witnessed a little infrastructure development in the last five years due mainly to government indifference, fading out the foreign tourists' attraction here, according to the industry insiders.

Although the budgetary allocation for developing this sector has been raised this fiscal to Tk 10 crore from Tk 1 crore in FY 2003-04, it is yet considered to be negligible, they said.

Despite taking up a number of projects for this thrust sector at several times, most of the projects were finally abandoned.

In 2002, the then prime minister, Khaleda Zia, had declared to build up three special tourists zones (STZs) in Kuakata, Cox's Bazar and Sundarbans, but no fund was earmarked in the budget for the STZs.

"Merely reaching ambitious decisions to promote tourism without translating those into action has turned out to be theoretical rhetoric," an official of Bangladesh Parjatan Corporation (BPC), the sole government body for promoting domestic

tourism, said.

A national tourism policy was formulated in 1992 prioritising tourism as an industry, but any initiative is yet to be taken in accordance with such a policy, lamented the corporation official.

Besides, the National Tourism Council (NTC) headed by the head of government had not been able to hold any meeting after 2000.

The NTC in 2000 constituted a three-member task force to put recommendations for developing the sector. It put forward some short term, medium term and long term recommendations, but unfortunately none of them was activated for implementation till date.

In the recently-formulated industrial policy, tourism was given an status of thrust sector, though no tax holiday or such facilities were offered to the sector like other thrust sectors.

Sources in the BPC said financial constraint is the main obstacle to developing tourism facilities in the country. The corporation has plans to build up tourism bases, hotels, motels and other facilities, but it

could not go ahead with its plans as no fund has yet been earmarked for the purpose.

The BPC plans include an amusement park at Sylhet, motel, youth inn and tourism huts at Kuakata, motel at Satkhira, tourist complex at Moulvibazar, ethnic village at Gazipur and tourist centres at six different places.

A BPC official said since its inception in 1973, only Tk 83 crore was invested for infrastructure development of the sector.

He further said the government has allocated Tk 10 crore this year against their requirement of at least Tk 100 crore.

"The government fund to develop the tourism base is not adequate," admitted Civil Aviation and Tourism Secretary M Shahid Alam while talking to The Daily Star, adding that the sector is showing a natural growth as domestic tourism advances, but the foreign tourists are now less visiting this country. They do not want five-star hotels, rather they want quality cottages which are scarce now.

He identified poor infrastructure

and backdated information in websites relating to tourism as the two factors responsible for the present situation in the tourism sector.

The BPC statistics shows that in 2005 calendar year the arrival of foreigners in the country declined by 23.45 percent. In 2005, 207662 visitors came in Bangladesh while in 2004 the number stood at 271270.

Of the total visitors, only 32.78 percent came for tour purpose while the rest came for different other reasons, including business.

Though the rate of tourists' arrival declined in terms of number, foreign exchange earning through tourism increased by 13.27 percent accumulating US \$ 70.01 million in 2005.

In 2004, \$66.82 million was earned through the sector.

The BPC 29 hotel and motels having 1186 beds housed 74,764 visitors, of whom 6579 were foreigners and the rest local visitors.

Kolkata to legalise hawkers soon

ANN/ THE STATESMAN

Municipal Corporation yesterday moved another step towards legalising hawking, promising hawkers that they will soon be issued professional identity cards of their own.

Mayor Bikash Ranjan Bhattacharya yesterday said: "If the hawkers strictly follow guidelines that has been chalked out following a meeting between civic officials and hawker unions, they will be issued I-cards in the next six months."

Shaktiman Chakraborty, general secretary, Hawker Sangram Committee, was elated after receiving the mayor's nod on identity cards. He had earlier said that the hawkers are ready to pay tax to the KMC if trade licenses are issued to them.

The KMC has already demarcated hawking zones on the pavements. But most hawkers hardly bother to adhere to the lines drawn on the footpath by the municipality. The KMC intends to restrict hawking to one-third of the footpath's width. However, their concept is violated everywhere, particularly on pavements of busy areas like Gariahat, Hatibagan, Kalighat, Bhowanipur and Shyambazar.

West must prepare for Sino-Indo dominance

Says former WB chief

AFP, Sydney

Western nations must prepare for a future dominated by China and India, whose rapid economic rise will soon fundamentally alter the balance of power, former World Bank chief James Wolfensohn has warned.

Wealthy countries were failing to understand the impact of the inevitable growth of the two Asian powerhouses, Wolfensohn said in the 2006 Wallace Wurth Memorial Lecture at the University of New South Wales at the weekend.

"It's a world that is going to be in the hands of these countries which we now call developing," said Australian-born Wolfensohn, who held the top job at the global development bank for a decade until last year.

Rich nations needed to try to capitalise on the inevitable emergence of what would become the engine of the world's economic activity before it was too late, he said.

"Most people in the rich countries don't really look at what's happening in these large developing countries," said Wolfensohn, who is now chairman of Citigroup International Advisory Board and his own investment and advisory firm.

Within 25 years, the combined gross domestic products of China and India would exceed those of the Group of Seven wealthy nations, he said.

"This is not a trivial advance, this is a monumental advance,"

Wolfensohn said that somewhere between 2030 and 2040, China would become the largest economy in the world, leaving the United States behind.

By 2050, China's current two trillion US dollar GDP was set to balloon to 48.6 trillion, while that of India, whose economy weighs in at under a trillion dollars, would hit 27 trillion, he said, citing projections by investment bank Goldman Sachs.

In comparison, the US's 13 trillion dollar income would expand

to only 37 trillion -- 10 trillion behind China.

"You will have in the growth of these countries a 22 times growth between now and the year 2050 and the current rich countries will grow maybe 2.5 times."

In light of these forecasts, it was clear that Western nations and Australia were not investing enough in educating the next generation to be able to take advantage of the coming realignment, he said.

"The fact that not enough of our young people are preparing themselves with knowledge, experience, residence and language to deal certainly with China, although India has the benefit of an English language, it does seem to me that it presents a formidable challenge."

Wolfensohn pointed to both China's and India's recent substantial investments in Africa as an example of how the two emerging giants were exercising their increasing clout on the global stage.



PHOTO: BANK ASIA

M Syeduzzaman, chairman of Bank Asia Ltd, inaugurates the bank's relocated Gulshan branch at Bay's Galleria on 57 Gulshan Avenue in Dhaka yesterday. Md Shafiuddin Chowdhury, M Shamsul Alam and Faisal Samad, directors, and Syed Anisul Huq, president and managing director of the bank, are also seen while Khorshed Alam, a former governor of Bangladesh Bank, among others, was present.

ROK begins slaughtering poultry to stop bird flu virus spread

AP, Seoul

South Korean quarantine officials on Sunday began slaughtering more than 200,000 poultry after an outbreak of the deadly H5N1 strain of bird flu at a chicken farm, the agriculture ministry said.

A total 236,000 poultry within a 500-meter (1,650-foot) radius of the outbreak site in Iksan, about 250 kilometers (155 miles) south of Seoul, will be slaughtered to keep the virus from spreading, ministry

official Kim Chang-sup said.

The outbreak occurred last week, resulting in the deaths of 6,700 infected chickens. Another 6,300 were culled.

South Korea killed 5.3 million birds during the last known outbreak of bird flu in 2003.

The H5N1 virus began ravaging Asian poultry stocks in late 2003 and has killed at least 153 people worldwide.

So far, the disease remains hard for people to catch, and most

human cases have been traced to contact with infected birds. But experts fear it will mutate into a form that is easily spread among people, possibly creating a pandemic that could kill millions.

Also last week, a low-grade strain of bird flu killed 200 chickens in a separate outbreak south of Seoul. The Agriculture Ministry said it was not the H5N1 strain, which unlike most bird flu viruses is harmful to humans.

Vietnam's seafood exports up 25pc

ANN/ VIETNAM NEWS

Seafood exports so far this year hit US\$3.08 billion, an increase of 25 per cent over the same period in 2005, according to the Ministry of Fisheries earlier this week.

The November figure is above the Government's \$3 billion annual target. The ministry attributes the stronger-than-expected growth in exports to high prices for seafood in the world market.

The price of shrimp has averaged around VND125,000-165,000 this month, depending on the product and species variety, while tra and basa catfish has reached VND14,500-15,300 per kilo, up 5 per cent compared to last week.

Shrimp prices are expected to continue rising due to recovering export to the US and Japan, and to surging demand in the domestic market during the wedding season from September to December and the Lunar New Year in February.

Ctg Pizza Hut receives 'Club Millennium' award

STAFF CORRESPONDENT, Ctg

Pizza Hut Chittagong has recently received prestigious 'Club Millennium' award from the Yum! Restaurants International (YRI) of USA, the franchiser of Pizza Hut, KFC, Taco Bell, Long John Silver and A&W brands.

"This award is given for consistently giving excellent services to customers in terms of cleanliness, hospitality, accuracy, maintenance and speed," an official of Pizza Hut said.

In a function yesterday Area Coach of Transcom Foods Limited Amit Dev Thapa handed over the award to MH Khan Emon, unit manager of Pizza Hut Chittagong.

A third party auditor appointed by Yum! Restaurants International audited the restaurant in guise of a customer on a regular basis.

Transcom Group's Transcom Foods Limited, the franchisee of Pizza Hut, opened the Chittagong outlet on CDA Avenue on September 12, 2005. This is the second Pizza Hut outlet in the country after Dhaka.

Corrigendum

A report titled 'UK investment to triple by '07 if Dhaka overcomes hurdles' published on this page on November 24 said the UK Minister Ian McCartney assured that a £6 billion British grant would be provided to Bangladesh.

In fact, the British minister said, "UK investments will reach £6 billion over the next 10 years." We regret the error.



PHOTO: STAR

MH Khan Emon, unit manager of Pizza Hut Chittagong, receives 'Club Millennium' award from Area Coach of Transcom Foods Limited Amit Dev Thapa yesterday in Chittagong.

Asian currencies rise against dollar

AFP, Hong Kong

Asian currencies rose against the dollar, which slid worldwide over concerns about the prospects for US economic growth.

JAPANESE YEN: The yen rose over the week in thin holiday trading, buoyed by speculation about possible rate hikes while concern about US growth prospects hit the greenback.

The yen jumped to 116.37 to the dollar on Friday, rising sharply from 118.38 a week earlier.

The yen's recent gains against the dollar were "largely driven by hedge funds looking to square up short yen positions ahead of the US holiday," wrote John Kyriakopoulos, a currency strategist at National

Australia Bank.

Dealers were scratching around for fresh leads following Thanksgiving Day in the US and Japan's Labour Thanksgiving holiday.

Japanese interest rates were also likely to rise, analysts said.

The yen was also firmer against the euro following comments from Luxembourg Finance Minister and Eurogroup spokesman Jean-Claude Juncker that the currency's fall in the last few months had run too far.

CHINESE YUAN: The yuan closed at a fresh closing high of 7.8506 to the dollar Friday on the exchange-traded market, compared with Thursday's close of 7.8605, and a closing price of

7.8700 to the dollar the week before.

On the over-the-counter (OTC) market, the yuan also hit a new high of 7.8525, compared with 7.8620 on Thursday.

The currency traded between 7.8569-7.8520 on the OTC market, and between 7.8552-7.8506 on the exchange-traded market, according to a Shanghai-based dealer.

The central bank set the yuan central parity rate at a record of 7.8526 to the dollar, compared with the midpoint of 7.8596 set on Thursday.

The People's Bank of China allows a trading band of 0.3 pct on either side of the midpoint.

HONG KONG DOLLAR: The US-pegged Hong Kong dollar ended the week at 7.786,

unchanged from the previous week.

INDONESIAN RUPIAH: The rupiah ended the week slightly stronger at 9,140-9,145 to the dollar compared to the previous week's close of 9,160-9,165.

PHILIPPINE PESO: The Philippine peso rose to 49.71 to the dollar on Friday from 49.96 on November 17.

SINGAPORE DOLLAR: The dollar was at 1.5574 Singapore dollars on Friday from 1.5616 the previous week.

SOUTH KOREAN WON: The won closed at 932.60 won per dollar, compared with 938.90 won a week earlier, reflecting the weakness of the greenback amid doubts about US economic prospects.