

Ceramicware producers find a tough rival in China

By Monjur Mahmud

The country's ceramicware face an uphill task to compete with the super-cheap Chinese products.

Taking advantage of the tariff liberalisation, cheap Chinese ceramicware have flooded Bangladesh in the last couple of years. The Chinese along with Thais, Indonesians and South Koreans, boosted by their currency devaluation and the availability of indigenous raw materials, are now ruling the lucrative international markets.

As a result, Bangladeshi's earnings from ceramicware exports are also on a falling curve forcing exporters to remould their strategies.

Although Bangladeshi ceramic products are exported to the European Union, and the USA, the Export Promotion Bureau (EPB) figures show how stiff international competition has already upset the apple cart.

The sector fetched US \$ 11.32 million in the 1995-96 fiscal and export earnings increased to US \$ 14.21 million in 1996-97. But it tumbled down to US \$ 10.8 million in the last fiscal year.

The local ceramic product manufacturers reported that their sales were declining in the local and international markets.

"We are losing the battle because of the price factor. We import raw materials from those countries who are also our competitors in both these markets. Since we shoulder the carrying costs and high import duties, the raw materials become quite costly for us," said a high official of a leading ceramicware manufacturing company.

Local companies also complain that the traders here are importing Chinese products by under-invoicing, causing a significant price gap between the products of these two countries.

At present, local ceramicware manufacturers pay 7.5 to 25 per cent duty on imports of various raw materials in addition to a 15 per cent VAT, three per cent advance income tax and five per cent other charges.

In comparison, the importers pay 40 per cent duty

along with 23 per cent fringe taxes including VAT.

"But the main problem is that importers are under-invoicing their products. There should be an anti-dumping law and a fixed tariff value should be introduced on ceramicware imports to save the emerging sector," said Helal Uddin Ahmed, Deputy Managing Director of Standard Ceramic Industries Ltd.

The price of China clay, the main raw material for ceramicware, is about Tk 5,000 per ton in India and in some other countries. But when we import it, our cost goes up as high as Tk 11,000 a tonne after adding all taxes, duties and transport fares," said Rashed Mowdud Khan, Member Secretary of Bangladesh Ceramicware Manufacturers' Association (BCWMA).

BCWMA appealed to the government for reduction of import duties on raw materials to a fixed 7.5 per cent instead of the present rates varying between 15 and 25 per cent. This, as the association views, would make them stay competitive.

The government will lose some revenues by reducing the duties, but its earnings from VAT will increase because our sales would prop up," a BCWMA official said.

Explaining the reasons for the slide in ceramicware exports, EPB Director AKM Nizamul Alam, who looks after the sector, said that the country's ceramic exporters were facing tough competition from China and other Southeast Asian countries as they have heavily devalued their currencies following the economic meltdown making their products quite cheap.

He said that as part of their marketing drive, the local exporters should aim at reducing their overhead costs and should take necessary steps to tap new markets like Japan and Australia.

Japan External Trade Organisation (JETRO) in collaboration with EPB and the private sector entrepreneurs are now chalking out a plan to win the Japanese market. Nizam told The Daily Star.



A BLOW TO ACHILLES HEEL: The cheap imported ceramicware are finding their way into the Bangladeshi market adding to the increasing woes of the local producers.

—Star photo by AKM Mohsin

All starts operation in Bangladesh

American International Investment (All) Inc, a US-based corporation, has set up its office in Dhaka and will soon be providing ReadyCash bank card support services, says a press release.

Having signed a contract with Janata Bank, they will be providing a smart card-based solution which will allow anyone with an account at Janata Bank to pay for goods and services with a plastic card at thousands of merchant locations.

The card can also be used for payment of utility (e.g. electricity, gas, telephone and water) bills from the same merchant locations.

Merchants who need to travel from city to city to make purchases will now be able to do so with a ReadyCash card — without having to carry cash.

Thayne Whipple, Director of All is currently in Dhaka to personally oversee the implementation of the programme.

In describing his role, Whipple said, "All are completely committed to the successful implementation of the ReadyCash project in

Bangladesh. It is my desire to establish good relationships with both industry and banking leaders in an effort to make the ReadyCash system not only a profitable endeavour for its partners here in Bangladesh, but to make a positive difference in the financial sector of the economy."

Whipple feels that "ReadyCash is going to be the first card solution affordable to the general public in Bangladesh."

According to the press release, All will be working with some of the largest companies in the financial payment card industry to provide this service to Bangladesh. Among those collaborating in this venture are: Gemplus — the largest producer of smart cards in the world, Verifone — the largest producer of payment terminals in the world and, DataCard — the largest producer of credit card printing equipment in the world.

Merchants who will be approved to use the ReadyCash terminals will initially be selected during this month and January.

ECNEC approves Tk 985 cr projects

The Executive Committee of National Economic Council (ECNEC) today approved nine projects with an outlay of Tk 985.25 crore, including project aid of Tk 298.04 crore, reports UNB.

The approval was given at an ECNEC meeting held at the NEC Bhaban with Prime Minister Sheikh Hasina in the chair.

The projects are: Nandail-Tarail road development project (Tk 12.63 crore), setting up of studio equipment of Bangladesh Television at its extended building (Tk 34.92 crore), area based rural electrification project (Revised-3rd phase, Tk 125.37 crore), strengthening of vocational training activities for women to control population (Tk 11.42 crore), protection of Gaibandha town and adjoining areas from flood water of Ghaghori river (Tk 15.46 crore), rehabilitation of railway bridges affected by 1998 flood (Tk 30.60 crore), rehabilitation of main line section of Bangladesh Railway (Western Zone) affected by 1998 flood (Tk 406.54 crore), rehabilitation of main line section of Bangladesh Railway (Eastern

Zone) affected by 1998 flood (Tk 253.88 crore) and rehabilitation of rail line, bridges, banks and other installations affected by 1998 flood (102 crore).

Concerned ministers, cabinet secretary, principal secretary to the prime minister, members of the planning commission and high officials were present.

Hilti showroom opens in city

Aziz & Company Ltd, sole agent of Hilti, opened a Hilti Centre showroom at Tejgaon in the city yesterday, says a press release.

Mahbuzaman, Chairman of the Company, inaugurated the event, which was graced by prominent businessmen, architects, professionals and dignitaries.

Doug Flynn, Marketing Development Manager of Hilti, demonstrated the products of Hilti, the world renowned supplier of construction materials and building maintenance industry.

Employment Bank branches in divisions this fiscal Kibria for nat'l commission to develop livestock, fisheries

Finance Minister Shah A M S Kibria yesterday suggested formation of a national commission within three to six months for the development of livestock and fisheries to ensure food and nutrition for the people, reports APB.

The commission would identify areas where the government could extend support, he said.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the country could save its hardened foreign currency if import of dairy products was reduced by raising domestic production.

The commission would identify areas where the government could extend support, he said.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock, poultry and fisheries with an eye for commercialisation, the finance minister said.

"Though we allocated the lion's share of the Tk 3270 crore agricultural loan for the sector, I believe it is yet to get full national support."

The finance minister urged the ministry concerned to organise livestock exhibition in every district and at national level to encourage commercialisation and create competition. He also suggested introduction of incentives for those who would come out successful.

Kibria said that production from lands had come to a near-optimum level but growth of livestock,