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Banks to remain open on Saturday

UNB, Dhaka

All the scheduled banks of Bangladesh Bank will remain open on Saturday.

All branch offices of the central bank will also remain open on the day, said a BB press release yesterday.

BFFEA expresses concern over more hartal

President of the Bangladesh Frozen Foods Exporters Association (BFFEA) Salahuddin Ahmed at press statement yesterday has expressed deep concern over the announcement of further hartal by the opposition parties.

Terminating the current situation 'unfortunate' for trade and commerce of the country, the BFFEA president expressed his apprehension that the buyers of frozen food-importing countries may close deals 'if we fail to ship the cargo in time due to political disturbance.'

The BFFEA chief pointed out that most of the plants remained closed due to political turmoil and natural disasters. The remaining plants might be closed if the situation continued and the exporters fail to collect and export fishes.

Salahuddin Ahmed appealed to both the ruling and opposition parties to settle the dispute amicably.

Japan to unveil economic package tomorrow

REUTERS, Tokyo

Japan Wednesday delayed for 48 hours a keenly awaited package aimed at bolstering the flagging economy after the government and politicians from the three-party ruling coalition failed to agree on key aspects of the plan.

A main sticking point was the timing of a fund to be set up to buy part of an estimated 43 trillion yen (\$342 billion) in shares held by Japan's ailing banks, which have been hit hard by a prolonged fall in the Tokyo stock market.

Economics Minister Taro Aso told a news conference that coalition lawmakers wanted to establish the fund during the current ordinary session of parliament, which ends on June 29, while some government officials wanted to wait until September.

Later in the day, top government spokesman Yasuo Fukuda played down the extent of the disagreement, saying the government and coalition parties broadly agreed on the package to be unveiled on Friday.

He said they had reached a consensus on setting up the fund as soon as possible, but he declined to specify a date.

Also at stake are tax proposals to be included in the package.

Coalition parties have said they needed more time to iron out details of stock-related tax revisions to be put forward for subsequent tax-panel discussions.

Abu Yusuf made New Horizons GM



New Horizons Dhaka has appointed Abu Yusuf as its General Manager, says a press release.

Prior to his joining the present position, he was the sales manager of an internationally-reputed travel and tourism organisation in Qatar.

A post-graduate in Social Science from Chittagong University, he brings with him a vast experience.

He is one of the owner directors of New Horizons Dhaka.

Commenting on his appointment, Dr Habibur Rahman, Chairman and CEO of New Horizons of Bangladesh, expressed the hope that the firm will attain new heights under the able guidance of Abu Yusuf.

Nitol snaps jt venture battery assembling plant with Exide

Row over petition seeking anti-dumping duty by Indian co

MONIUR MAHMUD

Nitol Group has finally cancelled the planned joint venture automotive battery assembling plant with Exide Industries Limited of India.

According to sources, Nitol was compelled to call off the project on fears that it might face serious criticism and pressure not only from the government but also from local media and the business community, as Exide India is one of the two companies which filed a petition seeking initiation of an anti-dumping investigation and imposition of anti-dumping duty on battery from Bangladesh to India.

"We have snapped the project because we think that we should not unite with a company which filed a petition for imposition of anti-dumping duty on battery export from Bangladesh," said Selima Ahmad, Director of Nitol Group.

Nitol may consider offers from Exide only after its withdrawal of

the petition, she stated.

Meanwhile, Exide Industries Ltd. Chairman SB Ganguly said that the joint venture project with Nitol Group has been deferred.

A report recently published in a leading Indian newspaper - The Economic Times - quoted Ganguly as saying: "Elections in Bangladesh have been the main cause for deferring their plans. There is no other reason to shelve or hold up the project."

Exide Industries Ltd along with Amara Raja Batteries Ltd filed the said petition to stop export of lead acid batteries from Bangladesh to the Indian market.

"Exide India is not only trying to stop battery export from Bangladesh, but is also keen to enter the local market in a bigger way. The move is aimed at destroying the emerging battery industry of Bangladesh and that's why Exide plans to set up an assembly plant and not a manufacturing factory here in the country," said a director of a leading battery-manufacturing company.

Exide India took the initiative to set up the 60:40 joint venture battery assembling plant in Bangladesh by importing knocked-down components from India where battery production is cheaper.

A memorandum of understanding (MOU) between Nitol Group and the Exide Industries Ltd of India was signed on February 22, 2001 to set up a lead acid battery assembling plant in the country.

Nitol Group Chairman Abdul Matlub Ahmad and Exide Industries Chairman SB Ganguly signed the deal on behalf of their respective sides at Sonargaon Hotel in the city. Though Industries Minister Tofail Ahmed was scheduled to attend the signing ceremony as chief guest, Director General of the Department of Environment attended the function in his place.

The local battery manufacturers and exporters earlier urged the commerce and industries ministers to take up the matter seriously with the India government. Ac-

ording to sources, the ministers also asked Nitol not to go ahead with the project.

Lead acid battery is one of the very few products Bangladesh exports to India as a least-developed country (LDC) under the South Asian Preferential Trade Arrangement (SAPTA).

Presently, Rahimafrooz, the leading manufacturer of lead acid batteries, exports only 0.5 per cent (55,000) of the total Indian battery market of more than 10 million pieces. Apart from India, Rahimafrooz also exports batteries to 16 more countries.

Battery export from Bangladesh to India first started in May 1996 under special import license (SIL), and the Indian importers started facing serious harassment at the hands of different government agencies soon after their receipt of the initial consignments.

Demand for lead acid batteries in Bangladesh is around 200,000 pieces while the local manufacturers have the capacity to produce around 800,000 pieces.

4th round trade liberalisation talks under SAPTA soon

Commerce minister tells parliament

BSS, Dhaka

Commerce Minister M Abdul Jalil yesterday told the Jatiya Sangsad that the fourth round talks on trade liberalisation under South Asian Preferential Trading Arrangement (SAPTA) would be held soon.

Replying to a question by ruling party legislator, Begum Shaheen Monowara Huq, the commerce minister expressed the hope that intra-regional trade would be increased after the conclusion of the discussions.

He said that during the last three round of talks, countries which had signed the SAPTA agreement had exchanged tariff reduction between five per cent and 100 per cent on about 5,500 commodities.

He said India had reduced tariff on 2041 Bangladeshi commodities while it had withdrawn non-tariff barriers from 2000 commodities of Bangladesh.

The commerce minister said

the previous rules of origin under SAPTA agreement had been relaxed at the initiative of Bangladesh, providing additional facilities to the exportable commodities of the least-developed countries.

Per head food requirement fixed at 16 ounces

UNB, Sangsad Bhaban

Per head requirement of food in the country has been fixed at 16 ounces, the Parliament was informed yesterday.

Replying to Abdul Latif Mirza (Awami League-Sirajganj), Food Minister Amir Hossain Amu said total requirement of food grains in 1999-2000 was 213.58 lakh metric tons while the production was recorded at 224.16 lakh tons.

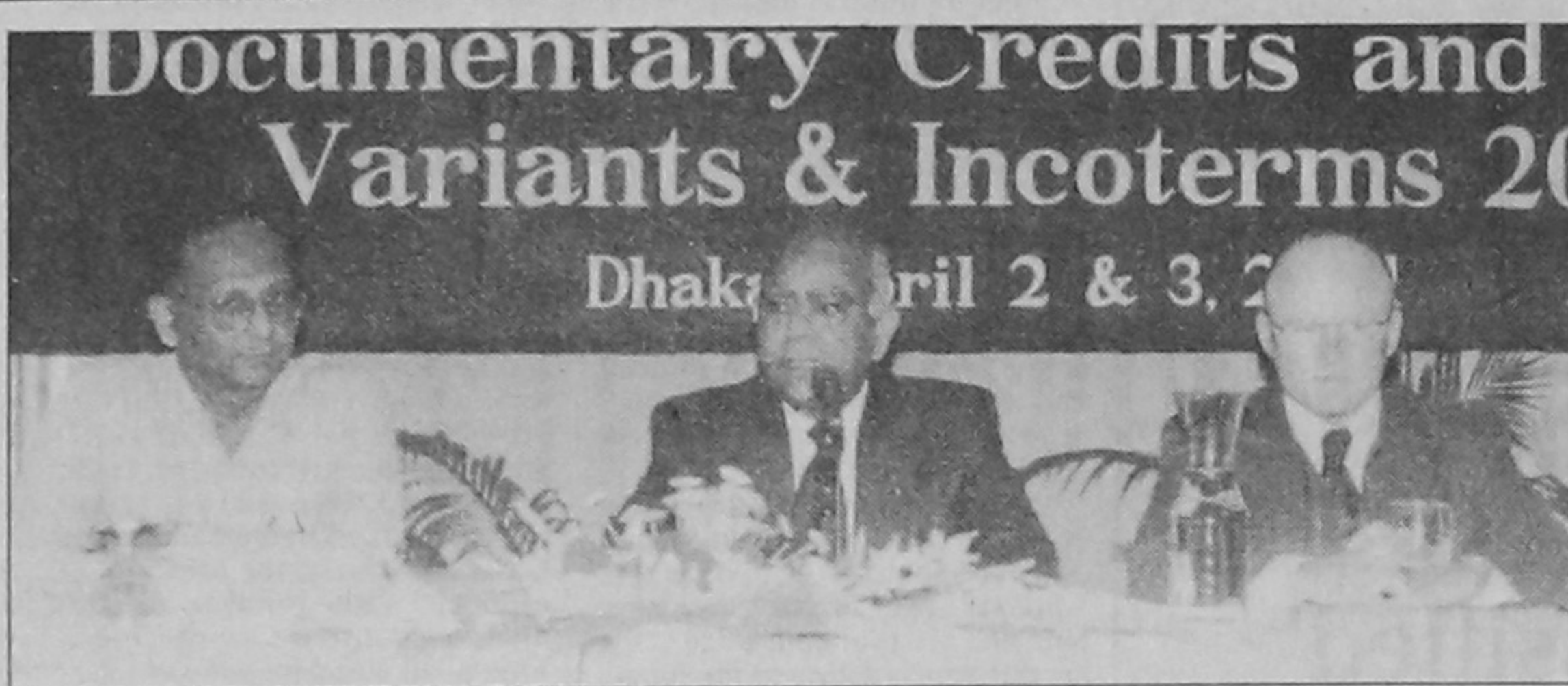
The country is now enjoying food surplus of 10.58 lakh metric tons.

He said with a view to bringing a balance in the trade between Bangladesh and India, Bangladesh had proposed to India for export of 25 categories of Bangladeshi commodities to India on zero tariffs.

Abdul Jalil said that a committee of experts had been constituted comprising experts from SAARC countries to transform SAPTA into South Asian Free Trade Area (SAFTA), with the objective of establishing free trade area in South Asian region.

He said the draft of the treaty on SAFTA prepared by SAARC secretariat was under consideration of the SAARC member countries.

Replying to another question by Haji Mohammad Selim, a ruling party lawmaker, the commerce minister gave a list of handicrafts being exported from Bangladesh and said export earnings from these commodities during July-January period of 2000-2001 fiscal year stood at 4.33 million US dollars.



Documentary Credits and Variants & Incoterms 2000 Dhaka April 2 & 3, 2001. Mahbubur Rahman, President of International Chamber of Commerce (ICC)-Bangladesh, inaugurates the ICC workshop on "Documentary Credits and Their Variants & Incoterms 2000" at a local hotel Tuesday. Vincent O'Brien, Member of the ICC working group on Electronic Letter of Credit, is seen on his left while Mohiuddin Babar, Secretary General, ICC Bangladesh, is on his right.

ICC-B workshop on documentary credits held

A workshop on "Documentary Credits, Their Variants and Incoterms" organised by ICC Bangladesh was held at a city hotel Tuesday, says a press release of the Chamber yesterday.

Inaugurating the workshop, Mahbubur Rahman, ICC-Bangladesh President, said the Chamber is working closely with the Bangladesh Bank, National Board of Revenue, Ministry of Commerce and other related bodies associated with the reforms of laws and rules, which guide business in international trade transactions.

"In many cases, Bangladesh didn't adapt itself with the rules of cross-border business transactions in tandem with the developed countries and our external business thus gets hurt due to incongruent trade practices," he observed.

The ICC-B chief said e-commerce is going to replace paper-based trade transactions at a much faster speed than expected and therefore, the country must prepare itself fast with the changing trend of global business practices to maintain competitiveness. In this regard, the ICC-B president said ICC is readying guidelines for e-commerce same as Uniform Customs and Practices for Documentary Credits (UCP) and it will soon be in place for adoption by the global business community.

Russia cuts off WB loans

AFP, Moscow

The World Bank said Wednesday that Russia has decided it is well on its way to recovery from a post-Communist economic malaise and no longer needs help from either the bank or the IMF.

The bank was instrumental in easing the social pain of Russia's post-Soviet reform and has lent Moscow about seven billion dollars (7.8 billion euros) since 1993, with another three billion dollars committed for future dispersal.

However the announcement suggests that Russia has made a key strategic decision to drop its decade-long dependence on Western lenders.

ASEAN meets to search for consensus on currency swaps

REUTERS, Kuala Lumpur

Senior finance officials from Southeast Asia met Wednesday to search for consensus on creating a regional web of currency swaps to ward off future financial crises.

The three-day meeting is expected to throw up alternative solutions to problems plaguing the implementation of the currency swap plan, known as the Chiang Mai Initiative after the Thai city where it was conceived last year.

The plan envisages linking international reserves of the 10 countries from the Association of South East Asian Nations (ASEAN) with those of China, South Korea and Japan.

The scheme is being discussed at a time when the currencies of many countries in the region have fallen sharply, some to Asian crisis levels.

Plan members, who saw their economies battered by speculative attacks on their currencies in 1997-1998 amid big balance of

payments problems, could borrow from the swap network.

But the initiative envisages tying disbursements under the scheme to reforms supervised by the International Monetary Fund (IMF), a proposal Malaysia staunchly opposes.

Malaysia, an ardent supporter of regional monetary cooperation, says negotiations have reached a critical stage but foresees extra time being needed to tune the arrangements.



GSP Finance Company (Bangladesh) Limited signed a Master Facility Agreement with Bangladesh Bank on Credit Bridge and Standby Facility (CBSF) for participation in the financial institutions development project (FIDP), recently. Ziaul Hasan Siddiqui, Executive Director of Bangladesh Bank, and Colonel (Retd) M Nurul Islam, Executive Director of GSPB, initialled the agreement on behalf of their respective sides.

American ministers gather amid fears of slowdown spillover

REUTERS, Toronto

Finance ministers from North and South America gathered in Toronto for economic discussions Tuesday, amid tight security and concern that a US economic slowdown could spill across their region.

Several hundred demonstrators, waving balloons and banners in a protest against capitalism and globalisation, marched to the edge of a security zone surrounding the luxury hotel where ministers were meeting.

"I think it is outrageous that countries are getting richer, putting up in luxurious hotels and making decisions without our

participation," said Eric Mills, a self-employed editor from Toronto.

"To even call it free trade is a misnomer. These deals are basically treaties that enshrine corporate rights over peoples' and national rights."

The protesters also fear the proposed Free Trade Area of the Americas - due to come into existence by 2005 - could hurt Canada's public health and education systems.

Eighty-seven people were arrested in Ottawa on Monday in a demonstration demanding the release of documents on the Quebec Summit of the Americas, which takes place April 20-22. They want to turn action at the

Quebec summit into a rerun of protests which derailed Seattle trade talks in 1999.

Police - riot squads at the ready outside the hotel - said they would respond forcefully if protesters got out of hand, but would otherwise respect the right of the anti-globalization activists to demonstrate peacefully.

The two-day ministerial meeting paves the way for the Quebec City summit, where talks on a Free Trade Area of the Americas will take center stage.

Canadian Finance Minister Paul Martin said ministers, including new teams from the United States, Mexico and Argentina, would exchange views on their respective economies.

Foreign exchange rates were not on the formal agenda - a Canadian dollar flirted near new record lows on Tuesday before recovering slightly - but Martin admitted he had never known a finance ministers' meeting which did not discuss currency rates.

"The protesters have a legitimate case to make and as long as it's not made with violence it's part of the ongoing discussion," Martin told reporters.

"The issues that they are raising in terms of globalization... in terms of the gap between the rich and the poor are very much the issues that will be dealt with at this particular meeting."



W.T. Lee, General Manager of DHL International (Hong Kong) Ltd. (left), and Willy Lin, Vice-Chairman of Hong Kong Shippers' Council (right), display the "Best Express Service" award at the Asian Freight Industry Awards 2001 recently.

Egypt seeks free trade deal with US

AFP, Washington

Egypt is seeking a free trade agreement with the United States that would offer US companies "a doorway" to Africa, the Middle East and Europe, Egyptian President Hosni Mubarak announced here Tuesday.

The Egyptian leader, in a speech prepared for delivery to the US Chamber of Commerce, said such an accord would consolidate a decade of reforms in Egypt that have expanded the role of the private sector, reduced government regulations and opened the economy to greater foreign investment.

Mubarak is currently in the United States on an official visit, and on Monday became the first Arab leader to confer with President George W Bush.

"In this visit we are approaching the new administration with an offer to initiate discussions that will lead eventually to a free trade agreement - one that will bind our two countries in progress and one that will preserve the successes of our reforms," Mubarak told a luncheon audience.

"We offer a doorway to Africa, Middle East and soon to Europe."

Egypt is already part of free trade areas that cover Arab countries of the Middle East and most of east Africa, according to

Mubarak, who added that Cairo had also initiated a partnership arrangement with the European Union.

Two-way trade between the United States and Egypt last year came to 4.2 billion dollars, representing US exports of 3.3 billion dollars and imports worth 0.9 billion dollars, according to the Chamber of Commerce.

The Chamber earlier Tuesday announced the opening of an office of US-Egypt Business Partnership Development to promote US investment in the Egyptian economy.

"This agreement will lead to an expansion of trade and investment between the United States and Egypt and is the first step toward a possible trade agreement on a mutually beneficial, reciprocal basis," said Chamber president Thomas Donohue.

The United States and another Arab nation, Jordan, worked out an agreement last year that would eliminate all tariffs on goods and services traded between the two countries over 10 years. The deal must now be approved by Congress.

Mubarak on Tuesday sought to convince US businessmen that Egypt, having embraced the free market, was a sound venue for their operations.

DHL Worldwide Express wins Best Service award

DHL Worldwide Express has announced that it has been awarded the "Best Express Service" for the 15th consecutive year at the prestigious Asian Freight Industry Awards (AFIA) 2001, says a press release.

The company has continued to set records, as it is the only company to have won the "Best Express Service" award since AFIA was inaugurated in 1987.

Marc Duale, Chief Operating Officer of DHL Asia-Pacific, said, "We are, as always, honoured to be acknowledged by our customers, readers of Cargonews Asia and the AFIA. Winning this award is a tremendous accolade and says volumes about our people, and their collective effort in making this company the best in the industry."

"We are very proud of this achievement but we are definitely not going to rest on our laurels. We continue to work hard for our customers, striving to improve our service and be able to meet all their shipment and distribution needs."

The Asian Freight Industry Awards is organised by Cargonews Asia, the leading industry multi-modal magazine in Asia. The Awards are given in recognition of excellence in overall performance in thirty-seven categories by industry peers and customers through individual ballots that were sent to Cargonews Asia readers. The Awards were presented to winners at a ceremony held at the Regent Hotel.

DHL Worldwide Express is the world's leading air express service company, linking more than 85,000 destinations in 228 countries and territories.

Transworld to market Nera satellite tools in Bangladesh

Transworld Trade International Ltd signed a distribution agreement with world's leading satellite equipment manufacturer Nera Satcom, Norway, recently, says a press release.

Sayed M Akhter, Managing Director of Transworld, and Salvador Baile, Area Market Manager of Nera Satcom, initialled the agreement on behalf of their companies at Nera Head office in Oslo.

Under the agreement, Transworld will market all Nera satellite equipment in Bangladesh, including portable Inmarsat Mini-M Satellite Telephone for voice fax and data communication, Nera World Communicator for voice, high-speed data and video image transfer.

World's largest shareholder of Inmarsat, Telenor of Norway, would provide satellite service for this purpose. An agreement with Telenor was also signed by Sayed during his visit to Norway, under which Transworld has become an agent of Telenor.

Bangladesh army working with UN peacekeeping forces are already using Inmarsat Mini-M Satellite Telephones. Bangladesh Air Force is also using the same set for different operations, it added.



Picture shows the officials of Transworld and Nera Satcom, Norway, exchanging the documents of a signed distribution agreement in Oslo recently.