

Suggestion for joint venture between Petronas, BAPEX

Malaysian provincial chief minister meets FBCCI members

STAR BUSINESS REPORT

Visiting chief minister of Malaysia's Terengganu State yesterday suggested a joint venture between Petronas and BAPEX for gas exploration in Bangladesh.

Tuan Guru Haji Abdul Hadi Awang, chief minister of Terengganu, said state-owned Petronas had been very successful in Malaysia and there was no reason for Bangladesh Petroleum Exploration Company Ltd (BAPEX) not to emulate similar success.

Petronas had jointly submitted a proposal with BAPEX to Petrobangla in the second round block bidding for oil and gas exploration back in 1997. Though Petronas proposal for blocks 9 and 11 was regarded as a profitable venture for Bangladesh, the government did not finalise the negotiations with the Malaysian national oil company.

He said Malaysia and Bangladesh had similarity in a number of areas as both the countries were rich in mineral resources. "Bangladesh should explore its resources judiciously and make best use of the resources," the chief minister said while meeting members of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

The chief minister was leading a four-member Malaysian delegation at the meeting with the country's apex trade body.

Hadi Awang termed Bangladesh an emerging developing country in the region mentioning its strategic location and huge mineral and manpower resources.

He said there is currently a US \$104.51 million trade gap against Bangladesh, and suggested increasing private sector led trade and investment to narrow the gap.

The delegation suggested opening of a free trade zone comprising ASEAN and SAARC countries to increase mutual trade and investment amongst the countries of the two associations.

They urged local business leaders to derive maximum benefit from China's entry into World Trade Organisation (WTO) and laid emphasis on forging an economic union amongst the ASEAN and SAARC nations to emulate success of European Union.

He said the private-sector will have to take lead in the investment initiatives and called for intensive interactions between the entrepreneurs of the two Muslim countries to widen trade volume.

He invited the Bangladeshi entrepreneurs in the Terengganu trade fair and trade seminar in April for strengthening mutual relations and interactions amongst the businessmen.

He proposed more joint venture enterprises to balance the trade volume now tilting in favour of his country.

Hadi Awang assured of more recruitment

of Bangladeshi workers and eradication of permit hassles. He said detailed trade talks would be held during Bangladesh's prime minister's visit to Malaysia this year.

The chief minister of the Malaysia's north-eastern state which has a two billion TCF reserve of oil and houses the country's longest usable sea beach, also urged the local businessmen to invest in his state.

One of the 13 states of Malaysia, Terengganu is blessed with huge natural resources like gas, timber, palm oil, silica, fish and is proud of the country's biggest oil refinery plant and deepest sea port.

Hadi Awang assured all sorts of incentives and facilities to prospective Bangladeshi investors in his state.

He underscored the need for exchange of technology and expertise especially relocation of the Malaysian sunset industries in Bangladesh for tapping maximum economic benefits.

Nasiruddin Mohammad Isha MP, Afendi Mohammad MP and Hossain Bin Ismail comprised the Malaysian business team.

Appreciating Malaysia's rapid economic progress, FBCCI President Yussuf Abdullah Harun said the experiences of Malaysia in economic deregulation, sector-wise disinvestment, privatisation, infrastructure building, policy to attract FDI and private-sector-led economic development are things

Bangladesh can follow.

Highlighting lucrative offers of the government, Harun urged Malaysian entrepreneurs to invest directly in joint ventures in the areas like telecommunications, power generation, electronics, tyres and tubes, leather and leather products, canning and processing of fish, palm oil refinery cement and clinker grinding, chemical and gas-based industry.

"Malaysian investors can also utilise the facilities available in EPZs by setting up industries, he said.

Showing statistics Harun said Malaysian entrepreneurs have demonstrated significant interest in investing in Bangladesh. As many as 33 Malaysian companies have registered with the Board of Investment (BOI) for undertaking investment projects with a total capital of US\$ 1.32 billion. Out of them, 14 projects are already in operation or under implementation.

In 2000-2001 (July-March), exports from Bangladesh to Malaysia amounted to \$5.93 million against an import of \$ 110.44 million, leaving a deficit of \$ 104.51 million against Bangladesh, he said.

He said if co-operation from Malaysia helped expand Bangladesh's exports to other countries, the imbalance in bilateral trade might not pose serious problem. The increase in volume of trade largely hinges on growth of our production capacity, the apex trade body chief said.



Manzurul Islam, Chairman of IFIC Bank Ltd, inaugurates the 53rd branch of the bank at Uttara in the city yesterday. Directors Syed Mohsen Ali and Maj Gen (Retd) Dr. AR Khan and Managing Director Ataul Haq are seen in the picture.

Industrialists stand in way of agro-processing promotion

Farashuddin tells BISS programme

UNB, Dhaka

Big industrialists stand in the way of promotion of agriculture processing which has potentials to fetch 100 million US dollars or more a year, it immediate-past governor of the central bank said.

"Policy instruments for agriculture processing have been influenced by so-called large industrialist lobbies for the last three decades," Dr Mohammad Farashuddin told a lecture programme at BISS yesterday.

The country has done better in agriculture, but little has been done for processing agri-products and ensuring due prices to growers, he said, citing examples of Thailand's success in exporting flowers to Europe.

Dr Farashuddin, who completed his tenure as Bangladesh Bank Governor in November last year and now is the vice chancellor of a private university, said remittances from non-resident Bangladeshis rose up to US \$2.3 billion a year from 1.3 billion in last five years. The amount could easily be raised up to US\$ three billion to reduce the country's dependence on ODA,

disbursement of which has so far been asymmetrical, he felt.

Bangladesh Institute of International and Strategic Studies (BISS) arranged the lecture on "Economic Security and Globalisation."

Before thinking to reap benefits from globalisation, Bangladesh now needs to think how to survive in it, Dr Farashuddin said, comparing the country's situation with that of an apprentice swimmer.

He was critical of rich partners in WTO for their constant pressures on LDCs for opening markets and setting policies and price rights, keeping themselves (rich) immune to those steps.

Narrow export base makes the country more vulnerable as roughly 80 per cent of its exports depend on a single sector, Dr Farashuddin said.

Bangladesh now needs investment partners who would negotiate for price and ensure access to global market of products, not mere joint venture partners for production, he said adding that production is tough, but getting market access for products is even tougher.

Bangladesh's permanent representative to UN Mission in Geneva

Dr Towfiq Ali, who was the keynote speaker on the topic, warned Bangladesh export would face vulnerability like many African countries if export base is not diversified and industrialisation not accelerated.

He called for a change in traditional concepts of sovereignty and economic security for facilitating successful integration to global economy.

Expressing concerns about Bangladesh's future economy, Ali said national politics would matter for the country's prosperity in the global economy.

He stressed the need for more investment in technology and public education to prepare the country for a successful debut in the global trade regime.

Identifying finance as a major agent for change, the diplomat said money is there, but it is available for the rich. Last year's investment flow of US\$250 billion has largely bypassed the least developing countries.

He termed aid as a controversial area as reported US\$1000 billion aid in last three decades could not change the fate of LDCs.

Capitalise on WTO ministerial conference commitments

CPD-organised post-Doha consultation suggests

STAR BUSINESS REPORT

The country needs to pull all its resources in building the capacity for skillful trade negotiation and fully capitalise on the commitments made at the Doha WTO Ministerial conference.

Speakers at a post-Doha consultation in the city yesterday stressed the need and urged the government to create a WTO cell at the commerce ministry comprising of people drawn from the public as well as private sectors.

Independent think tank Centre for Policy Dialogue (CPD) arranged the brainstorming session at its office in the city.

CPD Chairman Professor Rehman Sobhan moderated the discussion. Commerce Secretary Suhel Ahmed, country's representative in Geneva UN office Dr Toufiq Ali, former president of MCCI Latifur Rahman, ICC, Bangladesh

President Mahbubur Rahman, former bureaucrat Faruq Sobhan, former president of Employers' Federation ASM Quasem, former DCCI President Benajir Ahmed, MCCI Secretary General CK Hyder spoke on the occasion.

Executive Director of CPD Dr Debapriya Bhattacharya, in his introductory speech, focussed on the outcome of the Doha ministerial conference and the future task that the country has to do. Research Director of CPD Mustafizur Rahman also spoke.

The commerce secretary responding to the speakers' suggestion about WTO cell said there are some problems due to government role to include private sector people in the cell.

However, he said a project has already been taken to form a WTO cell at the ministry under the financial assistance from the World Bank

But the major problem facing the commerce ministry, according to the secretary, is dearth of expertise about WTO issues. "In the ministry, we don't have a single officer who attended the first WTO ministerial conference in Singapore."

In this context, Suhel Ahmed said the ministry is planning to put forward a suggestion to the government not to transfer the commerce ministry officials who acquired some sorts of expertise on WTO issues.

Dr Toufiq Ali focussed on how the country can be well prepared in different trade negotiations by doing homework much ahead of different meetings.

"It is useless to raise any point or paper, no matter how well prepared it is, at a multilateral conference like WTO ministerial. If we intended to raise any point we have to make it clear to others much ahead and gather support for it," he said.

He also mentioned about

another initiative to form advisory body, including people from all the sectors, under the commerce ministry.

The speakers said the Doha ministerial is in fact the beginning of another process of protracted trade negotiation under WTO. In the immediate future, this phase will continue till the fifth ministerial to be held in Mexico by the end of 2003.

Dr Debapriya Bhattacharya said, "Along with locating our areas of primary interest in the evolving WTO process, Bangladesh will have to revisit its negotiating strategies including alliance building."

He went on: "The Doha experience suggests that there is a strong need to review Bangladesh's overwhelming emphasis on LDC solidarity, particularly given that the African LDCs opted for a joint platform of Afro-Caribbean Pacific Island (ACP) countries at the Doha Ministerial."

Former president of MCCI Latifur Rahman focussed on the Doha Ministerial declaration on TRIPS and Public Health that has given the LDCs to override patents in the interest of the public through issuance of 'compulsory licencing'.

The decision also allowed the LDCs not to enforce patent rights for pharmaceutical products till 2016.

The speakers felt that this would enable Bangladesh to produce life-saving medicines at affordable price and give opportunity for developing its pharmaceutical industry.

Mahbubur Rahman focussed on capacity building at domestic level also for the country's missions working abroad. He also suggested for appointing a permanent trade representative to deal different trade related negotiations.

Bank Asia cuts interest rates

Bank Asia Limited has recently reduced its interest rates on lending, says a press release.

The interest rates have been reduced in the backdrop of revision of bank rate in order to support economic activity of the country.

The bank has cut interest rates by three per cent for RMG sector in order to support this sector which faces stiff competition due to drop in export orders.

The bank has also cut interest rates by three per cent for agricultural sector, other project and term loan by one per cent, commercial lending by one per cent and micro credit by one per cent. The bank did not however, reduce its interest rates on deposits, the release added.

City Bank cuts lending rates

The City Bank Limited has reduced the rate of interest in different categories of loans and advances up to 3 per cent with effect from January this year, says a press release.

The decision is in line with the government policy to make a surge in the industrial and commercial sectors.

US Merrill Lynch axes 9,000 jobs

AFP, New York

US financial services giant Merrill Lynch said Wednesday it had axed 9,000 jobs in a 2.2 billion dollar restructuring as revenues took a hit from the September 11 suicide attacks.



Mir Mohammad Nasiruddin, State Minister for Civil Aviation and Tourism and Chief Advisor of Dhaka Travel Mart-2002, addresses a joint meeting of the National Advisory Committee and National Organising Committee of DTM-2002 at a city hotel on Tuesday. Kazi Wahidul Alam, Chairman of the Organising Committee, co-organisers and cosponsors are also seen in the picture.

Dhaka Travel Mart-2002 begins on Feb 1

Dhaka Travel Mart-2002, the first-ever international travel fair of the country, will begin on February 1, says a press release.

Kazi Wahidul Alam, Chairman, Organising Committee of DTM-2002 and Editor of The Bangladesh Monitor, disclosed this at a joint meeting of the National Advisory Committee and the National Organising Committee of DTM-2002 at the Dhaka Sheraton Hotel on Tuesday.

Members of both the 18-member Advisory Committee and 60-member Organising Committee of the three-day DTM-2002 representing the aviation, travel, hospitality and related trades as well as professional organisations were introduced on the occasion.

The Bangladesh Monitor, the

country's premier travel trade journal, is organising the Travel Mart to project Bangladesh as a tourist destination and to highlight various tourism products, the country has to offer to tourists both from home and abroad.

Apprising about the progress made so far, Kazi Wahidul Alam informed that about 100 participants are expected from abroad. He also said that 75 per cent of the stalls have been booked and urged others to take the few that remained.

He also requested members of the two national committees to extend all-out cooperation to make the first-ever international travel fair a successful one.

Kazi Wahidul Alam said that three important seminars on tourism prospects of Bangladesh,

hospitality trade and travel automation will be held on the three days of the fair which will be addressed by speakers both from home and abroad.

Mir Mohammad Nasiruddin, State Minister for Civil Aviation and Tourism and Chief Advisor of Dhaka Travel Mart-2002, presiding over the meeting, said the DTM-2002 will help boost tourism in the country by attracting tourists from abroad and assured all out cooperation from the Ministry of Civil Aviation and Tourism as well as the organisations related to it to make DTM-2002 successful.

Co-organisers and co-sponsors of DTM-2002 also spoke on the occasion and made some suggestions.

53rd branch of IFIC Bank opens

The 53rd branch of IFIC Bank Limited was inaugurated at Uttara Tower, Uttara in the city yesterday, says a press release.

The branch was inaugurated by Manzurul Islam, Chairman of the bank. Among others, Eithem B Kabir, Vice Chairman, Directors Syed Mohsen Ali, and Maj Gen (Retd) Dr A R Khan and Ataul Haq, Managing Director, were present on the occasion.

IBA-Delta Soft seminar on e-commerce held

Speakers at a seminar yesterday underscored the need for proper application of e-commerce in business and industry in order to keep pace with the rapidly changing global scenario, says a press release.

Electronic commerce increases the efficiency of resource utilisation, which results in faster productivity growth and higher sustainable GDP, the speakers said.

The day-long seminar titled 'e-commerce and its application to business,' organised by Institute of Business Administration of Dhaka University and DeltaSoft, was held at IBA Auditorium, Dhaka University where 46 mid and senior level executives from various organisations took part. The seminar was inaugurated by Professor Anwarullah Chowdhury, Vice-Chancellor of Dhaka University. Presided over by IBA Director Dr Anwar Hossain, the seminar's keynote speech was delivered by Professor M Shamsul Haque.

US consumers prefer Hyundai Sonata to Toyota Camry

In a unique competition between the new 2002 Hyundai Sonata and the new 2002 Toyota Camry, majority consumers selected the new 2002 Hyundai Sonata as the vehicle they liked best, says a press release.

In the competition, held in October last year in the US, both the vehicles were heavily disguised. Both the brands were debadged and wrapped in plain brown wrappers so that consumers could not identify of the vehicles they were testing until the competition was complete and the votes were cast.

A total of 528 consumers participated in the competition, an overwhelming 67 per cent voted for the 2002 Hyundai Sonata as vehicle of their choice. Only 28 per cent selected the Camry and four per cent rated both the vehicles as equal, the release said.

In the testing, according to the

release, the United States Auto Club (USAC) removed the name badges and put other identifying marks.

The exteriors of the vehicles were then wrapped in plain brown paper for the "Brown Bag". After taking a brief test drive in both cars, consumers were asked to evaluate the vehicles in the areas of steering, all around visibility, braking, ergonomics and handling response.

They were then asked to select the better vehicle.

The USAC has just recently authorised the "Brown Bag" exercise as part of its regular consumer testing programme.

Hyundai Motor's Executive Vice President of International Business Byung-Ho Sung said the result showed the reality of Hyundai's improving quality and the design was overcoming differences of image, the release added.

Course on corrosion protection ends

The four-day long Short Course on "Corrosion Protection for Industry" organised by Directorate of Continuing Education (DCE), BUET ended at the seminar room of the Institute Building of BUET on Wednesday, says a press release.

Prof. Dr. Nouruddin Ahmed, Vice-Chancellor of Bangladesh University of Engineering and Technology distributed certificates among the participants as chief guest.

Prof. Dr. Golam Mohiuddin, Director of DCE, presided over the function. The certificate-awarding ceremony was also addressed among others by Prof. Emeritus, Prof. Dr. Iqbal Mahmud, former Vice-Chancellor of BUET, Prof. Dr. Ehsanul Haque, Prof. Dr. M Sabder Ali, Prof. Dr. ASMA Haseeb and Prof. Dr. Ijaz Ahmed.

A total of 40 engineers from different govt, semi-govt, autonomous bodies and private industries attended the course.



Photo shows Anvar Mat Piah, Area Manager of Malaysia Airlines, Azrim Bin Zamri, Visa Officer of Malaysian High Commission in Bangladesh, Kabirul Anam Khan, Sales Manager, Loh Seck, Acting High Commissioner of Malaysia in Bangladesh, Nasrin Sattar and Badruc Hisham of Standard Chartered Bank at the launching ceremony of a new product of the airlines at a city hotel yesterday.