

BFFEA team meets Khasru

Commerce Minister Amir Khasru Mahmud Chowdhury has assured the leaders of Bangladesh Frozen Foods Exporters Association (BFFEA) of taking steps to overcome problems facing the frozen food sector because of global economic recession coupled with the September 11 terrorist attacks on the USA, says a press release.

The minister was talking to BFFEA leaders at his office yesterday. The BFFEA team demanded cash subsidy, refinance and interest waiver to boost frozen food exports.

The BFFEA delegation includes Association President Salahuddin Ahmed, Vice President Kazi Belayet Hossain, Secretary General Quazi Monirul Haq, Kazi Shahnewaz, Md Golam Mostafa, Syed Mahmudul Huq, Maqsoodur Rahman and Shahidur Rahman.

BB T-bill auction held

UNB, Dhaka

The 175th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills were held here Sunday.

Some Tk 720 crore, Tk 6 crore, Tk 4 crore and Tk 19 crore were offered respectively for the 28-day, 364-day, 2-year and 5-year bills.

Of these, Tk 720 crore, Tk 2 crore, Tk 10 crore in total of Tk 732 crore of the 28-day, 2-year and 5-year bills were accepted respectively.

Ranges of the implicit yields of those bills were 2.7-4.1 per cent, 6.8 per cent and 9.5 per cent per annum, said a Bangladesh Bank press release.

No bid was offered for the 91-day and 182-day bills and the bids offered for the 364-day bill were not accepted.

Due to maturity of the bills, the total amount of Tk 545.5 crore would retire in this week. So, the net amount of the issuing bills would stand at Tk 186.5 during this week.

Chinese auto makers rush to cut prices

AFP, Beijing

Chinese automakers have rushed to slash prices after imported cars were made cheaper by the country's entry into the World Trade Organization, state media said Sunday.

Less than a fortnight after the authorities started implementing steep cuts in auto tariffs, a range of industry heavyweights have announced corresponding adjustments in prices, the Xinhua news agency reported.

"The new prices are lower than for imported cars of the same class," said Sun Baolin, a marketing manager at First Automobile Works, which is among China's top three car-makers.

First Automobile Works, located in north-eastern Jilin province, cut prices for four of its popular Red Flag models, the agency said.

The prices of the models -- all characterized as being in the middle to top range -- have been reduced by an average of 30,000 yuan (3,610 dollars) to between 219,000 yuan and 319,800 yuan, the agency reported. The move was prompted by cuts in duties announced last month and taking effect by New Year.

Duties on cars of more than 3,000 cc were reduced to 50.7 per cent from 80 per cent and to 43.8 per cent from 70 per cent for cars with smaller engines.

ASEAN urges Japan to speed up recovery

AFP, Jakarta

While hailing Japan's initiative to form a new partnership in Asia, key ASEAN members are making earnest calls on Tokyo to speed up economic recovery and revive vigorous investment to the region.

Japanese Prime Minister Junichiro Koizumi, who ends his week-long Southeast Asian tour on Tuesday, has proposed forming a new regional economic framework and pledged Tokyo's larger role in Asia.

Leaders of the key Association of Southeast Asian Nations (ASEAN) states have given warm support for his initiative at separate talks with the popular Japanese prime minister.

But the ASEAN leaders also reminded Koizumi of their serious request for a quick recovery of the world's second largest economy, being urged to overhaul its old-fashioned operations in the private and public sectors.

First 5-month export clocks 11pc negative growth

Target missed by 17.66pc

STAR BUSINESS REPORT

The export performance in the first five months of the current fiscal widened further, posting 10.92 per cent negative growth.

According to Export Promotion Bureau (EPB) statistics, export earning in the first five months amounted to US\$ 2459.86 million, down by 17.66 per cent from \$2987.50 million target. The earning trailed by more than \$300 million compared to the corresponding period of last fiscal's \$2761.53 million.

In the first four months, the export posted 10 per cent negative growth missing target by 16.11 per cent.

"Export volume and price index went down by 8.82 per cent and 2.10 per cent respectively during July-November period of the current fiscal (FY02). In fact, there is no sign of improvements so far," said an official of the EPB.

All major sectors including readymade garment, knitwear, frozen foods, leather, jute goods, raw jute, tea and handicrafts showed negative growth to as high as 35 per cent and trailed by as high as 31 per cent from the target.

RMG exports fetched \$1,287.41 million, down 16.49 per cent from \$1541.67 million target and 10.38 per cent lower compared to corresponding period of last fiscal year.

Knitwear worth \$594.97 million was exported till November, which missed the target by 16 per cent, and 5.23 per cent less compared to corre-

sponding period of last fiscal.

During the period, frozen foods worth \$136.85 million were exported, falling 15.78 per cent short of the target and with a massive 29.43 per cent less than that of last fiscal's corresponding period.

Leather export fetched \$86.42 million, down 27.98 per cent from the target and the growth was 7.43 per cent less than the corresponding period of last fiscal.

Jute goods worth \$89.10 million were exported against a target of \$114.58 million. The earning is 22.24 per cent less from the target and also 15.99 per cent less compared to the same period of last fiscal.

During the July-November period, chemical products worth \$33.28 million were exported against \$45.83 million target.

In the first five months of the current financial year, raw jute suffered huge blow with 30.61 per cent shortfall than the target. Against \$29.17 million target the export was \$20.24 million. The figure marks 18.58 per cent decline from same period of last fiscal.

Tea export amounted to \$8.75 million during the period against \$12.50 million target. This is a 30 per cent fall from the goal.

Handicrafts worth only \$2.40 million were exported during the period against \$3.33 million target. This shows a 28.99 per cent decline from last fiscal's earning and 27.93 per cent short of this year's target.



PHOTO: BFFEA

A Bangladesh Frozen Food Exporters Association (BFFEA) team meets Commerce Minister Amir Khasru Mahmud Chowdhury at the latter's office yesterday.

Japan businessmen keen to invest in IT sector

BSS, Dhaka

Japanese entrepreneurs are keen to invest in IT infrastructure development and software development services in Bangladesh.

This was stated by an 11-member delegation of the Bangladesh-Japan Information Technology (BJIT) during its call on with President Prof A Q M Badruddoza Chowdhury at Bangabhaban yesterday.

The delegation was led by the Chairman of KK Labros Japan and BJIT Bangladesh, Kazuo Kanayama.

The delegation said they have already started a BJIT school in Dhaka with a view to imparting IT

and software education and training.

The response is good, they said adding that they have a plan to send more than one hundred software engineers to Japan every year in addition to cater local needs. They observed that the Bangladeshi students can contribute a lot to the IT sector of Japan and Bangladesh.

BJIT's main objective is to build up skilled computer professionals in Bangladesh. They pointed out saying they have started popularising computer education in schools and colleges and for that purpose they have already donated computers in a number of schools. Their computer donation programme will continue, they said.

President Prof Chowdhury appreciated the delegation's initiative in developing and providing IT education and training to Bangladeshi students saying that it will help develop Bangladesh-Japan friendship.

He said that the authority should consider scholarships to the meritorious students seeking to build up their career as software engineer.

Among others, president of Toymura Electronics Co Ltd K Mackawa, president of ANK Co Ltd Akira Tamura, CEO of BJIT Ltd Shawkat Akbar, president of BJIT Ltd Rafiqul Alam, and president of Toyo Electronics Ltd, USA, Jahar Dutta were present on the occasion.

StanChart signs payment deal with Agrani Bank

Standard Chartered Bank has signed a countrywide taka payment agreement with Agrani Bank.

SAA Masrur, Head of Corporate and Institutions of Standard Chartered Bank and Akhter Ayesha Khanom, General Manager of Agrani Bank, signed the agreement on behalf of their respective banks in the city on Saturday, says a press release.

Imdadul Haque, Managing Director of Agrani Bank, and Muhammad A Ali, Chief Executive Officer of Bangladesh Standard Chartered Group, were present at the signing ceremony. Other senior managers of both the banks were also present.

The agreement was signed as part of Standard Chartered's continuing efforts to develop new payment solutions for its clients. This will enable Standard Chartered to speedily remit local currency funds to all cities and towns in the country through the Agrani Bank branch network.

Speaking on the occasion, Muhammad A Ali said Standard Chartered Bank is particularly appreciative of the active cooperation extended by the senior management of Agrani Bank in formalising this particular payment programme.

Imdadul Haque expressed his hope that this agreement would pave the way for a stronger bond between the two banks.

US metro areas to lose 1.6m jobs this year

AFP, Washington

US urban areas will lose some 1.64 million jobs in 2002 due to the September 11 attacks, especially those dependent on tourism, according to a study released Friday.

Las Vegas will be the hardest hit in terms of per centages, with nearly five per cent fewer jobs this year than it would have had before the deadly suicide strikes, according to research conducted by the Milken Institute.

"With its large gambling industry and related infrastructure primarily accessible by air, Las Vegas is the single most vulnerable metropolitan economy," researchers found.

Myrtle Beach, South Carolina and New York round out the top three job losers by per centage, reflecting expected losses in the tourism industry.

Also in the top 10 by per centage were Reno, Nevada; Atlantic City; Orlando, Florida; Wichita, Kansas; Flagstaff, Arizona; Honolulu; and Fort Worth, Texas.

In terms of overall numbers, New York will lose the most jobs this year -- 150,000, according to the Institute.

Los Angeles and Chicago will lose 69,000 and 68,000 jobs, respectively, the study showed. Others in the top 10 by numbers are: Las Vegas; Boston; Seattle; Atlanta; Washington; Detroit, Michigan; and Dallas.

More than half of the jobs lost will be trimmed from the airline, hotel, amusement and dining industries -- hardest hit in the wake of the attacks, as Americans curtail their travel plans.

The Milken Institute, a non-profit economic think tank, examined all 315 metropolitan areas in the United States, analysing economic trends both before and after September 11.



PHOTO: PID

A delegation of IMF led by its Asia-Pacific Division Advisor Luis Valdivieso called on Finance and Planning Minister M Saifur Rahman at his office yesterday.

Shrimp farmers set to suffer huge loss

Cox's Bazar hatchery assoc decides to restrict fry production

ABDULLAH -AL MAHMUD, Ctg

Thousands of shrimp farmers this year may suffer huge loss following a decision by Shrimp Hatchery Association of Bangladesh (SHAB) of Cox's Bazar to restrict shrimp fry production in the peak season.

Sources said a meeting of the association held on January 7 decided to curtail the production to 250 to 300 crore and allocated quota for each producer.

The limit is only half of the total demand and the decision was taken amid strong protest from many members present at the meeting, sources said.

The members say they have no option but to go by the association's decision as violation of such a decision will invite troubles from the

decision-makers.

"The influential hatchery owners, who are behind the move, maintain connections with terrorist groups," said a member of the association, who sought anonymity.

According to the sources, against a required demand of 600 crores of shrimp-fry only 250 crores were cultivated last year in the shrimp enclosures stretching on some 1.41 lakh hectares of lands in Cox's Bazar, Khulna and Satkhira.

The production limit was also imposed last year in the districts. The 'undesired control' on shrimp fry production created an acute crisis of fry.

Some hatchery owners present at the meeting said last year they were forced to produce fry far below their production capacity, resulting

in huge loss.

They said there was a ban on collecting fry from the sea making it obligatory for the shrimp farmers to procure fry from hatcheries. Taking advantage of the ban, some opportunists resorted to such steps of limiting fry production to make unlawful profits.

Allegations have that last year when such quota was introduced some small hatchery owners had sold it to others.

According to sources, the hatcheries of Cox's Bazar and Teknaf alone provide around 95 per cent of locally produced fry.

When contacted, SHAB leaders tried to defend their decision of restricting quota, saying the decision was taken to ensure equitable share and fair price of the product.



S A Masrur, Head of Corporate and Institutions of Standard Chartered Bank, and Akhter Ayesha Khanom, General Manager of Agrani Bank, sign an accord on countrywide taka payment on behalf of their respective organisations in the city on Saturday. Imdadul Haque, Managing Director of Agrani Bank, Muhammad A Ali, Chief Executive Officer of Bangladesh Standard Chartered Group, were also present at the signing ceremony.

IT'S BUSINESS

Bangladesh corporate standards

MAMUN RASHID

The country's leading daily -- The Daily Star -- along with DHL introduces annual Bangladesh Business Award. For facilitating the nominations a criteria booklet has been published which mainly focuses on innovations, financial performance or productivity, company management and contribution to the community. The award committee also asks for clean banking and tax records and scrutinises efforts taken by companies towards improving their productivity level.

These are deemed to be very rare qualities in most of the local corporate houses, may be that is the reason the sponsors want to highlight these qualities through this type of award. Most of the Bangladeshi entrepreneurs are first generation business people, yet to set their destination model right, rather busy in building their own equity. The leadership style they follow is mostly dictatorial, management style is bureaucratic and financial management is mostly non-transparent. Most of our enterprises are owner driven. The owners don't trust the employees and vice versa. Most of the employees don't see long-term career in an organisation and therefore they don't have any sense of belongingness. Despite the fact that the private sector has gradually been identified as the engine for

growth, people often see public sector as a better employer than private sector and only the better performers want to join multinationals. Even the best business house is rumoured to be taken for a ride by the senior executives, in absence of proper process guide or management guidelines. Service sector came out to be little better than manufacturing sector and in the service sector, banking is considered to have shown good progress in establishing corporate standards. Even then, commercial bank senior officials are rumoured to be interfered by owners on day to day affairs.

In that case, the question may arise, are we progressing in setting up a standard in our corporate sector. Answer is 'yes'. However, the progress is very slow. Especially in setting a vision for the corporate houses, developing a proper HR management strategy and segregating the role between the executives and the owners are needed. Most of us don't have transparent recruitment and reward policies.

Employees don't know what is his/her next job or what will happen to him or her, if s/he outperforms in his/her job or even what is the definition of outperformance in any specific job. Objectives setting culture is also absent in most of the enterprises. However, we also don't have any option but to continuously encourage quality and transparency

in day to day management process of our corporate bodies. What we have seen, so far is most of our corporate bodies, though reluctant to bring in management standards in their entrepreneurs, are keen on community development like establishing schools or dispensaries in their own localities and ultimately want to be associated with the local government or politics. Most of them are seen making money from tax evasion or government subsidy, while the business on its own merit, might not be profitable. However, one very good exception is the case of Chittagong traders, who possibly understates his tax, but pays regular 'zakat' (may be they do not have adequate faith in the government's tax system). Most of the balance sheets/annual reports are deemed to again understate company performance to facilitate tax reduction or evasion.

But the situation is changing gradually. And these kinds of awards should of course encourage our enterprises to follow international or acceptable management standards. Ibrahim Khaled, a veteran banker, recently said 'The continuous growth of our national sector dictates that we should pursue a corporate culture. Whether this is going to be a replica of Japanese, American or Indian culture or of our own, time will say'. We are keeping our fingers crossed.