

BOC declares 44 pc dividend

BOC Bangladesh Limited has declared a 44 per cent dividend per ordinary share for the financial year ending September 30, 2001, says a press release.

The dividend was announced at the 29th annual general meeting of the company held in the city on Thursday.

The company's sales improved by nearly 12 per cent over its last financial year ending September 30 2000. It earned Taka 202 million which is more or less at the same level of the previous year.

Speaking on the occasion, the chairman of the company, M Syeduzzaman, told the meeting of the availability of adequate ASU Gases and MS Electrodes capacity to meet the market need. Recently, there had also been enhancement of Carbon Dioxide and Nitrous Oxide production capacity, he added.

Dhaka Travel Mart draws good response

STAR BUSINESS REPORT

The Dhaka Travel Mart-2002 attracted a huge number of visitors yesterday, the first day of the three-day event, with the fair participants receiving tour package and hotel bookings.

The pouring visitors kept the exhibitors busy with hundreds of queries about travelling facilities and services now available in the country.

Officials of a tour operator at the fair said bookings for travel packages of their firm till March have already been completed.

The visitors had the opportunities to have a firsthand knowledge about tour facilities offered by tour operators and travel agents at the fair that was inaugurated by President AQM Badruddoza Chowdhury at Dhaka Sheraton Hotel.

Several visitors at the fair said many people are making holidays in foreign countries, as they cannot trust local operators who lack proper management and commitment to the travellers.

They said the operators have to lower charges in the initial stage to woo middle class tourists.

Mozammel Hossain Bokul, a university student, said operators should offer concession for the students who are most enthusiastic about travelling.

"In many countries students enjoy discount from agents. But here the tour operators seldom think about the students", he said.

Delwar Hossain, General Manager of Tour Planners, said the fair, the first of its kind, is a landmark event towards the development of a tourism culture in the country.

Expressing optimism about the outcome of the fair, he said it will not only boost inbound tourism but also create opportunity for outbound growth of tourism in the country.

Hasan Mahboob, Director of The Guide Tours LTD, said tourism industry has a bright prospect in Bangladesh which has many natural and historical sites.

"The government has to attract both local and foreign tourists to foster the otherwise neglected industry", he added.

A seminar titled "Travel Automation: In the Context of South Asia" was also held on the occasion of the event. Ankur Bhatia, Managing Director of Amadeus-India, presented the keynote paper at the seminar.

A total of 60 organisations from 20 countries are participating in the fair.

The fair will conclude tomorrow. Mir Mohammad Nasir, State Minister for Civil Aviation and Tourism, will be chief guest at the concluding ceremony.

Programmes for today & tomorrow

Saturday, February 2, 2002

10 am to 7 pm : DTM-2002 open to visitors
3:30 pm-4:30 pm : Seminar on "Hospitality Industry in Bangladesh"
Chief Guest : Altaf Hossain Chowdhury, Minister for Home Affairs.
Special Guest : A K M Mosharrar Hossain, State Minister for Energy,
Keynote Speaker: Gazi Sadeq
Venue : 1st Floor, Annexe Bldg, Dhaka Sheraton Hotel.

Sunday, February 3, 2002

10 am to 7 pm : DTM-2002 open to visitors
3:30 pm-4:30 pm : Seminar on "Tourism in Bangladesh-Prospects & Problems"
Chief Guest : Abdul Mannan MP, Chairman, PATABangladesh Chapter.
Keynote Speaker: Raquib Siddiqi.
Venue : 1st Floor, Annexe Building, Dhaka Sheraton Hotel.
8 pm : Closing ceremony
Chief Guest : Mir Mohammad Nasiruddin, State Minister for Civil Aviation and Tourism, Special Guest: Abdul Mannan MP, Chairman, PATABangladesh Chapter.
Venue : Pool Patio, Dhaka Sheraton Hotel.

Source: DTM-2002

New MD of BATB



Stephen Daintith has been appointed Managing Director of British American Tobacco Bangladesh (BATB), says a press release.

He replaces Paul Kirkham, who successfully led the company for the last two and a half years.

Stephen, a chartered accountant, was born in Manchester, England in 1964 and worked at Price Waterhouse Coopers in London and Chicago offices.

He has been working with British American Tobacco since 1996. Previously, he was the Finance Director of Pakistan Tobacco Company, a subsidiary of British American Tobacco in Pakistan.

Stephen worked in many countries including Russia, Uzbekistan, Peru, Venezuela, the Congo and South Africa.

Stephen is looking forward to working in Bangladesh and commented, "I am both delighted and proud to be joining the excellent team here in BAT Bangladesh. It is an exciting and challenging opportunity --1 look forward to getting to know the Bangladeshi people, culture and environment and to taking BAT Bangladesh forward to even more success."

German inflation surges

AFP, Wiesbaden, Germany

Inflation in Germany, the biggest economy in the 12-country euro zone, surged in January, when the consumer price index (CPI) rose by 2.1 per cent on a 12-month basis, faster than the 1.7 per cent recorded in December, official data showed on Thursday.

Swiss trade deficit eases

AFP, Bern

Switzerland recorded a trade deficit of 1.7 billion Swiss francs (1.15 billion euros, 0.99 billion dollars) in 2001, down from 2.1 billion Swiss francs in 2000, the Swiss Finance Ministry said on Friday.

Foreign trade flows increased slightly at the beginning of the year and then fell back during the second half of 2001, it added in a statement.

Imports rose by 1.1 per cent against the previous year to 130.05 billion Swiss francs, while exports rose by 4.1 per cent to 131.72 billion Swiss francs.

South Korean exports fall 8.9pc in Jan

AFP, Seoul

South Korea's exports fell again in January but the decrease is slowing enabling the current account to remain in the black, the Ministry of Commerce, Industry and Energy said Friday.

Exports went down 8.8 per cent from a year earlier to 11.518 billion dollars in January. It was the 11th straight monthly fall but the lowest since March last year when exports contracted 2.1 per cent.

Imports in January slid 8.7 per cent to 11.34 billion dollars, leaving a 178 million dollar customs-cleared trade surplus for the month.

"The decrease in exports will continue slowing down in the first three months to March," said Kim Chil-Doo, a ministry director.

"Environment for exports will further improve in the second quarter because of recovery in the global economy and prices of key export items," he said.

Exports of semiconductors fell 38.7 per cent from a year earlier to 1.1 billion dollars, but computers rose 7.5 per cent to 1.05 billion dollars.

Exports of automobiles surged 27.8 per cent to 1.1 billion dollars, while mobile telecom equipment including mobile phones soared 25.5 per cent to 880 million dollars.

Imports of crude oil slid 30 per cent to 1.44 billion dollars, while imports of capital goods fell 16.2 per cent. But imports of consumer goods increased 20 per cent.

BHBFC loan recovery up 11 per cent

BSS, Dhaka

The recovery of Bangladesh House Building Finance Corporation's (BHBFC) outstanding loans has increased by 11 per cent in the first six months of the current financial year than that of the previous fiscal.

The BHBFC recovered Tk 108.69 crore outstanding loans in the first six months (July-December) of current fiscal against the recovery of Taka 97.43 crore during the same period of last fiscal (2000-2001), official sources said Thursday.

The loan recovery has increased as the corporation had been advised by Finance Ministry for recovering the outstanding loans by stepping up its lawful efforts.

The BHBFC has filed 606 cases in the first six-months of the current fiscal for realising loans from borrowers against the 588 cases in the whole last fiscal. With the filing of cases Taka 4 crore more was realised than that of previous year, the sources said.

The corporation disbursed Taka 2645.84 crore loans from July to December of the current fiscal and realised Tk 2131.69 crore as outstanding loan from the borrowers during the period.

Meanwhile 2,986 cases have been filed against outstanding BHBFC loan borrowers of three categories, the sources said.

The corporation has intensified its various efforts aimed at providing quality services to its clients.

The BHBFC at the advice of the finance ministry has already taken some decisions including providing loan to appropriate person and strengthening the activities of classification of loans, and taking lawful action against the loan defaulters, the sources said.

'China to become world's 2nd largest economy by 2030'

AFP, Beijing

China's economy will grow on average by six per cent a year for the next two decades, propelling it to become the second-largest in the world by 2030, a report by a leading investment bank said Friday.

China's membership of the World Trade Organisation (WTO) may cause disruption in the short term but ultimately the benefits will outweigh the costs, Lehman Brothers said in a bullish assessment.

The report, entitled "China: Gigantic Possibilities, Present Realities", covers the prospects for Beijing's economic, political, social and foreign policy from a market perspective.

It predicts that whatever the potential setbacks, China will not be deflected from its present policy of opening its economy to the wider world.

"As China will face many issues of adjustment as it moves forward, we remain basically optimistic that China will overcome these obstacles and grow fast in coming years," said the firm's global chief economist, John Llewellyn.

"We have been systematically impressed by the way the Chinese government and the Chinese people have learned from the experience of other countries which have attempted similar transitions," he told a press briefing.

However Lehman Brothers said continued structural reform of the economy was vital for the more optimistic growth targets to be achieved.

"Without (structural) reform, China will grow on average per year over the next 20 years by under four per cent," said senior economist Robert Subbaraman, who co-authored the report.



PHOTO: BOC

Photo shows members of the Board of Directors of BOC Bangladesh Ltd (from left to right) NEA Shibhy, ZH Khondker, Azizur Rashid, Waliur Rahman Bhuiyan, M Syeduzzaman, Michael Mathews, SH Kabir and Azimuddin Ahmad attending the 29th annual general meeting of the company held in the city on Thursday.

OIC may initiate large-scale support programmes for SMEs

BSS, Dhaka

The Organisation of Islamic Countries (OIC) is expected to initiate a large-scale 'push' to establish support programmes for Small and Medium Enterprises (SMEs) in the Islamic countries, a study paper said here Friday.

The paper on "The Context and Legacy of Industrial Development in Bangladesh" was placed at a three-day seminar on "Meeting of the OIC Task Force on SMEs and Related Seminar" held here recently.

It was jointly organised by Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), Islamic Development Bank (IDB) and Islamic Chamber of Commerce and Industry (ICCI) with participation of experts from home and abroad.

According to the paper, all OIC

countries as part of their development strategies have been intensifying their efforts for increasing industrial base and volume of foreign trade since small enterprises are envisaged to play a significant role in this regard.

However, SMEs in some of the OIC countries are quite strong such as Malaysia and Bangladesh, while these are very weak or hardly in operation in some other countries like Saudi Arabia. In view of the enormous growth potential of SMEs, the OIC has set up a task force led by MA Rouf Chowdhury, a Director of FBCCI.

Its main objective is to strengthen the SMEs where they exist and also to establish them where they are still not existing. The study dealt briefly about the OIC's initiative to measure the strength and weakness of SMEs in the Islamic countries. In the south-east region, it said, Bangladesh has

been selected for the purpose.

Despite the last three decades' substantial efforts both at public and private levels, the paper said, the growth of SMEs in Bangladesh has appeared to be very slow and unsatisfactory. However, the OIC Task Force will work to ensure smooth growth of SMEs and industrial development in Bangladesh.

As the prospect of SMEs in Bangladesh is bright despite many problems, the paper has put forward various suggestions for the sector's smooth and rapid growth. They include political stability, financial assistance on low interest rates, technological help, development facilities, government subsidy with a clear policy, availability of raw materials, skilled manpower and solid export base.

Ceramic industry fetches Tk 125cr forex in '00-01

BSS, Dhaka

The country's ceramic industry has earned foreign currency equivalent to Tk 125 crore in the fiscal year 2000-2001 upholding its reputation in the world market.

The industry that produces wares of Tk 160 a year, also contributes a revenue of about Tk 75 crore to the national exchequer.

If the sector continues to enjoy government support, entrepreneurs would establish more industries and could produce goods of Tk 200 crore a year, concerned sources said.

Fifteen big and around 60 small ceramic industries are in production in the country currently, of which five to seven export goods, Bangladesh Ceramic Society sources said.

Of the exporters, big ones including Monno Ceramic, Shainpukur, Bengal Fine Ceramic and People's Ceramic export their products to different European countries and to New Zealand, Japan, Australia and the United States.

Recent production of sanitary wares and tiles has added a fillip to

the industry, although export of these products is yet to begin, the sources said.

A Ceramic Society report said the industry emerged as a prospective sector in 1987-88 fiscal when the export was 0.8 million US dollars.

In the fiscal year 1996-97, the figure soared to 6 million dollars. Three years later, in the fiscal year 1999-2000, export from the sector surged to 18 million dollars.

Local entrepreneurs now eye huge prospects of export to the markets of US which is not interested to flourish the sector.

Termining the prospects of the industry very bright, Rashed Maksud Khan, president of Bangladesh Ceramic Society and owner of Bengal Fine Ceramic Industries, said Bangladesh was trying to enter new markets in the current age of globalisation.

The industry is also trying to add new wares to its traditional exportable, he said.

The industry can emerge as one of the major export sectors of the country if the hindrances to the

industry are identified and new technological advances made.

Termining the industry as environment-friendly, he sought cooperation from the government, different chambers and the World Trade Organisation to help maintain a rapid growth of it.

Termining the utensils produced in the country on a par with those made abroad, Rashed Maksud Khan said: "We are very much in competition in terms of quality." He called for formulation of a proper policy and its application.

Referring to the government efforts to flourish the industry, he said Finance and Planning Minister M Saifur Rahman assured the entrepreneurs of adding a boost to the industry.

Dr Sanwar Hossain Mondol, general secretary of Ceramic Society, said the future of the industry was bright as favourable natural gas position.

US jobless claims up

AFP, Washington

Initial claims for regular state unemployment benefits rose 30,000 to a seasonally adjusted 390,000 for the week ended January 26, the Labor Department said Thursday.

The rise in claims was larger than expected.

Jobless claims for the week ended January 19 fell a revised 35,000 to 360,000, compared with the initial estimate of a 15,000 decrease to 376,000.

The four-week moving average for initial jobless claims fell 15,250 to 386,000, marking the lowest level in the four-week moving average since the week ended August 18, 2001.

On an unadjusted basis, claims fell 126,964 to 431,619 for the week ended January 26.

Separately, the agency said the employment cost index rose a seasonally adjusted 0.9 per cent in the fourth quarter.

For the entire year of 2001, the employment cost index rose 4.1 per cent.



PHOTO: RUPALI BANK

The Board of Directors of Rupali Bank Ltd at its 588th meeting held in the city on Monday approved the bank's audited balance sheet for the year 2000. Dr Moutaz Uddin Ahmed, Chairman, Md Yeasin Ali, Managing Director, Directors of the bank Ahmad Mahmudur Raza Chowdhury, Brig General Ahmed Muktadir Arif, Md Hafiz Ibrahim MP, and Ziauddin Ahmed Chowdhury are seen signing the audited balance sheet.

Beer consumption continues to fall in Germany

AFP, Wiesbaden, Germany

Germans appear to be losing their taste for beer, with the country's breweries reporting a further decline in beer sales last year, data published by the Federal Statistics Office showed on Friday.

A total 107.8 million hectolitres of beer were sold in 2001, 1.8 per cent less than in 2000, the office said in a statement.

With the exception of 1999 when beer sales edged up by 0.8 per cent, beer consumption has been on a constant downward trend since 1995.

Sri Lanka still world's top tea exporter

AFP, Colombo

Sri Lanka has retained its position as the world's largest exporter of tea by selling a record 294 million kilograms (646.8 million pounds) last year, figures showed Friday.

Exports grew by a modest 2.1 per cent last year compared to the 287.9 million kilos of tea sold to overseas buyers in 2000, tea broking firm Forbes and Walker said.

Tea trade officials said that Sri Lanka's main competitor Kenya exported about 217 million kilos last year.

Despite Sri Lanka's higher tea exports last year and a 13.8 per cent increase in revenues, the foreign exchange earned from tea exports last year fell marginally.

Officials said the US dollar earnings dropped because the Sri Lankan rupee depreciated by about 16.5 per cent against the greenback last year.

Prices at the weekly Colombo tea auction, the world's largest tea sale where six to seven million kilos of tea change hands, is set in local currency.

WTO members strive to bridge differences on new trade talks

AFP, Geneva

WTO delegates were still searching on Thursday for an agreement to allow new international trade negotiations to get underway, trade sources said.

Although they seemed close to an accord on who should take up the influential role of chairing the talks, other thorny issues remain and consultations are continuing, the sources said.

Since Monday, the 144 members of the Geneva-based World Trade Organisation have been trying to hammer out details on how to arrange the negotiations, officially

launched by WTO ministers in Doha last November.

As well as the chairmanship of the trade negotiations committee (TNC), they must also focus on how to split up the negotiations into different bodies and who should chair these groupings.

Some countries, especially Bulgaria, are keen to have negotiations on the registering of geographical brand names extended beyond just wines and spirits, sources said.

They want explicit reassurances that the negotiations will also incorporate other items such as Gruyere cheese or Bulgarian yoghurt for example.

Members were initially blocked over the question of who should chair the TNC.

Some developing countries were worried that if a member of the secretariat, namely the WTO's director general, took up the role, it would put them at a disadvantage. They favoured a Geneva-based ambassador having the job instead.

But proposals taking developing countries' concerns into account, while suggesting the "director-general in an ex officio capacity" chair the talks seem to have brought the delegates close to an accord on that issue, sources said.

WEF economists paint gloomy picture of Japan's future

AFP, New York

Economists attending the World Economic Forum (WEF) on Thursday painted a gloomy picture of Japan's economic future, one of them saying it was at risk of permanently losing its status.

"Japan is at its moment of truth," Stephen Roach, chief economist at Morgan Stanley, said as he argued that it must immediately reform its financial sector.

"There is no turning back from the point of crisis that Japan is now at," Roach told a news conference on the sidelines of the annual WEF meeting.

There had been no structural reforms in Japan for a decade, he said.

The Japanese banking sector was in a "hopeless state," and the country's debt/GDP ratio was unsustainable for an economy in deflation.

"Japan can do it; it's a question of political will," Roach said.

But Gail Fosler, chief economist of The Conference Board, suggested that Japan's problems might be terminal.

"Most of developing Asia went through a massive realignment of its balance sheet" after the 1997-98 Asian financial crisis and was now in

growth, while Japan was still in recession, she said.

"Employment in Japan is lower than it was in 1990; the only reason that is tolerable is that the population is shrinking," she went on.

"The danger is that Japan is in a state of receding permanently as an economic power," Fosler said.

Jacob Frenkel, president of Merrill Lynch International, said Japan's economic importance had already faded.

"For many years, Japan has not contributed to the world economy, so its lack of recovery will not affect the world economy. The world has already adjusted," he said.