

DHAKA TUESDAY MAY 28, 2002

Policy-implementation gap a barrier to FDI: FICCI

STAR BUSINESS REPORT

Although the investment and trade regimes have been liberalised in Bangladesh significantly over the years to allow free market economy to flourish, there still remains a significant gap between the announced policies and their actual implementation, said Foreign Investors' Chamber of Commerce & Industry (FICCI).

"Unless this gap is removed, enhancing foreign direct investment (FDI) will remain a difficult sell to hard nosed foreign companies with a variety of options to consider," said David E Rees, Acting President of FICCI, at its monthly luncheon meeting held at Sonargaon Hotel in the city yesterday.

Bangladesh needs double digit growth rate over the next few years in order to get out of the

poverty trap. Domestic resources alone cannot help achieve this, he noted.

Rees felt that there is an ample scope of further growth in bilateral trade and private investment by entrepreneurs from EU countries.

"In a difficult global climate an enabling environment for FDI is, therefore, the need of the hour. This calls for reforms in the country's administrative, financial, fiscal, and legal sectors, which are quite daunting tasks. The issue most often cited by businessmen both local and foreign investors is a significant improvement of law and order in the country."

Given all the challenges that Bangladesh faces in attracting FDI in the very difficult market prevailing right now it is therefore highly incumbent on the authorities to avoid own goals, Rees observed.

Speaking at the function, Esko Kentschinskiy, Ambassador, Head of Delegation of the European Commission, termed the European Union (EU) the most important partner of Bangladesh. Last year, some 52 per cent of Bangladesh's exports had a EU address, he said.

This amounted to exports worth more than 3.7 billion euro, and taking into account exports from the EU to Bangladesh eventually resulted in a positive trade balance of Bangladesh with the EU of around three billion euro, he mentioned.

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

Sales campaign for Australian apples launched

A two-week sales promotion campaign for Australian apples has been launched at Agora superstore in the city on Sunday, says a press release.

Australian High Commissioner to Bangladesh, Robert Flynn formally inaugurated the programme.

Niaz Rahim, Managing Director of Agora, owning Rahimafroz superstores Ltd, presided the launching function. The launching ceremony was also attended by Rahimafroz Group Chairman Afroz Rahim, Austrade Senior Trade Representative Minhaz A. Chowdhury and Salimul Haque Esa of Tasho Enterprises, a leading importer of Australian apples.

The campaign will continue till June 8 in line with the countrywide sales promotion campaign of Australian Trade Commission (Austrade) for the produce.

Agora has offered very amusing and lucrative packages for the buyers of Australian apples during the campaign, the release added.

Indonesian, Indian cos to carry out gas exploration in Iraq

REUTERS, Baghdad

Iraq has signed contracts with Indian and Indonesian companies to carry out gas exploration in the country, Iraq's Oil Minister Amir Muhammed Rasheed said in remarks published on Sunday.

"India's ONGC (Videsh Ltd) and Indonesia's Pertamina will start exploration work of natural gas in an area near the Iraqi border with Saudi Arabia and the area between Najaf and Kerbala in southern Iraq," Rasheed told the local weekly newspaper al-Raei.

He said the two companies had already signed contracts with Iraq under an oil-for-food deal with the United Nations.

The deal allows Iraq to sell oil to buy food, medicine and other humanitarian needs for the Iraqi people suffering from 12-year-old sanctions imposed on Iraq for its 1990 invasion of Kuwait.

Rasheed gave no further details on the value and size of the two contracts.

Last year an Indian industry official said that ONGC would sign a contract with Iraq for exploration of Block No. 8 in Iraq's western desert.

Use of euro by British firms remains small

REUTERS, London

Use of the euro by firms or retailers in Britain remains small in spite of the introduction of euro notes and coins in the euro zone on January 1, a report from the Bank of England showed Monday.

The report, the BoE's latest in a series on "Practical Issues arising for the Euro," said, however, that the euro had overtaken the dollar as the most commonly held foreign currency account in Britain.

Britain is one of only three members of the 15-nation European Union not to have joined the euro.

At the end of March, the BoE found there were over 145,000 euro-denominated accounts at UK banks held by business and personal customers of which around 90,000 were held by firms.

During the transition period between the locking of exchange rates and the introduction of notes and coins in January, 60 per cent of British firms had predicted that the proportion of sales and purchases invoiced in euros would increase over time.

"In light of the experience that the

poverty trap. Domestic resources alone cannot help achieve this, he noted.

Rees felt that there is an ample scope of further growth in bilateral trade and private investment by entrepreneurs from EU countries.

"In a difficult global climate an enabling environment for FDI is, therefore, the need of the hour. This calls for reforms in the country's administrative, financial, fiscal, and legal sectors, which are quite daunting tasks. The issue most often cited by businessmen both local and foreign investors is a significant improvement of law and order in the country."

Given all the challenges that Bangladesh faces in attracting FDI in the very difficult market prevailing right now it is therefore highly incumbent on the authorities to avoid own goals, Rees observed.

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But FDI must be adequately linked to the local economy to increase potential spill over effects. Stimulating such linkages is a key challenge for governments of developing countries and their development partners."

"FDI can bring many benefits in terms of employment, higher wages and technology transfer. But F