

Khosru urges CMAs to help country get rid of corruption

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury Thursday said corruption and inefficiency in both the public and private sectors are tarnishing the country's image abroad.

It is the duty of the cost and management accountants (CMAs) to rid the country of the bad reputation, he said.

He was speaking as chief guest at the convocation ceremony of the Institute of Cost and Management Accountants of Bangladesh (ICMAB) at ICMA auditorium.

State Minister for Industries Razul Karim was present as special guest on the occasion. ICMAB President Rafiq Ahmed, Senior Vice President Abdur Rashid and Vice President AKM Delwar Hossain were also present.

"To get an ICMA degree is not enough in these days of competition and you have to increase your professional skill day by day," the minister told the degree holders.

Mercantile Bank signs IT solution deal

Mercantile Bank Ltd has signed an agreement with Link3 Technologies Ltd for providing IP VPN and WAN solutions between its branches in Dhaka and Chittagong, says a press release.

M Taheruddin, managing director of Mercantile Bank Ltd and Sk Raian Ahmed, chairman, of Link3 Technologies Ltd, signed the deal in the city recently.

Chairman and members of the Board of Directors of Mercantile Bank and Ziaul Islam, chief operating officer of Link3 Technologies Ltd, Kazi Saiful Islam, marketing manager of Link3 Technologies Ltd, and others were also present at the signing ceremony.

The automation will facilitate branch-to-branch banking through VPN and also set up connectivity between all its ATM locations.

Link3 Technologies Ltd is a full service Internet service provider that specialises in Internet and VPN connectivity through Radio Link.

It holds a nationwide Domestic Data Connectivity Solution Provider (DDCSP) license that allows it to provide data connectivity to its customers throughout the nation.

US, S'pore near free trade agreement

AFP, Singapore

The free trade pact currently being negotiated between the US and Singapore is nearing agreement, the US envoy to the city-state said Thursday without giving a date.

The free trade agreement (FTA) talks were "on track," US ambassador Frank Lavin said at a Singapore Press Club luncheon.

The next round of negotiations were due to take place next month to iron out certain issues, said Lavin.

"Some of the remaining issues or some of the stickier ones (are) left but there's been goodwill and professionalism throughout," he said.

"So I remain optimistic that at some point we are going to get to the finishing line. I don't want to give you a date," Lavin said.

"I think both sides have a seriousness of purpose and we make good progress in each round."

Indian firm to assemble vehicles in 3 countries

AFP, Bombay

India's largest tractor and utility vehicle maker Mahindra and Mahindra is to set up vehicle assembly units in Russia, South Africa and Indonesia for its newly launched Scorpio, an official announced.

Scorpio, a sports utility vehicle, will be assembled in the three countries in collaboration with local automobile companies, said Mahindra managing director, Anand Mahindra.

"The plan is to boost exports of Scorpio," Mahindra told reporters here late Thursday.

He said the company has been studying the three markets for the past few months and had decided to tap them for exports.

Mahindra Thursday launched the petrol version of Scorpio powered by a 2.0 litre MPFI engine from French auto maker Renault.

Create level playing field for foreign, local IT firms

Junior Chamber-The Daily Star dialogue urges govt

STAR BUSINESS REPORT

The government should create a level playing field for foreign and local software firms to help flourish IT business in the country.

Participants at a dialogue on "National Budget 2002: How Does It Promote IT & Agro/Agri-based Industry" also observed the government should computerise all its offices not only to increase efficiency and transparency but also to create job opportunities for IT educated people.

"Capable local software firms should not be prevented from participating in such bidding," said BASIS Chairman HN Karim at the roundtable.

He also observed local IT firms can do good business if they are given the responsibility to automate government departments.

Organised by Junior Chamber

Bangladesh in collaboration with The Daily Star, the roundtable was moderated by BRAC Executive Director and former advisor to the caretaker government Mueyed Chowdhury.

National Board of Revenue (NBR) Chairman Dr. Shoaib Ahmed delivered the keynote speech. Among others, Major General (ret'd) Amjad Khan Chowdhury of PRAN Foods, Dr. Yusuf Mahbulul Islam of BRAC University, Dr. Atiur Rahman of BIDS, Director of ATDP-II USAID Dr. Mahmudul Karim and National President of Junior Chamber Bangladesh Waqar Chowdhury spoke on the occasion.

Mueyed Chowdhury said computerisation of government departments will not only create jobs for IT professionals in the long run but also it will also help the country to export more IT experts abroad.

Referring to an example where a foreign company got the work of computerising the Chittagong Stock Exchange despite a local firm offered several times lower cost than the foreign one, Chairman of Computer Science and Engineering Department of BRAC University Dr. Yusuf Mahbulul Islam said, "Obviously there is a lack of confidence in our own professionals."

In order to address the issue government should form a committee to examine the standard of local computing companies, he observed.

While delivering the keynote speech, the NBR chairman described different initiatives taken by the government in the last national budget to give a boost to both the sectors.

"We have done it to have a sustainable growth of the country.

We cannot entirely depend on only ready made garment (RMG) and textiles sectors forever," he said.

Dr. Shoaib Ahmed observed the existing problems in the sectors should be identified immediately and conveyed to the authorities concerned. "I think those issues will be well taken care of," he said.

Talking about agro-based industries, Major General (ret'd) Amjad observed the 'disparity' in lending rates to agro-based industries needs to be addressed.

He also said in Bangladesh price of salt -- an essential ingredient for the agro-based industries -- is four times higher than the international price.

He also observed the country needs sophisticated lab facility and a packaging institute in the country for the development of the agro-based industries.

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Dhaka Chamber of Commerce and Industry (DCCI) announces its 'DCCI Business Award 2002' today to recognise the country's outstanding exporter and small and medium enterprise.

Prime Minister Begum Khaleda Zia will attend the award giving ceremony as the chief guest at the Bangladesh-China Friendship Conference Centre at 11 am. Among others, Finance and Planning Minister M Saifur Rahman, Commerce Minister Amir Khosru

Mahmud Chowdhury and Industries Minister MK Anwar will attend the function as special guests.

DCCI has introduced the award to encourage the SME entrepreneurs, DCCI President Matiur Rahman told a press conference yesterday.

Medals and crests will be handed over to 'Exporter of the Year' and 'SME of the Year' at the function. An eleven-member jury has been formed to select the best exporter and SME of the year.

The DCCI president disclosed

the jury board received 66 applications for the award in exporter category while 44 applications in SME category.

Replying to queries, Matiur Rahman said the Association would try to announce the award after every alternate year. "We are yet to decide whether we would be able to give the award every year. Our board will decide it," he said.

Among others, former DCCI president Benajir Ahmed and other directors of the chamber attended the press conference.



President of the Dhaka Chamber of Commerce & Industry (DCCI) Matiur Rahman (3rd-L) speaks at a press conference on DCCI Business Award-2002 at the chamber auditorium yesterday.

MIGA to help disseminate information to investors

STAR BUSINESS REPORT

Board of Investment (BOI) and Multilateral Investment Guarantee Agency (MIGA), a multilateral development agency and a member of the World Bank Group, have signed an agreement for providing investment information of Bangladesh to potential foreign investors.

As per the agreement, MIGA would cooperate with BOI on Internet-based information dissemination efforts for attracting foreign direct investment into

Bangladesh. Under the deal, MIGA will also assist BOI to develop its information system, said a press statement.

BOI will provide investment information content to MIGA for distribution to potential investors through its "FDI Xchange" and other online services.

The FDI Xchange of MIGA would provide potential investors with information on private participation in infrastructure and project finance, sale tenders of SOEs, opportunities to invest in new or existing private ventures, sector

profiles and strategic alliances.

The interested investors would also get information on FDI and business guides, macroeconomic data, operational cost factors, statistical data, FDI trends, market research and privatisation programme of Bangladesh.

Moreover, foreign investment laws in Bangladesh, incentives, business law overview, political framework and trade agreements would also be available on MIGA's online service, the press statement added.

Pakistan forex reserves rise to \$8.44b

REUTERS, Karachi

Pakistan's foreign exchange reserves rose to \$8.444 billion in the week ending October 19, up \$168 million from the previous week's \$8.276 billion, the central bank said Thursday.

The State Bank of Pakistan gave no reason for the rise, but bankers attribute recent increase in reserves to higher inflows from Pakistanis working abroad.

The central bank's direct holdings were \$6.091 billion, while commercial banks held \$2.353 billion.

The bank changed its method of calculating foreign reserves last year and now monitors total liquid foreign reserves, including previously undisclosed foreign exchange deposits held by other banks.

Pakistan's Finance Minister Shaukat Aziz said earlier this month the country's foreign exchange reserves were likely to be around \$10 billion by the end of current fiscal in June 2003.

Pakistan's backing of the US-led campaign in Afghanistan was followed by aid inflows from the United States and other western countries as well as debt rescheduling.

Higher remittances from overseas Pakistanis through official banking channels prompted by international probes of illegal money transfers have also helped boost foreign exchange reserves.

Bankers say they expect foreign exchange inflows to continue rising in the current fiscal year because of tight international checks on illegal money transfers.

South Korea seals free trade deal with Chile

AFP, Seoul

South Korea struck an unprecedented free trade pact with Chile Thursday after three years' of tricky bargaining, angering its farmers who announced a huge protest against the deal.

The foreign ministry said negotiators from both sides "settled all differences" on the landmark pact during their latest round of negotiations which began in Geneva last Friday.

"It's the first free trade agreement (FTA) that we have struck with a foreign country," Lee Seong-joo, head of the ministry's multilateral trade department, told a televised news conference.

Lee said he expected the pact between the two countries to take effect as soon as the agreement was ratified by their respective parliaments.

"It remains flexible. But I think the agreement will take effect from the first half of next year," he said.

But South Korean farmers denounced the trade deal and said they would stop it from being ratified by parliament.

"We cannot stop our anger from exploding. We will fight to the end to frustrate its ratification at the National Assembly," the Korean Advanced Farmers Federation said in a statement.

The federation, the biggest farmers' body with some 1200,000 members nationwide, said it would launch a campaign to win backings from legislators to veto the trade pact.

Preparation for DITF afoot

BSS, Dhaka

With the turn around of the year, preparation for the next Dhaka International Trade Fair (DITF), scheduled for January 7 to February 6 is going on in full swing.

The Export Promotion Bureau (EPB) which is in charge of holding the event for the Ministry of Commerce has already posted invitations to international partici-

pants for the 9th DITF, the agency sources said.

Bangladesh missions abroad are, playing active role in reaching the participants in Europe, North America, Australia and Asia including the seven SAARC countries.

The business firms of these countries attend the DITF every year and do brisk business. Bangladeshi exporters take this opportunity to display their

exportables to the buyers from home and abroad.

At the same time overseas participants would also display their products and advanced technologies to local entrepreneurs, said the sources adding that the DITF now works as a catalyst in the exploration of new area of business and facilitation of business contacts.

Every year the DITF is being participated by several hundred foreign and local business firms. The event continues over a month to turn into a festival for city dwellers who attend it in huge number to go round the stalls with family members for shopping with fun.

This year there will be about 400 display windows available for hire by local and foreign participants. It will include 10 premier pavilions, 54 mini pavilions, 35 premier stalls, 25 pavilions, and 268 ordinary stalls.

The EPB is now busy for taking all internal preparations. The fair spot located at the Sher-e-Bangla Nagar in the city near Bangladesh-China Friendship International Conference Center has already been developed with ground structure and construction of the display stalls will begin in early December.

The exhibits profile in the fair include machinery, equipment for agriculture and gardening, carpets, chemicals and allied products, cosmetics and beauty aids, dairy products and equipment, electrical and electronics items, food stuff and groceries, gift, novelty items, handicrafts, household appliances, sports and leather goods, textile and garments, sanitary wares, toys, stationary, watch, clocks and jewelry items.

Among the facilities that will be created at the exhibition site there will be a communication center with telephone and fax facilities, and access to electricity, banking, conference and seminar outfits.

China, ASEAN to launch free trade framework talks in Nov

AFP, Los Cabos, Mexico

China's trade minister said Thursday Beijing would officially launch negotiations on a free trade accord framework with Southeast Asia when Asian leaders gather in Cambodia next month.

Shi Guangsheng, Chinese Minister of Foreign Trade and Economic Cooperation, unveiled the plan at a ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) forum here.

"We will officially launch negotiations in Cambodia in November," Shi told his APEC partners, according to a Japanese delegation official.

Cambodia is to host a four-day summit on November 1 which will draw leaders from Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam as well as China, Japan and South Korea.

The 10-member Association of Southeast Asian Nations (ASEAN) and China are now drafting a framework for comprehensive economic relations including a free trade pact.

The two sides have yet to agree on a list of products to be covered by early tariff cuts under an "early harvest" element in the proposed free trade agreement, which would cover nearly two billion people and will be the world's biggest free trade zone if implemented.



Cars await shipping at Hyundai Motor plant in Ulsan, South Korea. Hyundai Motor Ulsan plant has its own port facilities that are simultaneously accessible for three 42,000-ton ships. About 65 per cent vehicles in South Korea are manufactured by the motor giant.

India most aggressive user of anti-dumping measures

REUTERS, Geneva

India has consolidated its position as the World Trade Organisation's (WTO) most aggressive user of anti-dumping measures against imports, the trade body said Thursday.

Figures for the first half of 2002 showed that India began 25 investigations into imports, three more than the United States, which ranked second.

Between them the two countries accounted for nearly half the 104 investigations launched in that period by the WTO's 144 member states into imports deemed to be priced below production costs.

The total number of probes was sharply down from 149 in the same 2001 period, the trade body

added. China, which joined the WTO at the end of last year, was again the target of the largest number of investigations with 16, followed by India, Indonesia and Russia, all with six.

WTO rules allow member states to set aside free trade regulations and impose anti-dumping tariffs if detailed investigations show that dumping is taking place.

Analysts say that although not all investigations lead to tariffs, they usually have an immediate impact on imports because importers are obliged to post bonds against eventual duties.

India overtook the United States, traditionally the champion of anti-dumping actions, for the first time in the second half of last

year when it instigated 51 investigations against Washington's 35.

Anti-dumping actions can be challenged through the WTO's dispute settlement system and if found unjustified, the country applying them should withdraw them.

Several anti-dumping actions by the United States, as well as other WTO members, have been declared illegal by neutral WTO trade judges, and developing countries have often accused Washington of abusing them to keep out goods competing with domestic products.

At last November's WTO ministerial conference in Doha, Qatar, trade ministers agreed to review anti-dumping rules as part of wide-ranging negotiations to make world trade still freer.