

## Task force soon to address WTO issues, FM tells MCCI roundtable

STAR BUSINESS REPORT

Foreign Minister M Morshed Khan said a national task force will be formed shortly with representations from ministries concerned and different trade bodies to address the WTO issues properly.

"We still don't have a national task force for addressing WTO issues. Roles of different ministries and trade bodies have changed to a great extent. It is high time to prepare ourselves to improve our bargaining capacity in the international forum," he noted.

The foreign minister was speaking as chief guest at a roundtable on 'the trade and industry's expectations from economic diplomacy' which is claimed to be the cornerstone of the government's policy' organised by Metropolitan Chamber of Commerce and Industry (MCCI) at its conference room in the city yesterday.

Apart from the WTO issues, the foreign minister also underscored the need for addressing intellectual property rights properly.

Trade barriers for countries like Bangladesh are becoming stronger and higher, Morshed Khan added. Citing an example, he added French export to the US market amounted to US\$31 billion and they paid duties and taxes of around \$250 million.

On the other hand, Bangladesh's export to the same market valued at \$2.3 billion and the country had to pay duties and taxes of about \$230 million, he said treating this as an uneven playing field for the country's exporters.



PHOTO: MCCI

Foreign Minister M Morshed Khan addresses a roundtable on trade and industry's expectations from economic diplomacy organised by Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) at the Chamber's Conference Hall yesterday. Tapan Chowdhury, president of MCCI, Yussuf Abdullah Harun, president of FBCCI, Mahbubur Rahman, president of ICC-Bangladesh, and Latifur Rahman, former president of MCCI, are also seen in the picture.

With MCCI President Tapan Chowdhury in the chair, leaders of other chambers and businessmen also took part in the discussion.

President of International Chamber of Commerce, Bangladesh Mahbubur Rahman observed there is a big gap between the country's policies and their implementation, recommending that there must be a coordination between the commerce ministry and the ministry of foreign affairs for trade promotion, which is presently lacking.

Many missions abroad are not serving any purpose. Some of the missions should be closed and steps should also be taken to revamp some missions where necessary, he stated. Improving the image of the

country has become very important now, Mahbubur Rahman said referring to two recent reports published in print media abroad.

The MCCI president said the commerce and foreign affairs ministries should prepare a joint study on the issues at stake in the WTO.

A three-monthly meeting between the foreign minister and the heads of selected trade bodies should be held for a review of concerned issues, he added.

President of the Federation of Bangladesh Chambers of Commerce & Industry Yussuf Abdullah Harun noted, "we need core staff on the WTO issues".

Former president of Bangladesh Garment Manufacturers and Exporters Association Anisur Rahman Sinha said big countries

are signing bilateral trade agreements that put Bangladesh into a disadvantageous position.

Referring to the country's image problem, Sinha said, "if we cannot project ourselves we will lag behind. I came across many people who had to put up with a lot of hassles right from getting down from the aircraft to reaching the hotel, which in fact creates a very poor impression about the country".

Director of Apex Tannery Group Syed Nasim Manzur said foreign buyers are facing serious hassles to get Bangladesh visa. Elaborating, he mentioned despite repeated attempts, one of his US buyers failed to get a visa for Bangladesh. "We were forced to show him a buyer of apparels instead of leather shoes because it was easy to

arrange that visa," he went on.

Former MCCI president Latifur Rahman stressed the need for identifying ways on how the country can make good use of duty free access to European Union, Canada and Australian markets. Light engineering and pharmaceutical products have good potentials to those markets, he added.

Besides, special attention has to be given to the potential Indian market, he felt.

Former deputy prime minister Jamaluddin Ahmed said image of the foreign officials abroad is very poor, foreign nations who want to visit Bangladesh have to face many hassles. He also urged the foreign minister to select right people for the foreign missions.

In this regard, the foreign minister said so far the ministry of foreign affairs has had no role in making these selections for which it has been difficult to choose the right people in foreign offices.

Editor of The Financial Express Moazzem Hossain said if investments at home do not pick up, foreign investment will not increase and the creation of a favourable environment is also necessary to improve the situation in this regard.

Former MCCI president Laila Kabir, President of American Chamber of Commerce in Bangladesh Aftabul Islam, chief executive officer of Pran Group Major General (ret) Amjad Khan Chowdhury, Summit Group's Aziz Khan also spoke on the occasion.

## No fund crisis for real business initiatives

Give up spoon-feeding attitude, Saifur urges businessmen

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Finance and Planning Minister M Saifur Rahman yesterday urged the businessmen of the country to give up their 'spoon-feeding' attitude in doing business in the country.

"If anyone comes with more honesty, enthusiasm and initiative ideas there will be no lack of fund," the minister said.

He was speaking as chief guest at the inaugural ceremony of German Textile Machinery Symposium- first of its kind in Bangladesh, organised by the VDMA Textile Machinery Association of Germany at a city hotel. German Ministry of Economics and Technology sponsored the two-day symposium.

Commerce Minister Amir Khosru Mahmud Chowdhury and State Minister for Textile Mizanur Rahman Sinha were present as special guests on the occasion. German Ambassador to Bangladesh Dietrich Andreas and VDMA Chairman Thomas Warmen were also present.

M Saifur Rahman advised the textile manufacturers to be cost-effective, saying "Time will come

when I will not be able to protect the industry." The government has already reduced the cash incentive from 25 per cent to 15 per cent and declared a total phasing-out of the subsidy by June 2005.

"We want to close the loopholes in the industry," he said, referring to some bad practices, including infiltration of yarn by some traders and businessmen from across the border.

The finance minister sought co-operation of local businessmen to curb such practices. Saifur said to produce quality jute products, jute industries of the country could use the German machinery brought at the symposium. "This will be helpful to recover the past glory of jute industries," he added.

Commerce Minister Amir Khosru said as the country's textile industry is at crossroad, textile entrepreneurs should take steps to face the future challenges.

He also said Bangladeshi textile industry uses German machinery from the very beginning, as the quality is good. After the USA, Germany is the second largest importer of readymade garments

from Bangladesh, he added.

State Minister for Textile said though two-decade old garment industry is a success story for the country, there is a lack of adequate backward linkage in the industry. "As a result we have to import 80 per cent raw materials from other countries," he added.

"Textile industry is very promising in this country," said the German ambassador, stressing the need for concentration on the technology to face the challenges of the competitors in the years to come.

Eighteen leading textile machinery producers will present and explain the latest technology in the fields of spinning, finishing and knitting at the symposium.

German textile machinery exports to Bangladesh amounted to 26 million euro in 2000 and jumped by 60 per cent to 42 million last year.

Bangladesh annually exports apparels, shrimp and leather worth 800-900 million euro to Germany while it import goods approximately valued at 130 million euro from the EU nation.

## Standard Bank to up authorised capital

The Board of Directors of Standard Bank Limited has decided to increase the bank's authorised capital to Tk 125 crore from Tk 75 crore, says a press release.

The decision was made at the Board's 47th meeting held on Sunday in the city.

Chairman of the Board of Directors of the Bank Kazi Akramuddin Ahmed presided over the meeting. It was attended by Vice-Chairman Feriur Rahman, directors Kamal Mostafa Chowdhury, Mohd. Nurul Islam, Mohd. Ayub, Ashok Kumar Saha, Harun Rashid Chowdhury, Mohd. Abdul Aziz, Mohd. Nurul Haque Sowdagar, Al-haj Md Shamsul Alam, Ferdous Ali Khan, Managing Director Sahazada Syed Nizamuddin Ahmed and Deputy Managing Director Mosharrarf Hossain.

## New AMD of Uttara Bank



Md Abdus Sattar has been promoted to the rank of Additional Managing Director (AMD) of Uttara Bank Limited, says a press release.

Prior to his promotion, he was the Deputy Managing Director of the bank.

Sattar started his banking career in 1971 as probationary officer in the erstwhile Eastern Banking Corporation (now Uttara Bank Limited) under Bank Officials Training Scheme conducted by the then State Bank of Pakistan.

Born in the year 1947 in Chandepara in Narsingdi, Sattar obtained his graduation degree from the Narsingdi Govt. College in 1969 and Banking Diploma in 1978.

## Crime takes toll on RMG sector, says BGMEA

BGMEA President Kutubuddin Ahmed has said various types of criminal acts are jeopardising the readymade garment sector of the country, says a press release.

He was delivering the keynote speech on the effect of crime on global economy at the inaugural programme of an anti-crime campaign organized by Global Campaign Against Terrorism at Bishwa Shahittaya Kendra in Dhaka recently.

Ahmed mentioned that Bangladesh RMG sector was severely effected by the terrorist attack on the USA and after the incident of September 11, 2001, more than thousand garment factories declared lay-off and over three lakh garment labourers became unemployed.

## A local 4-stroke solution

STAR BUSINESS REPORT

A silent revolution dates back to 1995 when a motor mechanic made a motorised three-wheeler in Sherpur, Bogra, far from the capital.

Rafiqul Islam, the motor mechanic, made the three-wheeler by using a four-stroke diesel engine of 8.5-horse power capacity, much to the enthusiasm of local people. The vehicle got popularity mainly because of its low cost.

Now Rafiqul Islam planned to widen his horizon. He applied to Grameen Fund for loan for expanding his project in 1997. Grameen Fund, a subsidiary of Grameen Bank, responded positively. Grameen Fund allocated fund for the vehicle, already known as 'Rafiq Auto-van'.

At one stage, auto-mobile engineer Hasan Reza, a Canadian citizen, joined the project. Using his experience and knowledge, the auto-mobile engineer contributed a lot to the development of the vehicle, which by the time got government approval.

Frantic effort of Rafiqul Islam and Hasan Reza gave birth to a 'second



generation auto-van' -- a complete public transport. The second generation model of the three wheeler passed the technical tests at BUET, BRTA and Department of Environment. At this stage Communications Minister Nazmul Huda gave preliminary approval of the project following which Rafiq Auto-van Manufacturing Industries Ltd was commenced.

At the first phase, the company

got approval from the BRTA to manufacture 50 vehicles to be pilled in rural areas. Two models of the vehicle are able to carry eight passengers and 500 kilograms of goods. The price of the single unit is fixed at Tk 78,000 including VAT.

The communications minister inaugurates the first model of the three-wheeler, Gram Bangla Auto Van, at a ceremony at the Grameen Bank auditorium today.

## Prime Bank Opens branch at Madhabdi

Prime Bank Limited has opened a new branch at Madhabdi in Narsingdi.

With this, the total number of branches comes to 27.

Quazi Sirazul Islam MP, Chairman of the Board of Directors of the bank, inaugurated the branch as chief guest. While Shah Md Nurul Alam, managing director of the bank, presided over ceremony on Tuesday, says a press release.

Sponsor Director and Vice-Chairman of the Board Md Shahadat Hossain, Chairman of Executive Committee MA Khaleque, Chairman of the Policy Committee Feroza Amin, Director Md Sirajul Islam Mollah, Nasim Anwar Hossain, Representative Director MA Wahhab and Additional Managing Director M Shahjahan Bhuiyan, customers, patrons and elites of Madhabdi were also present on the occasion.

## 3rd AGM of Dutch-Bangla Chamber held

The 3rd annual general meeting of Dutch-Bangla Chamber of Commerce and Industry was held at a city hotel on Sunday, says a press release.

The meeting was presided over by the outgoing President Kh. Mokarram Hossain.

Golam Mustafa, chairman of DBCCI Election Board, announced the new executive committee for the year 2002-2003.

Ambassador of Royal Netherlands, Sjeff IJzermans was the chief guest on the occasion. The audit for the year 2000 and 2001 was approved by the members present in the meeting.

Ambassador of Royal Netherlands Sjeff IJzermans, Kh. Mokarram Hossain, outgoing secretary general, M Hassan Khaled, Golam Mustafa and the newly-elected president Alamgir Rahman also spoke on the occasion.

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More than fifteen thousand people visited the four-day BASIS SoftExpo 2002, organised by the Bangladesh Association of Software and Information Services that concluded yesterday at the Sheraton Hotel.

Among the visitors, more than 50 per cent included students, 34 per cent professionals, 16 per cent business executives and three per cent CEOs.

A few foreigners also visited the exposition and expressed their satisfaction over several software.

Forty-one Bangladeshi software companies showcased different types of world class software and IT services on banking, enterprise resource planning (ERP), accounting, call register, animation and human resource management.

BASIS President Habibullah N Karim said the exposition had been able to earn confidence local and international companies.

Five seminars on ICT issues like Legal and Policy Foundation for Promoting ICT Sector, E-governance and E-tendering and Roadmap of ICT in Bangladesh were also held during the fair.

Almost ten foreign ICT experts expressed their views at the seminars which was attended by more than 1100 participants from different corporate, government and private sectors.

The next SoftExpo will be held from October 8 to 11, 2003.

Southtech ASCEND -- comprehensive micro-finance software of Southtech Limited -- has successfully used in 700 branches of BRAC area offices throughout the country. By March 2003 BRAC's three hundred more branches in the country and ten branches in Afghanistan will use this software.

"According to a World Bank report, our software is the largest micro finance installation software

in the world," said Southtech Limited Relation Manager Ali Salman.

Southtech EasyPos-- a point of sale software for large department stores and supermarkets -- will be used at Nandan Megasoft superstore at Gulshan that will be inaugurated in November.

Ali Salman said businessmen of the country have negative attitude about quality of local software.

He said they offered their Southtech EasyPos software to 'Agora' at a very low price, but the superstore did not accept it, as it was indigenous. In stead of the store is using Sri Lankan software that cost Tk 1.20 crore.

"Recently Agora authorities are facing some technical problems and they have to bring engineers from Sri Lanka to solve the problem," he added.

## 'Regional tensions, violence spoil India-US trade'

AFP, New Delhi

US ambassador to India Robert Blackwell said Tuesday India-Pakistan tensions, communal violence, red tape and economic uncertainty are preventing American investors from doing business here.

"Americans hesitate to invest in India because of the uncertainty over India's economic reforms," Blackwell said at an India-US business meeting, attending by about 200 industrialists and economy-watchers.

"The disinvestment debate in the last two months is only the latest example. Potential US investors stress to me that Indian taxes and tariffs are still too high, and there remains too much government interference over business decisions."

Blackwell was referring to the sale of two premier oil companies that has been stalled due to differences between members of the Indian cabinet.

"Within the US business community, there is an erosion of confi-

dence about whether the sanctity of contracts will be honoured in India. There is also no question that tensions between India and Pakistan and communal violence further dampens investors' urge to come to the Indian market," he added.

For the past year or so, the South Asian investment climate, particularly in the large and growing Indian economy, has remained dull due to the India-Pakistan crisis triggered last December by a militant attack on the parliament building in New Delhi.

## Citibank remains 'best int'l cash management bank'

Citibank has been made the Best International Cash Management Bank for the second consecutive year by the Treasury & Risk Management magazine, says a press release.

In the second annual cash management survey, readers of Treasury & Risk Management selected Citibank as the 'Best International Cash Management Bank'.

Over two hundred companies responded to the survey and responses were grouped according to companies with more than US\$ 500 million of revenue and companies with less than US\$ 500 million of revenue.



The newly-elected President Alamgir Rahman speaks at the 3rd AGM of DBCCI held in the city on Sunday. Ambassador of the Royal Netherlands Sjeff IJzermans, outgoing president Kh. Mokarram Hossain and outgoing Secretary General M Hassan Khaled are also seen in the picture.

## Japan, Europe urged to help world economy as US falters

AFP, Tokyo

Japan and Europe must fix their economies to boost global growth as former driver the United States struggles to avoid a double dip recession, a top investment banker said Tuesday.

"According to our estimates global GDP (gross domestic product) will slow to 2.5 per cent in 2002, the threshold that many define as a global recession. In region after region growth is anaemic at best," said Robert Scott, president and chief operating officer of Morgan Stanley.

Events such as the terrorist attacks in New York and Washington last year, the Bali bombing earlier this month and the increased threat of war with Iraq has placed the world

economy in a precarious position, he told a business forum organised by the Nihon Keizai economic newspaper in Tokyo.

If the US economy slips into a double dip recession, following last year's slump, many others countries would follow suit, Scott warned.

"A multinational effort is required to pull the global economy out of this slump. Japan and Europe's contribution to global growth is vital. It must be far greater than it has in the past several years."

Since 1995, US domestic demand has grown by around five per cent a year, more than double the average rate of two per cent in the rest of the world, "underlining the world's dependence on the US as the sole engine of growth."

But US consumers "may not be

able to continue its buying spree for much longer", he said.

Europe's economy will expand by a feeble 1.1 per cent in 2002 and 2.8 per cent next year, according to the US bank's predictions. Adding to the gloom, Japan -- the world's second largest economy -- will likely contract by 0.4 per cent this year and can only expect growth of 0.9 per cent in 2003, Scott said.

The US economy would expand 2.4 per cent this year, according to Morgan Stanley, but the bank recently downgraded its GDP growth projections for 2003 to 3.1 per cent.

Japanese authorities must remove the massive weight of non-performing loans from the banking system to boost the economy, said Scott.



PHOTO: SCANCEMENT

An agreement has been signed between Bangladesh Power Development Board and ScanCement International Ltd. for continuous supply of ScanCement to PC Pole Factory at Aricha, Manikganj. Zafar Ahmed, director (Civil Works) of BPDB, and K M Zahid Uddin, general manager-Marketing & Sales of ScanCement International Ltd, signed the agreement on behalf of their respective sides.