

## Shrimp market share depends on product diversification

Farmers, experts observe

REAZ AHMAD

Better quality management, improved farming and diversified products can help the burgeoning shrimp industry of Bangladesh capture a bigger share in export market.

With yearly income of 350 million US dollars from shrimp export, the sector stands next to garment and knitwear industry in earning foreign currency for the country.

Sources in the shrimp sector pointed out with an area of hardly 70,000 hectares available for farming shrimp, Thailand emerges as the world's leading exporter of shrimp with 30 per cent of the market share. In sharp contrast, Bangladesh's shrimp industry involving 130,000 hectares of land could so far capture hardly three to five per cent of the world market.

In Bangladesh, there are

some 9000 shrimp farms covering an area of about 130 thousand hectares of land, which is 12.7 per cent of total global area under shrimp culture, producing an average output of 30 thousand tons annually, which is five per cent of the global production, said a paper prepared by Mustafizur Rahman of the Centre for Policy Dialogue.

Recently, a group of six shrimp farmers and suppliers working with the Agro-based Industries and Technology Development Project (ATDP) visited Thailand to study how Thai shrimp industry is preparing to meet the coming international certification standards.

ATDP, a collaborative effort of the Ministry of Agriculture and the United States Agency for International Development (USAID), is now actively promoting a Seal of Quality (SOQ), enabling Bangladesh's shrimp to

earn a better reputation in the export market.

The Thai visit gave the shrimp farmers an impression that cashing in on its full potential, Bangladesh's shrimp industry could fetch more earnings from exports.

In the past, Thailand's shrimp industry faced similar problems now Bangladesh is confronting. Thailand had to deal with long supply chains, disease, antibiotic in the feed and environmental issues in the mangrove areas. In order to save an industry that brings Thailand over one billion dollars revenue annually, the producers, transporters and processors formed an all-industry organisation and created a code of conduct to certify their products, an expert noted.

"In Thailand, farmers, processors and government officials readily realised their mistakes and tried to correct them quickly,"

stated a shrimp farmer.

According to the ATDP, Thailand has four well-equipped inspection centres for detection of bacteria, virus, antibiotics and heavy metals but the two centres of Bangladesh are not well equipped.

Fisheries ministry officials said an initiative has been taken to upgrade the capabilities of these inspection centres.

While Bangladesh did not at all explore the possibilities of product diversification and remained happy with the export of frozen shrimp only, Thailand went ahead with its diversified range of product -- frozen, canned, dried and salted shrimps.

In comparison to 42 large scale modern feed mills in Thailand, Bangladesh has got only six large modern feed mills and 20 small scale crude (not

modern) feed producing factories.

There is no open auctioning of shrimp in Bangladesh whereas Thailand has developed three open auction markets.

"Bangladesh receives 10 per cent less for its shrimp than its competitors because of perceptions that its shrimps are not clean. Last year this amounted to nearly 30 million dollars in lost revenue," James Dawson, Chief of Party of ATDP, noted.

Dawson viewed as the world moves ahead in setting new parameters that include hygiene and food safety, human rights issue, fair labour practices and environmental practices, Bangladesh should be able to capture the export market more vigorously by pursuing better quality management.



Commerce Minister Amir Khosru Mahmud Chowdhury inaugurates three CEMS exhibitions at Sonargaon Hotel in the city yesterday.

## 2nd outlet of Agora opens

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury has said successful chain supermarkets can create a strong base for export and benefit producers as well as consumers.

The minister was speaking at the inaugural session of the second outlet of Agora, first chain superstore of the country, at Gulshan in the city on Thursday.

Consumers can enjoy shopping at superstores in a very hygienic environment, the minister added.

State Minister for Energy and Mineral Resources AKM Mosharraf Hossain and Rahimafrooz Group Chairman Afroz Rahim also attended the function. Rahimafrooz Group Chief Executive Officer Feroz Rahim presided over the function.

Speaking at the function, Managing Director of Rahimafrooz Superstores Ltd Niaz Rahim hoped the new Agora sales centre would win customers' confidence.

Agora offers essential commodities, household, pharmaceutical items and beauty products at competitive prices. Agora's first outlet was opened at Rifles Square in the city's Dhanmondi area in August last year.

## 2-day BSTQM convention begins

BSS, Dhaka

The seventh annual convention on total quality control management began here yesterday with a call for improving productivity and achieving excellence in managing industrial and business enterprises for sustainable development.

The theme of this year's convention is "Improvement through Small Group Activities and Creating a Better World".

Speakers at the convention said TQM is a comprehensive effort by an organisation to change its whole approach to business, industrial units and educational institutions to make quality a guiding factor in everything an establishment does.

Bangladesh Society for Total Quality Management (BSTQM), a voluntary organisation engaged in making breakthrough in promoting quality management in the country, organised the two day convention in association with Institution of Engineers, Bangladesh (IEB) and Bangladesh AOTS Alumni Society (BAAS).

The inaugural function held in the auditorium of IEB, was opened by BSTQM President Hasina Doula.

It was addressed, among others, by AMM Khairul Basher, a quality management expert and convener of the convention, SU Khan, president of BAAS, Sunil G Wijeshinha, managing director of Merchant Bank, and TQM expert of Sri Lanka, Prof Dinesh P Chapagain, Dean of Engineering of Kathmandu University and Prof Dr Vasanthakumari of Crescent Engineering College, Chennai, India.

Experts from Sri Lanka, India, Nepal and host Bangladesh presented keynote papers in the convention. About 350 delegates from 35 organisations are attending the convention.

## EC IT&C project opens up new avenue for locals

High official tells *The Daily Star*

MUSTAK HOSSAIN

The \$30 million Asia IT&C Programme, launched by the European Commission (EC), has opened up a huge avenue for professionals and firms of Bangladesh's information and communication technology (ICT) sector, a key official of the programme said.

The objective of the programme is to co-finance beneficial partnerships in information technology and communication between Europe and Asia, Chris Brown, the visiting operations Director of Asia IT&C Programme of the EU told *The Daily Star* in an interview.

He said Bangladesh is yet to utilise the grants, although many of its neighbouring countries, including India and Nepal, have already got approval in some projects.

Launched in 1999, the

programme aims at promoting ICT co-operation between non-profit organisations of Europe and Asia.

The project deals in eight areas -- e-commerce, education, society, i-manufacturing, health, tourism, transport and agriculture.

Brown said the grants under the programme range between \$100,000 and \$400,000, depending on the size and work of the projects.

Every year EU announces schedules for submitting proposals for approval, he said.

Bangladesh is yet to get approval for any project under the scheme, he said adding that there is bright prospect to get approval of a \$400,000 project submitted by Bangladesh University of Engineering and Technology (BUET).

Brown said EC has approved a fund amounting \$5 million for the

year 2003 and the schedule for submitting proposals will be announced by January.

Brown said the main intention of his visit to Bangladesh is to encourage Bangladeshi IT entrepreneurs to apply for the fund.

He said if the scheme is utilised a long-lasting relationship and joint innovations between Europe and Asia may flourish.

He said before applying it is better for the firms to form association or consortium.

Call for proposals of the project are published annually in the official journal of the European Communities. Application guidelines and forms are available with the call for proposals on the Asia IT & C web site: <http://europe.eu.int/comm/europe/aid/projects/asia-itc>.

## ICB okays 8pc dividend

The Investment Corporation of Bangladesh (ICB) has approved an eight per cent dividend for the shareholders for the fiscal year 2001-2002, says a press release.

The dividend was okayed at the 26th annual general meeting of the corporation held at a city hotel on Thursday.

The chairman of the board of directors of the corporation, Abdus Samad Mallick, presided over the meeting.

The dividend was given out of the net profit of Tk 10.43 crore earned in 2001-2002.

The dividend and net profit are 14.29 per cent and 27.72 per cent higher respectively than those of previous year. The level of income and net profit during FY 2001-2002 was the highest since the establishment of ICB.

The Corporation had earlier declared attractive dividends on its Eight Mutual Funds and on the Unit Fund, highest being 175 per cent on the First Mutual Fund, which was the highest cash dividend in the country for the FY 2001-2002.

ICB has undertaken strategic changes in its operational and business policies to meet the challenges arising out of integrated reforms in the financial sector. During FY 2001-2002 the Corporation committed a net financial assistance of Tk 28.96 crore to 15 companies in the form of direct underwriting, Pre IPO placement and Lease finance. The corporation recovered a sum of Tk 70.48 crore during FY 2001-2002 which is 30.55 per cent higher than that of previous year.

## Ex-Enron finance chief indicted for fraud, money laundering

AFP, Houston

Enron finance chief Andrew Fastow was indicted Thursday on 78 counts of fraud, money laundering and conspiracy charges in the scandal that led to the spectacular meltdown of the energy giant.

The indictment unsealed here also accuses Fastow of obstruction of justice in connection with the scandal that led to the collapse of Enron, once the seventh-largest US company.

The grand jury indictment comes weeks after similar charges were filed in criminal complaint by US prosecutors. The indictment eliminates the need for preliminary hearings and allows the case to go directly to trial.

On October 2, the 40-year-old Fastow was led handcuffed into the Houston courtroom by FBI agents to face charges he and other officials manipulated Enron accounts to make the company look deceptively attractive to investors, then profited from inflated share prices.

The indictment claims Fastow and others "devised a scheme to defraud Enron, its shareholders and others" through off-balance-sheet transactions "that allowed Enron to make itself appear more attractive to Wall Street investment analysts, credit rating agencies and others," the Justice Department said in a statement.

## Three CEMS fairs begin

STAR BUSINESS REPORT

Three separate exhibitions of electronic items, general products and real estate products started at Sonargaon Hotel in the city yesterday.

The three-day expositions -- ELEXPO'02 of electronic equipment, MID-MIX'02 of general products, and CONEXPO'02 of construction material, equipment and real estate companies -- have been organised by Conference and Exhibition Management Services (CEMS).

Commerce Minister Amir Khosru Mahmud Chowdhury formally inaugurated the exhibitions, which are open to all from 10am to 8pm till Sunday.

At the inaugural function, the commerce minister emphasised the need for creating a strong consumer society for economic

development. According to him, exhibitions can play an important role to create such consumer society.

"I hope such exposition would help make interaction between traders and consumers," he said. Amir Khosru also observed such fairs and exhibitions play a significant role in product marketing.

Khosru said, an independent body named 'Consumers Council' will be formed in the country soon aimed at protecting the interest of consumers.

The minister also told the function a permanent venue for such fairs would be ready by next year on a 35-acre of land in the city.

A total of 56 companies are taking part in the exhibitions. Out of these companies, 20 have their stalls at MID-MIX'02, showcasing cosmetics, sari and selwar-kamiz, besides products of service

organisations and airlines.

Twenty-three companies are taking part in CONEXPO'02, displaying construction materials, construction method and equipment.

Thirteen companies are participating in ELEXPO'02. Products like electronics equipment, refrigerator, television set, air cooler, microwave oven, computer and computer printer are on display in the show.

A large number of visitors gathered at the expositions on the opening day.

Meherun N Islam, chief executive officer (CEO) of CEMS, said the exhibitions target the entire clientele of Dhaka.

Since its inception in 1992, CEMS has been organising exhibitions, seminar and conferences on various subjects at national and international levels, Meherun N Islam said.

## Colombia, Bolivia, Peru, Ecuador get US trade benefits

AFP, Washington

Bolivia, Colombia, Peru and Ecuador are eligible for new trade benefits with the United States under a law passed earlier this year to aid Andean nations, the White House said.

In a proclamation signed Thursday by President George W. Bush to implement the Andean Trade Promotion and Drug Eradication Act, Ecuador, which had been a borderline case, was included at the last minute.

Secretary of State Colin Powell said last month that Ecuador did not meet the act's criteria, but that he was working with the country "to see

how we can improve their eligibility as quickly as possible."

The program, approved by the US Congress in August, grants the Andean countries duty-free access to US markets for approximately 5,600 products in exchange for their efforts in the war against drugs.

The original program, which began in 1991, expired in December. It was renewed and enhanced by 700 products -- the equivalent of more than 1.2 billion dollars -- as part of the Trade Act of 2002.

In the cases of the four countries approved Thursday, the program will allow duty free export of goods worth some 20 million dollars.

## Nepalese growth stagnant, says minister

AFP, Kathmandu

Nepalese Finance Minister Badri Prasad Shrestha Thursday said the country's economic growth in the past three months had been stagnant.

"In the past three months since the new public exchequer's 1.23 billion dollar annual budget for 2002/2003 was announced, the position of economic growth was zero per cent," he told a press conference.

Shrestha, who is part of an interim government appointed by King Gyanendra earlier this month, said the poor state of the economy was due mainly to security problems within the country where an increasingly violent Maoist rebellion has killed more than 7,000 people in the past six years.

## Vietnam eases import curbs to end motorbike dispute

AFP, Hanoi

Vietnam said Friday it would allow the immediate importation of 185,000 motorcycle kits in a bid to end a bitter two-month dispute that forced two Japanese manufacturers to suspend operations.

The directive to ease the import quota restrictions was signed by Deputy Prime Minister Nguyen Tan Dung on Thursday, an official from the Government Office said.

"This decision was made to help these assemblers keep their production on track," he said requesting anonymity.

Assembly lines at Honda's plant ground to a halt on September 18, Yamaha followed suit on October 17 after running out of parts and Suzuki said it would have to stop production this month.



Abdus Samad Mallick, chairman of the Board of Directors of Investment Corporation of Bangladesh, presides over the 26th annual general meeting of the Corporation at a city hotel on Thursday. Ziaul Haque Khondaker, managing director of the Corporation, was also present.

## Pakistan on track to meet growth target: Minister

AFP, Karachi

Pakistan's economy is on track to meet the government's latest growth target, Finance Minister Shaukat Aziz said Friday as he released a slew of data showing the economy was gaining momentum.

"The trends are heading in the right direction, giving us confidence that we will meet GDP growth of 4.6 per cent this year," Aziz told a gathering at the launch of an online stock trading company.

Economic growth was 3.6 per cent in the previous year fiscal year that ended June 30.

Better performances in Pakistan's manufacturing and agriculture sectors drove improvement across the economy during

the first quarter of the 2002-2003 fiscal year, Aziz said.

Industrial production during the first quarter that ended September 30 grew by 5.2 per cent year-on-year, while bicycle, motorcycle and car production was up 29.3, 28.8 and 25.6 per cent respectively.

"That definitely shows that economic activity is building up momentum," the minister said.

Exports grew by 14 per cent over the same period, outstripping import growth of 11 per cent and improving the balance of trade by 16 per cent.

Non-oil and non-food imports increased significantly, Aziz said.

"Such an impressive recovery in non-oil and -food imports as well as

machinery imports is a clear indication of rising levels of domestic economic activities," he said.

Machinery imports grew by 25.4 per cent year-on-year.

Pakistan's foreign exchange reserves meanwhile stood at 8.53 billion dollars at the end of the quarter, and are forecast to hit double digits by the end of next June, Aziz said.

"By the end of 2002, reserves are likely to cross nine billion dollars and by the end of fiscal year 2002-03, they are likely to cross 10 billion dollars," he said.

Foreign investment was also up, standing at 167.4 million dollars compared with last year's 21.9 million dollars.